



Executive
Marketing Recruitment.

Diversity in the Marketing Industry

The Importance and Progress of Inclusion



Introduction - Marketing Leads the Way on Gender Diversity

Why is Diversity so Important for the Marketing Industry?

Why are Ethnic Minorities Still Under-Represented in Many Businesses?

EDI Reporting

What are CMOs doing to Improve Diversity in their Organisations?

Conclusion



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But There's a Long Way to Go on Ethnic Diversity

When we asked our panel of marketing leaders in [The CMO Report](#) what the hot topics were going to be for marketing in the coming years, diversity was unanimously high up the agenda. While there is much to be celebrated in terms of gender diversity within the marketing profession, ethnic diversity is still an area that needs real development.

Statistics from [LinkedIn](#) showed that in 2021, 52% of CMOs were women but only 13% had a racially diverse background. While these statistics have moved on a little with the increased focus that businesses are placing on diversity, there's still an issue of under-representation of ethnic minorities in marketing.

As the voice of the customer within a business, how are marketing teams meant to speak to a diverse audience without truly understanding the different people they're trying to reach? Tackling this problem puts marketing at the forefront of introducing strategies for integrating talent from diverse backgrounds and ensuring diversity of thought within organisations.

In this report we look at:

- *The commercial impact of diversity on marketing and the wider business*
- *How the next generation of talent is driving the diversity agenda*
- *What factors are impacting under-representation*
- *What CMOs are doing to achieve diversity of thought in their teams*
- *How businesses are tackling this issue from the c-suite down*

This report was written in collaboration with our D&I partners [VERCIDA](#) - Diversity and Inclusion Specialists.





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Why is Diversity so Important for the Marketing Industry?

The societal drivers for prioritising diversity are obvious. It's undoubtedly the right thing to do. But there are also compelling commercial reasons, and these are particularly clear in the marketing profession.

Central to all forward-thinking marketing strategies is customer focus. "Having diversity of thought is required in order to meet the needs of our consumers globally" said Lisa Jazwinski, Global Director of Marketing Strategy & Planning at Bacardi in tml Partners' CMO Report.



We're trying to reach diverse audiences, so we need to know and understand these audiences. This can only be achieved through having representation within the marketing team. When you have diversity of thought, that's when you can achieve true customer focus. Nurturing and sustaining diverse and inclusive talent is a proven way for companies to make smarter decisions. This is when you can really drive the growth of a business and achieve significant market share.

For the next generation of marketing leaders, EDI credentials are a significant factor in whether they work for or stay with a business. In the [Deloitte Global 2022 Gen Z and Millennial Survey](#), those that are satisfied with their employer's efforts to create a diverse and inclusive environment are more likely (52% for Millennials and 32% for Gen Z) to stay with their employer for more than five years. And 46% of both Gen Z and Millennials in senior positions have rejected a job and/or assignment based on their personal ethics.

In a competitive recruitment landscape, especially so within the marketing industry, organisations need to take a holistic view as to how to attract and retain staff. This incorporates organisational values and culture, of which EDI is a large part.





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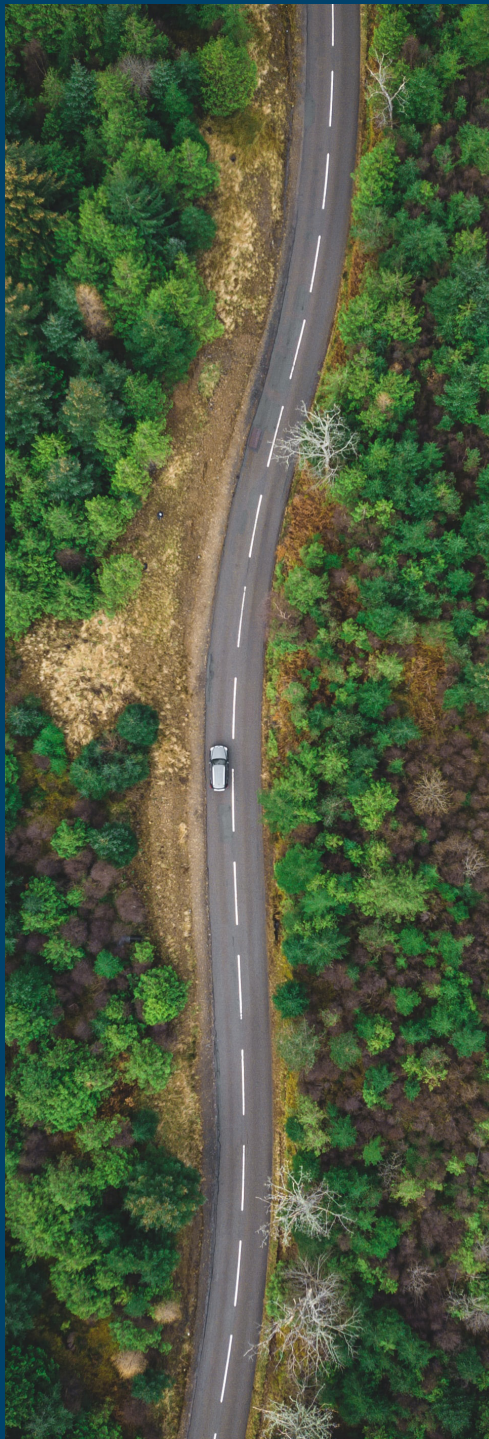
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Conclusion



Why are Ethnic Minorities Still Under-Represented in Many Businesses?

Most organisations now recognise the importance of educating their employees on unconscious bias and integrating inclusive hiring practices, thereby opening the door to more diverse talent. Marketing is no different and is often leading the way in this work. However, we also know that as an industry we can, and must do more. In tackling the wider issues at play, it's important that we understand those things that could be limiting our ability to measure success and prompt real, measurable and lasting change.

The motivation and 'want' to ensure that the industry is truly accessible to those from diverse ethnic backgrounds is obvious. However, we also know that there are many other inequalities and inequities competing for our attention. When we have so many priorities, how do we ensure that we remain focussed on tackling the under-representation of those from ethnic minorities?

For the public sector, organisations are required to monitor their EDI activity as a statutory duty of The Equality Act 2010. This [Public Sector Equality Duty](#) (PSED) has been in place since April 2011 and has three main aims; requiring public bodies to have due regard to:

- eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act
- advance equality of opportunity between people who share a protected characteristic and people who do not share it
- foster good relations between people who share a protected characteristic and people who do not share it.

The PSED also comes with a requirement on public sector organisations to publish information on how they are complying with the aims of the Act. Naturally, this results in a huge amount of data, over a decade's worth at this point, being available in the public domain to show how organisations are performing against others. This is a powerful driver for organisations to do better and at the very least, maintain position with their peers and at best, excel and be able to shout proudly about their diversity achievements.

In contrast, the same data is simply not available or widespread enough to help the private sector carry out the same level of benchmarking. Does this mean that the marketing industry's hands are tied when it comes to committing to EDI activity and making the changes necessary to make it a truly inclusive and representative industry? Those who are truly committed within the industry would agree that it's an unhelpful barrier, but certainly no deterrent.

However, it's worth remembering that the private sector does have some benchmarking data available, as gender pay gap reporting was brought in in April 2017. In a similar way to the PSED, it shone a light on the issues within business in relation to gender diversity, but where is the ethnic diversity equivalent for the private sector? There was a consultation launched on ethnicity pay gap reporting six months after the introduction of gender pay gap reporting, which was very much with a view to *how* this should be implemented, *not if*. However, with the advent of Brexit followed by the global Covid pandemic, this has been stalled, albeit with many calls to reinstate the process.



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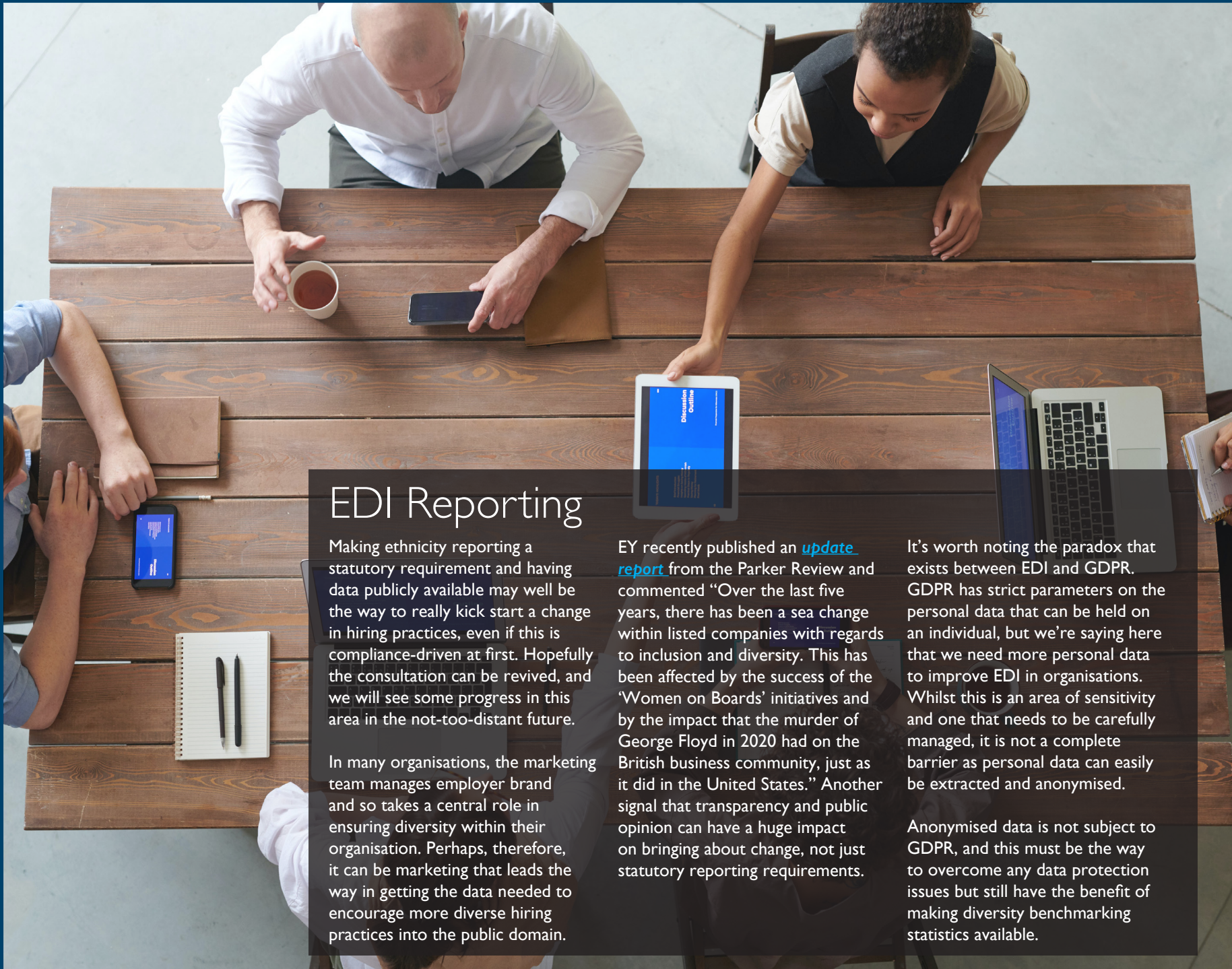
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Why are Ethnic Minorities Still Under-Represented in Many Businesses?

EDI Reporting

What are CMOs doing to Improve Diversity in their Organisations?

Conclusion



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Making ethnicity reporting a statutory requirement and having data publicly available may well be the way to really kick start a change in hiring practices, even if this is compliance-driven at first. Hopefully the consultation can be revived, and we will see some progress in this area in the not-too-distant future.

In many organisations, the marketing team manages employer brand and so takes a central role in ensuring diversity within their organisation. Perhaps, therefore, it can be marketing that leads the way in getting the data needed to encourage more diverse hiring practices into the public domain.

EY recently published an [update report](#) from the Parker Review and commented “Over the last five years, there has been a sea change within listed companies with regards to inclusion and diversity. This has been affected by the success of the ‘Women on Boards’ initiatives and by the impact that the murder of George Floyd in 2020 had on the British business community, just as it did in the United States.” Another signal that transparency and public opinion can have a huge impact on bringing about change, not just statutory reporting requirements.

It’s worth noting the paradox that exists between EDI and GDPR. GDPR has strict parameters on the personal data that can be held on an individual, but we’re saying here that we need more personal data to improve EDI in organisations. Whilst this is an area of sensitivity and one that needs to be carefully managed, it is not a complete barrier as personal data can easily be extracted and anonymised.

Anonymised data is not subject to GDPR, and this must be the way to overcome any data protection issues but still have the benefit of making diversity benchmarking statistics available.



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EDI Reporting

What are CMOs doing to Improve Diversity in their Organisations?

Conclusion



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“If we can focus on creating an environment where everybody can thrive then we’re going to be more successful in terms of attracting the best talent” said Ruth Rowan, Chief Marketing Officer at Avanade in [The CMO Report](#). Creating a culture that accepts and integrates diversity of thought is key in making



“EDI strategies a success. “Foster a non-hierarchical culture where all ideas are welcome” said Caroline Hipperson, Managing Director, Funkin Cocktails.



Organisations need to ensure the recruitment partners they retain understand, and are invested in, their diversity goals. And in turn, recruiters need to ensure that their clients have the right infrastructure in place to ensure each employee feels welcomed into the business and enabled to achieve their potential.

It’s not just about the hiring practices of the organisation, it’s about making EDI a non-negotiable KPI across the whole supply chain. “We’re saying to our agency networks ‘we want to see diversity in your team’. We want to see diverse owned and run media as part of our media planning” said Deborah Key, Chief Marketing Officer, International Consumer at JPMorgan Chase & Co. in [The CMO Report](#). “It’s really important that we bring diversity through the entire marketing org, not just things we do internally”.



Whilst diversity at the senior level is a huge focus, and where a lot of the headlines are concentrated, the CMOs that we spoke to are looking at diversity from the bottom up and introducing mentoring or apprenticeship schemes. “We’ve developed a mentoring programme for students of black heritage. Getting out into the community and encouraging people who might not see marketing and communications as a career is really important for all of us” said Jos Cleare, Managing Director, Marketing & Communications at Accenture.



EDI strategies must have ownership and full support at board level and then be integrated throughout a business. Whilst marketing plays a central role, it’s got to be something that the CEO is also fully invested in. Some of the most forward-thinking organisations are including non-financial outcomes in personal annual bonuses for CEOs. The [2022 PwC Global CEO Survey](#) showed that 11% of global CEOs have gender representation as a metric for achieving their personal annual bonus, and 8% have race/ethnicity representation as a metric. While the percentages are still small, it’s great to see these initiatives in place. The knock-on effect for these organisations is an increased level of trust in the CEO, which has been linked through “powerful analytic evidence” to profitability (see PwC’s September 2022 report [Translating Trust into Business Reality](#)). Maybe in time this will be a trend seen in more businesses, and across the c-suite.





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EDI Reporting

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Conclusion



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Much of the groundwork to remove systemic barriers for diverse and under-represented talent is underway in businesses. Transformation doesn't happen overnight and with increased focus on EDI at all levels within organisations the tide will surely start to turn. However, perhaps the process could be sped up with the assistance of statutory reporting requirements introduced for, at the very least, the largest private sector organisations, giving us actionable insights into how organisations are performing against their peers.

The power of public opinion is one of the strongest drivers for change and the spotlight has not yet been properly shone on ethnic diversity in businesses.

About tml Partners

tml Partners source marketing leaders for the world's most ambitious companies. Harnessing a unique and dynamic approach to recruitment, we are a team of highly experienced marketing recruitment consultants who specialise in finding the right talent to fill senior marketing positions across the globe.



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About VERCIDA Consulting

VERCIDA Consulting has a simple mission: to transform the world of work into inclusive, innovative, and high performing environments. Its approach to inclusive management is underpinned by science and psychology, and it assists its global clients to challenge established ways of thinking and doing diversity.

[Contact VERCIDA](#)