



THE

CONSUMER

EQUALITY

EQUATION

WHY BRANDS SHOULD CARE ABOUT ETHNICITY
AND WHY IT MATTERS FOR BUSINESS SUCCESS

WPP

A WPP REPORT BY OGILVY CONSULTING AND GROUPEM

WITH ORIGINAL RESEARCH BY BAV,
CHOREOGRAPH AND KANTAR

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THE RACIAL EQUITY
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CONTENTS

INTRODUCTION

1

About This Report	04
Commitment to Scale and Rigour	05
Executive Summary	06
The Opportunity	08

THE CONTEXT

2

The Problem of Data Inequality	10
Collectivist Terms Pose a Challenge	11
A Small Shift to Make a Big Impact: Six Ethnicities	12
The Market Opportunity	14
A Multidisciplinary Approach	15
The Consumer Equality Equation	16

OUR FINDINGS

3

PART 1: Does Ethnicity Matter to Consumers?	18
PART 2: What Does It Feel Like to Be a Consumer from a Minority Ethnic Group?	25
PART 3: Money & Finance: Can You Get It & How Do You Spend It?	30
PART 4: What Is the Consumer Relationship to Purchase?	35
PART 5: What Are the Roles of Self-Expression & Representation?	40
PART 6: What Do Consumers From Minority Ethnic Groups Want From Brands?	44

TOWARDS GREATER CONSUMER EQUALITY

4

Customer Lifetime Value and the Cumulative Effect of Action	52
Alternative Futures	53
Questions You Might Now Be Asking	56
A Framework for Greater Consumer Equality	57
What Next?	58

APPENDICES

5

Reflections on Our Journey	62
Authors and Contributors	64
About the Parties Involved	65
Available on Request	66
References	67
Useful Terminology	68
Methodology in Full	71

ABOUT THIS REPORT

The Consumer Equality Equation Report is a study conducted by WPP between 2020 and 2022 exploring the relationship between ethnicity and consumer experience in the UK.

The report utilises the most comprehensive dataset and insights to date in the UK to deliver a fresh, multidisciplinary approach at the intersection of the individual, brands and society.

KEY QUESTIONS INCLUDE:

- Does ethnicity matter in the consumer experience, and in what way?
- What is the consumer experience for people from Minority Ethnic groups across categories and touchpoints grounded in data and human stories?
- What do they want from brands?
- What should brands do?

The report indicates the actions brands can take to make a positive difference—across a range of sectors and across the consumer journey—from the product development stage to marketing and advertising, as well as in-store and online experiences – to ensure brands resonate with and accurately represent what it means to be a consumer in the UK.

The aim is to work with brands to act on delivering consumer equality. To do so the report shares detailed and multifaceted insights, as well as tools and human stories, to inspire and support the transition to a more equal consumer experience.

The four-part methodology included:

- An extensive nationally representative quantitative survey (QT)
- In-depth qualitative research (QL)
- A Mini BrandAsset® Valuator (BAV) study
- First-of-its-kind population, income and category spend projection modelling (CM) across six ethnicities for the next 40 years

Together, these represent the largest sample size of such respondent groups in the UK.

In particular this approach across six ethnicity groups sheds detailed light on the similarities, differences and nuances between consumers from Minority Ethnic groups.

The process has been led by people with consumer experience, business growth and brand expertise, including those from Minority Ethnic groups and those with particular expertise

on ethnicity, under-represented audiences and consumer experience. In addition, team members have brought their own lived experiences to shed further light. This has been supported by additional discipline expertise from across the WPP network and with industry experts to ensure high-quality interpretation and extreme sensitivity to the challenges and implications of this work.

We have conducted this study by harnessing our greatest strengths: consumer expertise, business transformation, insight, reach and creativity.

This report is WPP's first public milestone in our commitment to be a catalyst towards greater consumer equality. We aim for more milestones to follow.

This research is supported by the WPP Racial Equity Programme, part of a set of commitments announced by WPP in 2020 to help combat racial injustice and support Black and ethnically marginalised talent. As part of this commitment, WPP pledged to invest \$30 million over a three-year period to fund inclusion programmes and to support external organisations; some of these funds have been used to contribute towards funding this research.



36

IN-DEPTH INTERVIEWS

Detailed exploration, attention and care to real-life stories and human insight, with particular focus on multigenerational perspectives

8,337

PEOPLE POLLED

The biggest, most comprehensive study into ethnicity and consumer experience in the UK

22

INDUSTRY LEADERS

Roundtable experts sharing their expertise at the cutting edge of research, insights and change

OUR COMMITMENT TO SCALE AND RIGOUR

2 YEARS

IN THE MAKING

Robust data and insights to further meaningful advancement of racial equity and to avoid the superficial

100+

EXPERTS AND CONTRIBUTORS

A truly multidisciplinary team across business and industry functions to deliver a 360° approach

EXECUTIVE SUMMARY

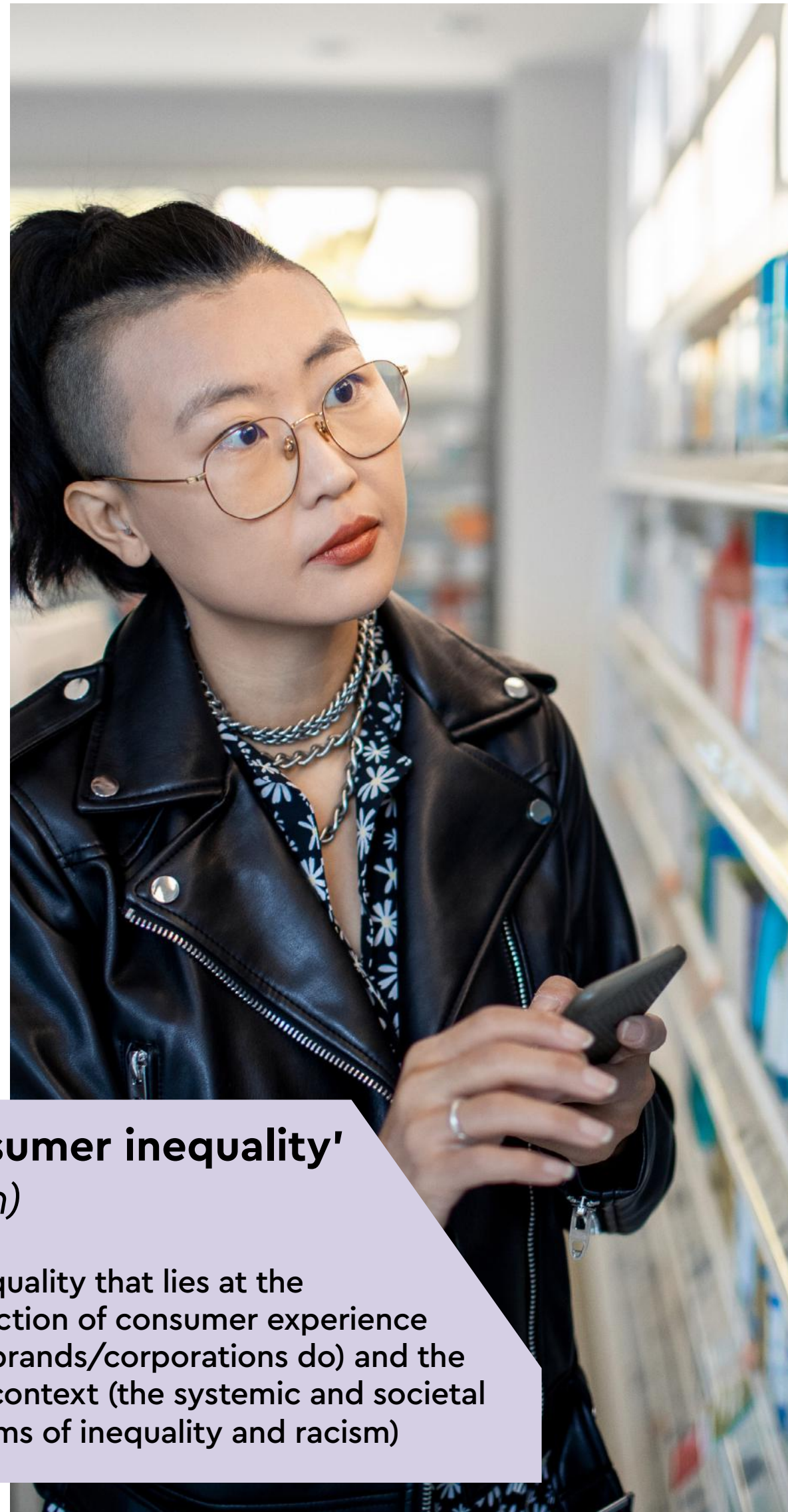
There is a significant opportunity for companies to both grow their brands and have a positive effect on society by reducing Consumer Inequality.

Consumer Inequality describes the result of the consistent, chronic, pervasive, usually negative differences in consumer experience felt by people from Minority Ethnic groups in the UK. The level of Consumer Inequality varies between different Minority Ethnic groups.

Introducing the Consumer Equality Equation.

Our research suggests that there is a Consumer Equality Equation. This equation describes a relationship between consumer equality and business success. The greater the consumer equality, the greater the business success.

If a brand is to remain relevant and grow, addressing Consumer Inequality is key. Brands should take a comprehensive approach to ethnicity-based inclusion across the consumer journey and all consumer touchpoints. As well as achieving business success, companies that act in this way will also be making a significant contribution to social and racial equality.



'consumer inequality'
(noun)

An inequality that lies at the intersection of consumer experience (what brands/corporations do) and the social context (the systemic and societal problems of inequality and racism)

By 2023, the disposable income of people from Minority Ethnic groups is projected to be £252 billion per annum. Their cumulative disposable income is projected to reach £3.06 trillion by 2031, increasing to £16.7 trillion by 2061 (CM).

The number of people from Minority Ethnic groups is projected to double to almost 27% of the UK adult population by 2061—their annual disposable income is projected to more than double as well to £575 billion by 2061 (CM).

Brands have a significant role to play in improving our culture, and everyone—irrespective of ethnicity—is inviting them in.

According to 82% of respondents, brands play an important role in shaping Britain's culture, and 80% say that brands nowadays have a responsibility to reflect modern Britain (BAV).

People across the board care about racial equality: 80% of White consumers and 92% of consumers from Minority Ethnic groups are concerned about racial equality. Among consumers from Minority Ethnic groups 72% say brands should be in conversations about racial equality—the joint highest of any other issue, alongside equality for people with disabilities (QT).

More than three-quarters of all respondents—irrespective of ethnicity—believe it is important for brands to promote diversity and inclusion (White respondents 77%, average across all ethnicities 84%) (BAV). For people from Minority Ethnic groups, trust is higher for brands that are more ethnically representative in their advertising (79% versus 60% for White respondents) (BAV).

Among White respondents 75% agreed that brands should make more of an effort in understanding different ethnic groups, rising to 83% of respondents from Minority Ethnic groups (BAV).

Ethnicity matters, but it's not the only thing.

Among people from Minority Ethnic groups 91% said ethnicity was important to who they are (compared to 78% for White consumers) (QT). Ethnicity matters, but it's only part of a complex, multifaceted mixture of criteria that help define identity, encompassing national, regional, community and religious factors (QL).

Identity is complicated. And that's okay. In fact, it's exactly the way people from Minority Ethnic groups feel about all the many parts of who they are.

What came through loud and clear in the research is that they appreciate consumer experiences that reflect that complexity (QT, QL).

Consumers from Minority Ethnic groups tend to have a more negative in-store experience.

They are more likely to have a worse consumer experience in-store, facing a lack of relevant product ranges and experiencing worse customer service (QT).

Assumptions about luxury need to be challenged.

White consumers tend to want relatively more 'good value', while consumers from Minority Ethnic groups relatively want more intrinsic worth and high quality (BAV).

Thus brands need to rethink assumptions about luxury. Consumers from Minority Ethnic groups, particularly those of Middle Eastern, Black and South Asian ethnicities, buy luxury products. In fact, more than 5 in 6 report buying them (compared to less than 4 in 6 of consumers from the White ethnic group). And yet, the former do not feel that luxury products are designed for them (QT).

EXECUTIVE SUMMARY (CONT)

They are ready to invest.

People from Minority Ethnic groups are more likely to be feeling the pressure of supporting themselves and their families and extended households; at the same time they want to invest in and save for the future (QT).

There is a growing investor group with 28% of people aged 18 to 54 from Minority Ethnic groups investing for wealth compared to 17% of White people. However, 39% of people from Minority Ethnic groups felt that their ethnicity negatively affects their experience with financial services. Black and Middle Eastern respondents indexed slightly higher at 42% (QT).

Sustainability matters.

Respondents from Minority Ethnic groups care about and are making efforts around sustainability: 77% of respondents from Minority Ethnic groups actively choose to buy brands with a social purpose, compared to 56% of White respondents (BAV). Among consumers from Minority Ethnic groups 71% say that brands should be in conversations about climate change and sustainability, versus 63% of White people (QT). The appeal of the brand trait 'sustainable' was notably higher among respondents from Minority Ethnic groups (BAV).

Be more courageous.

Courage is currently an untapped concept for most brands, although new global challenger brands exude and define this attribute, especially for respondents from Minority Ethnic groups. Other brand traits that were particularly appealing were: aspirational, modern, innovative, dynamic and worth paying more for, as well as the traits of being inclusive and sustainable (BAV).

Consumers from Minority Ethnic groups feel positive that brands are starting to engage with them.

The good news is that it's possible to reduce Consumer Inequality because these consumers are already expressing their positivity at brands' efforts to engage—whether that's having relevant products in supermarkets and in-store, having employment policies that redress historic inequalities, or producing more inclusive advertising (QT). The qualitative research in particular showed that consumers from Minority Ethnic groups feel positive about the potential that lies ahead (QL).

There is still a lot of work for brands to do in terms of understanding the details of experiences, the gaps and the inequalities. But the consumer rewards and the commercial potential are both very high. This is particularly highlighted by the notable projected growth in disposable income over 12 months (from 2022 to 2023), over the decade (to 2031), and over the consumer lifetime (from 2021 to 2061) (CM).

Media that reflect a sense of community are more trusted.

A sense of community is vital to the identity of people from Minority Ethnic groups. This may reflect a heightened sense of belonging with other people 'like me' (QT, QL).

In line with this, the research shows a higher level of trust felt by consumers from Minority Ethnic groups towards influencers from Minority Ethnic groups. This can be explained by the greater sense of identity, shared experiences and relatability between those influencers and their audiences (QT).

There is also increased trust from consumers of Minority Ethnic groups towards ethnically focused media channels where self and community identification can be found in the editorial content (QT).

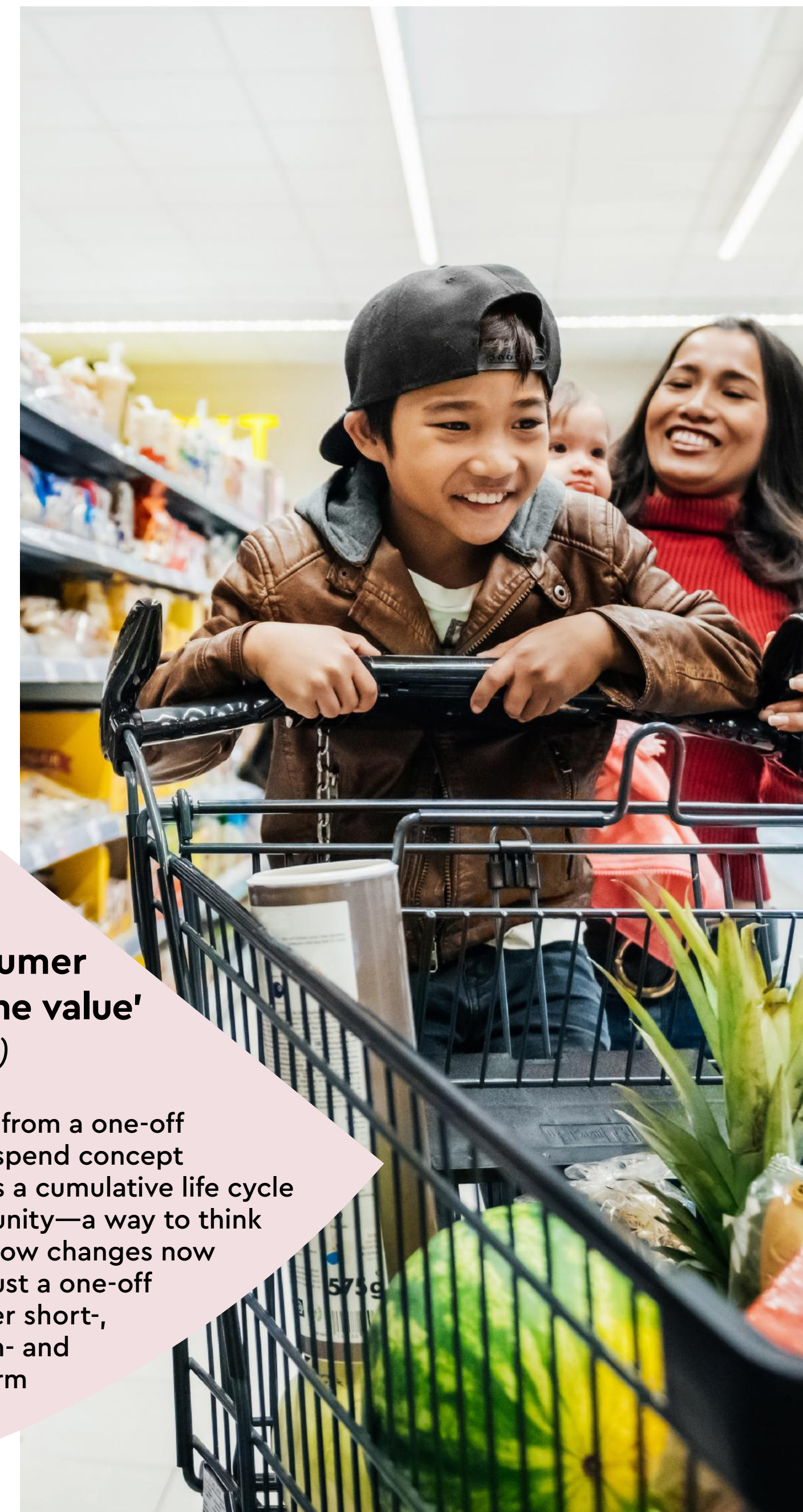
Out of Home (OOH) is a trusted broadcast medium across all Minority Ethnic groups, as it can be used—and perceived—as a community-orientated medium which can achieve mass personalisation for different groups of consumers through location and creative messaging (QT).

WPP's Consumer Equality Equation provides an actionable framework to address Consumer Inequality across business structures and consumer touchpoints.

The tools outlined offer a holistic approach to help businesses at any stage of maturity to assess, plan and execute against a range of practical equality-driving actions to deliver consumer experience equality to create lasting impact on individuals, businesses and society.

'consumer lifetime value' (noun)

Moving from a one-off annual spend concept towards a cumulative life cycle opportunity—a way to think about how changes now aren't just a one-off but offer short-, medium- and long-term growth



86%

of the UK population say that
"racism is a problem in the UK"

92% people from Minority Ethnic groups
85% of people from the White group
(QT)

82%

of respondents say that
brands play an important role
in shaping Britain's culture

(BAV)

£16.7tr

is the projected cumulative
disposable income of people from Minority
Ethnic groups, from 2021 to 2061

(CM)

RIGHT NOW

there is a huge opportunity for businesses to grow their brands while at the same time positively impacting our society



THE CONTEXT

THE PROBLEM OF DATA INEQUALITY

GAINING AN UNDERSTANDING

Many of the challenges towards better understanding and catering to consumers from Minority Ethnic groups are systemic, meaning care and deeper contextual analysis are required. They are also subjects that are sensitive. Ultimately, they affect real human lives.

So in order to stand in their shoes as consumers, there must be a foundation of understanding the social context and their lives in the round.

What questions should be asked, **how** should the questions be asked, what is the **framing** and **who** is posing the questions and interpreting the answers?



Importantly, what are the **terms** and **language** of the conversation? Simply put, when it comes to knowing about the experiences of consumers from Minority Ethnic groups, there is vast and systemic inequality of data and insights.

The industry is collectively making progress on internal organisational culture through DE&I strategies, although there is still much to be done. We have some insights on representation in advertising; into sectors like healthcare, education, recruitment, and for policy-makers. And we have been helping clients to think about inclusivity.

But how should all of us together better engage with consumers from Minority Ethnic groups?

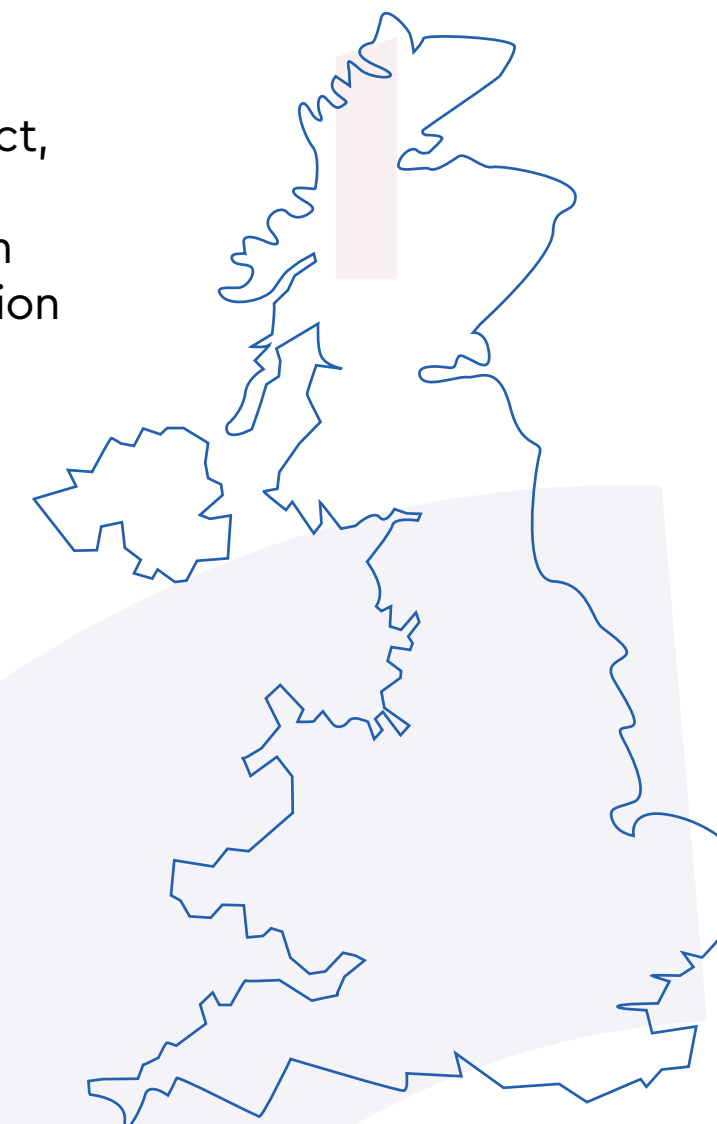
We encountered unexpected and quite significant challenges in addressing the issues of data inequality. We want the obstacles we overcame to jump-start the journeys of all brands by sharing our learnings, and the framework from within which to interpret them.

We know that as businesses, our role is to ensure a positive user experience for all consumers. Ensuring that everyone receives the best possible consumer experience is our *raison d'être*.

We also know businesses play a formative role in shaping society and culture, and in ensuring equalities. Consumer experience is not trivial: It shapes every aspect of everyday life for individuals and families for generations.

But in order to deliver positive value exchange for consumers from Minority Ethnic groups, we uncovered a massive obstacle: The industry is not set up to reach them or to understand who they are and what are their needs.

Which means **HUGE DATA INEQUALITY** is the first hurdle we need to overcome: in effect, an ethnicity-based data gap. Quite simply, the first problem is of data insufficiency in relation to consumers from Minority Ethnic groups.



FOCUS ON THE UK

In order to gain an accurate understanding of ethnicity and its relationship with consumer experience, it is necessary to acknowledge that each country's history, culture, migration patterns and citizen identities are unique—as are their futures.

This applies to the UK as much as any other country, and we therefore need to understand the experiences of people from Minority Ethnic groups in the UK, on their own terms.

The five Minority Ethnic groups that are the focus of this report make up 14.6% of the UK

population according to the UK Census. Our projections suggest that these are set to grow to almost 27% by 2061 (CM).

Our belief was that by understanding the unique situation of the UK, we could tackle the UK's data inequality when it comes to consumers from Minority Ethnic groups. But in addition, by taking a contextual approach drawn from extensive data, we could uncover an underlying model and concepts that can then be applied in other countries and geographies. That has become the Consumer Equality Equation and the tools we have developed to accompany it.

COLLECTIVIST TERMS POSE A CHALLENGE



People are not labels, but we do need ways through which to understand people's collective experiences.

The most hotly contested of these labels is 'BAME', or used casually as a word: bame. This started out as a grouping—Black, Asian and Minority Ethnic—but has turned into an indistinguishable homogenising catch-all. As a result, it has been rejected by those whom it tried to represent. After all, there's no such thing as a 'bame' person or group.

But are there any good alternatives? It's not an easy subject. There was a hope that the research would throw up some light bulb moments from respondents. But this wasn't the case. Probably because the people we are talking about have many variations.

Do we talk about White and non-White? Why should non-White people be grouped together when their experiences can be wildly different? How is White even defined (especially when some would argue white isn't even a skin colour)? In the same way we must not homogenise people from Minority Ethnic groups, the same applies to people from the White group.

Defining people in opposition to another group such as 'non-White' is also to rob them of their own independent identity. That's separate to a discussion about how White, Black and Asian are constructed and contested identities, and their own definitions are in flux.

According to the 2011 UK national census, some people from Arab and Turkish groups can self-classify as 'White other', but they were identified separately in this study's sample because they were considered to have likely had experiences similar to the people in the Minority Ethnic groups under focus.

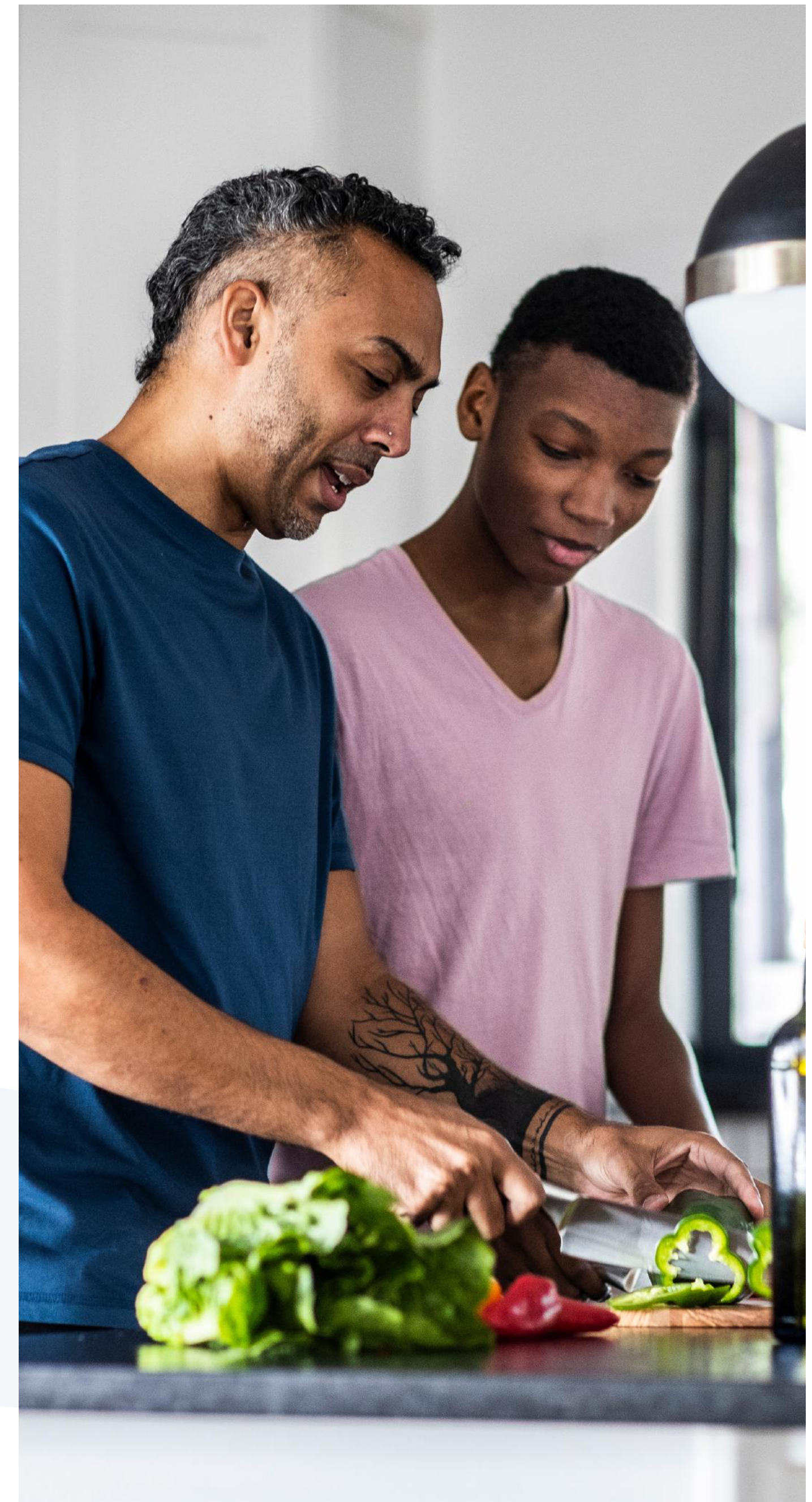
The conceptualisation of minority groups is also contested. Whilst people from the global majority may be in a statistical minority in the UK, it is argued that the relationship of power is more important to whether a group is 'minoritised'. Therefore, those from minoritised groups have that in common, despite having many nuances within and differences between their experiences.

The Appendix shows in detail the groups selected and the choices offered to respondents based on qualitative expertise, experience and advice from subject matter experts.

With the driving force to 'start somewhere' and avoid action paralysis, the groups chosen were White, Black, South Asian, Middle Eastern, East and South East Asian, and Mixed Ethnicity. There was a heightened awareness that these are general terms and not themselves consistent

because they are a mix of race, ethnicity, geographic and national identities. And while these terms have been used as shorthand throughout this report, they include multiple groups within them. The shorthand is used for brevity and not to be reductive. Readers are encouraged to keep the full descriptors in mind. These are explained in more detail in the Appendix.

In laying out the findings in the report there was also no easy solution to the fact that some charts appear to 'compare' White respondents and those from Minority Ethnic groups. This is not a case of 'versus', 'victimhood' or 'special treatment'. But in order to investigate what role, if any, ethnicity plays, it was necessary to show the findings side by side. The data shows a comparison to the UK population as a whole (nationally representative) which is a weighted figure. This number is naturally driven in great part by the White population. The collective 'Minority Ethnic' figure is also weighted according to the UK proportion of people from each Minority Ethnic group who took part in this research.



A SMALL SHIFT TO MAKE A BIG IMPACT: SIX ETHNICITIES



This image is a representation of the identified six ethnic groups, not the images of respondents in our research.

In the UK, 14.6% of the population hasn't had the role their ethnicity plays in their identity and consumer experiences explored with nuance, depth and complexity. As previously highlighted, the data gap and commissioning representative research at scale are challenging for the industry at large.

We redressed this by amplifying the number of respondents from each of the groups to be as large as possible. We wanted to know as much about them as we could. This wasn't easy—we had to expand the panel reach to guarantee sufficient respondent volumes. It highlighted that the industry isn't currently adequately set up to easily reach these audiences at scale. It's the problem of data inequality again.

We used the ethnicity groups from the UK census as a starting point. We also recognised that within each of these groups there are further differences. For example, within Black groups there are differences between West African ethnicities or Caribbean ethnicities, as well as other geographic origins, or in South Asian groups there are differences between Indian, Pakistani and Bangladeshi ethnicities. Throughout the report the shorthand for these has been used as indicated (see Appendix for more details). It is a difficult balance to use a conversational tone and ensure brevity while remaining true to showing the variation within ethnicities and avoiding the homogenisation we set out to puncture.

While it is an imperfect answer, we have described these groups as 'ethnicities', and we are aware that these are a mix of race, geography and nationality. But as they are commonly used vernacular, they were used for the purposes of this study.

Given the enormous challenges to find sample sizes at all, we took the approach that we had to start somewhere, and through this project we would be able to work with our research partners to improve the pool of respondents going forward.

And, while there are commonalities between the experiences of Minority Ethnic groups, we also set out to explore their differences – because we need to establish the principle once and for all that they are different groups.

It is worth noting in particular that for this study, 'White' was considered one of the six ethnicities rather than a 'control'. The latter would imply that White is a 'norm', and the project ethos was that ethnicity plays a role for everyone, and consumers and White consumers are not exempt from this.



BLACK
INCLUDING AFRICAN, CARIBBEAN,
BLACK BRITISH
(N=2,006)



MIDDLE EASTERN
INCLUDING MIDDLE EASTERN BRITISH,
TURKISH/TURKISH BRITISH, NORTH
AFRICAN/NORTH AFRICAN BRITISH
(N=602)



MIXED ETHNICITY
INCLUDING THOSE FROM TWO
OR MORE ETHNICITY GROUPS
(N=1,004)



SOUTH ASIAN
INCLUDING SOUTH ASIAN BRITISH
(N=2,007)



EAST & SOUTH EAST ASIAN
INCLUDING EAST OR
SOUTH EAST ASIAN BRITISH
(N=708)



WHITE
INCLUDING ENGLISH, WELSH,
SCOTTISH, IRISH, OTHER
(N=2,010)

OUR ETHNICITY GROUPS

Detailed breakdowns of each of the ethnicities, how they were grouped together to fall under a particular ethnicity grouping, and how questions on ethnicity were asked are explained in the appendix.

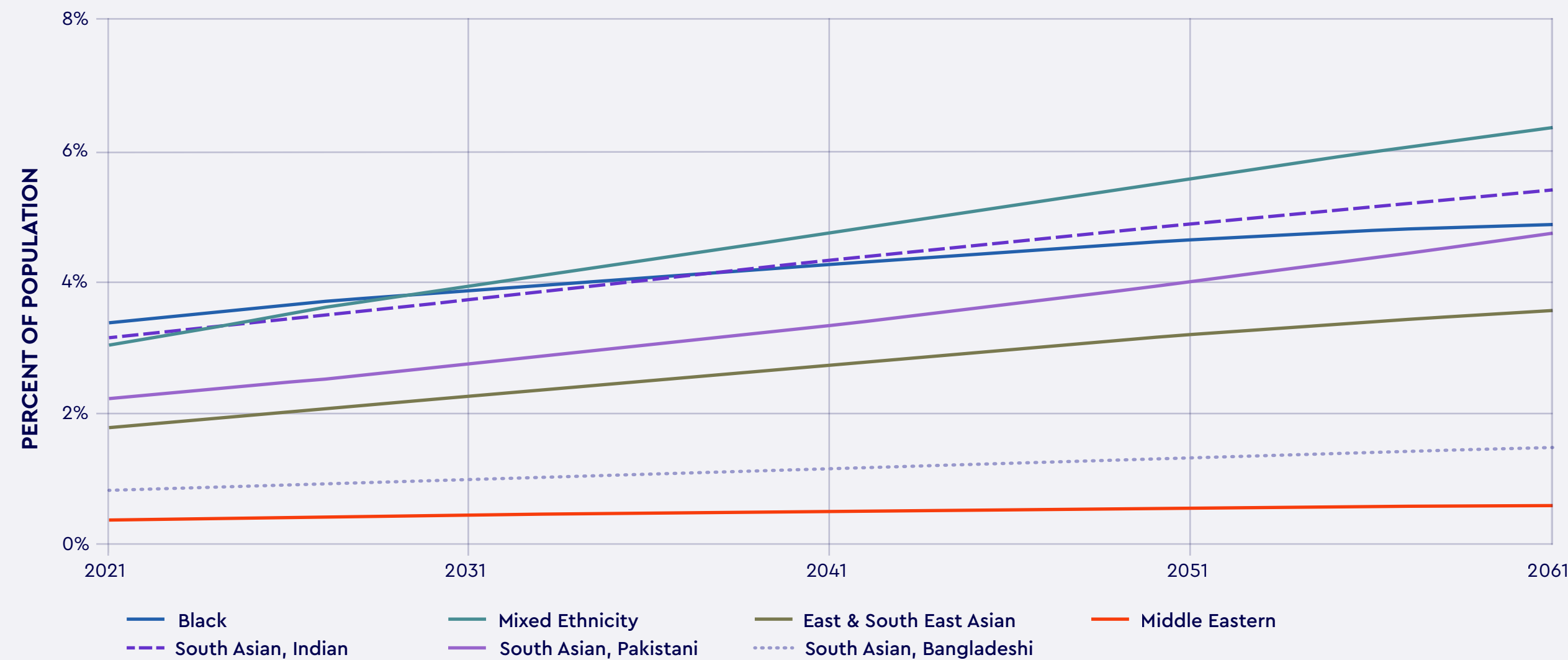
THE DISPOSABLE INCOME OF PEOPLE FROM MINORITY ETHNIC GROUPS WILL MORE THAN DOUBLE BY 2061

People from Minority Ethnic groups are projected to reach almost 27% of the UK adult population by 2061, up from 14.6% in 2021 (CM).

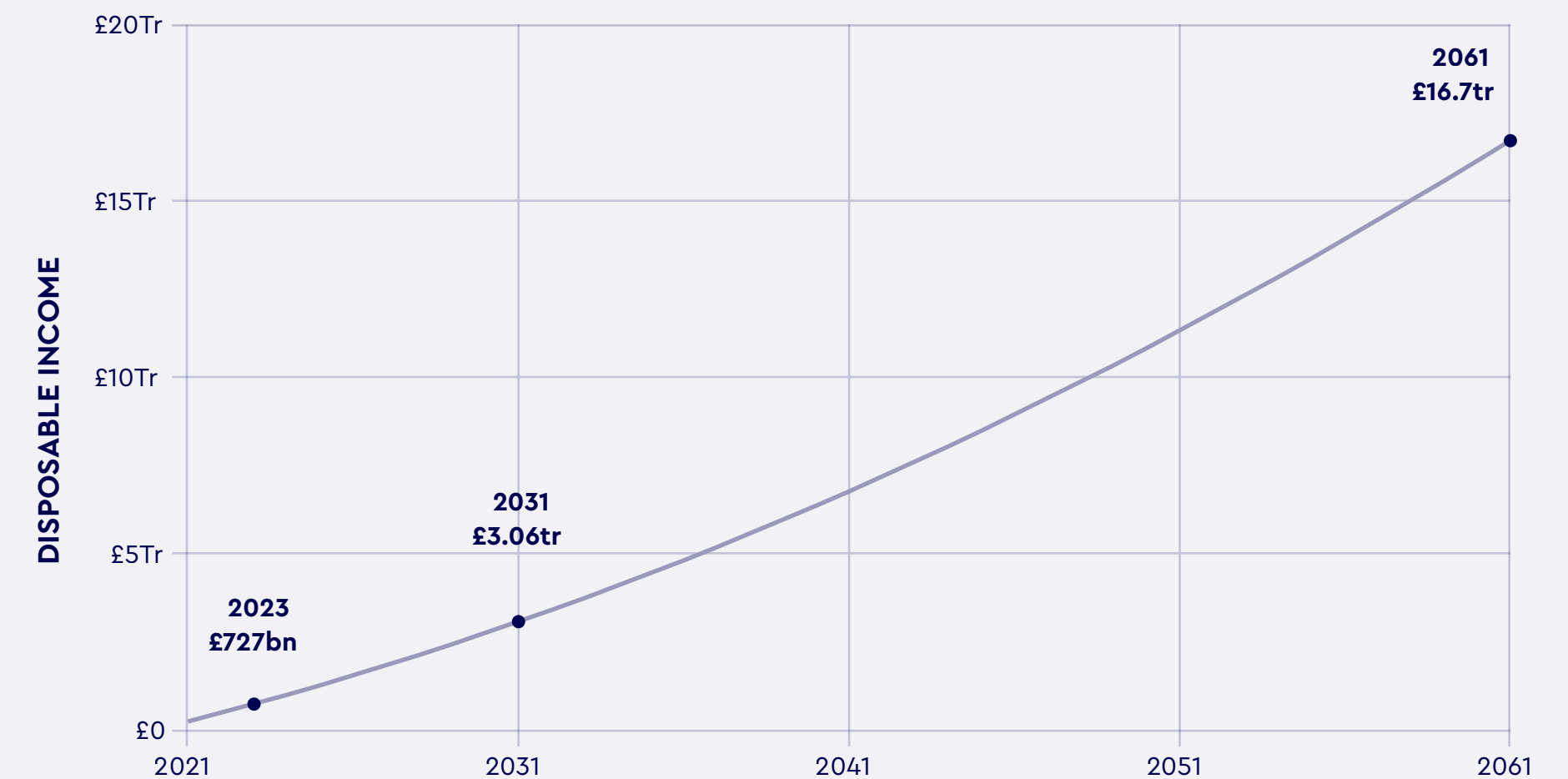
Annual disposable income is projected to more than double in that time frame, from £233 billion in 2021 to £575 billion in 2061.

The cumulative disposable income in the short term is projected at £727 billion. Over a lifetime from 2021 to 2061 this is projected to be a total cumulative disposable income of £16.7 trillion.

POPULATION PROJECTION
MINORITY ETHNIC GROUPS BY % POPULATION (CM)



CUMULATIVE DISPOSABLE INCOME OF PEOPLE FROM MINORITY ETHNIC GROUPS (CM)



Disposable income is calculated with the income from all sources minus tax, pension, deductibles and all housing costs, including rent and mortgage payments (CM).

The 2011 Census data was the most complete in terms of coverage of the UK as a whole and inclusion of the demography attributes, ethnicity and country of birth. At the time of writing, ethnicity data for the 2021 Census had not yet been released.

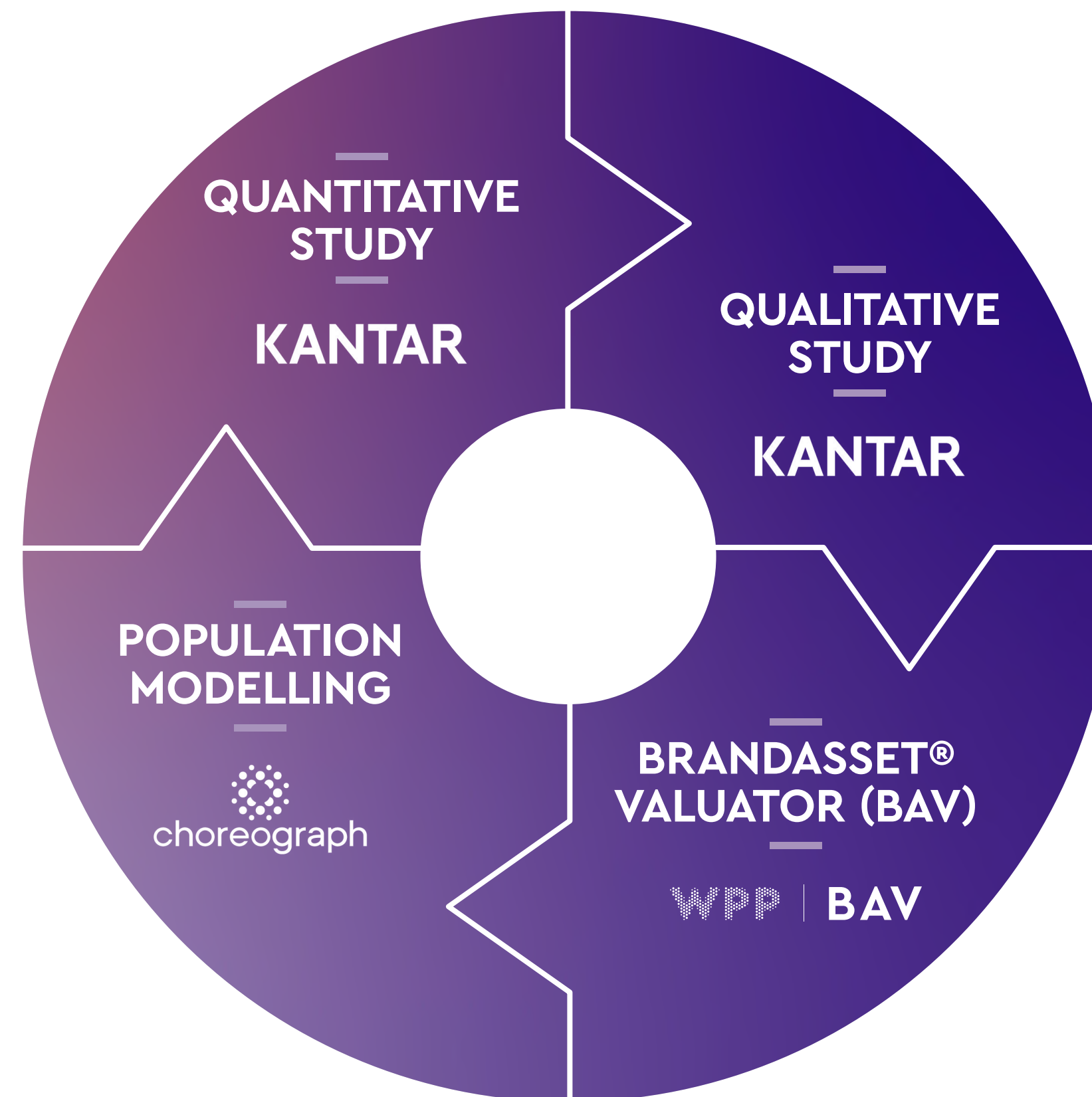
TO BALANCE THE CONSUMER, THE BRAND AND SOCIETY IN OUR RESEARCH AND GIVE COMPREHENSIVE PERSPECTIVES, WE TOOK A MULTIFACETED APPROACH

QUANTITATIVE STUDY

- Nationally representative sample of 4,515 respondents from Black, South Asian, East and South East Asian, Middle Eastern, Mixed, White ethnicities
- Consumer experience areas: health, employment, finance, supermarkets, clothing and fashion, beauty and personal care, and luxury
- Experiences and engagement across the key focus areas
- General attitudes across themes relating to day-to-day life as well as perspectives on social issues
- Demographic questions including ethnicity, religion, multigenerational households, nationality, socio-economic status

POPULATION MODELLING

- Population insights and projections
- The value of disposable income of people from Minority Ethnic groups
- Modelling of alternative futures: 'What if just 1% ...'



QUALITATIVE STUDY

- 18 x 90-min. paired depth interviews
- Understanding lived experience through real life stories
- Exploring sentiments and opinions typically under-represented in traditional research
- Compelling and engaging personal descriptions captured verbatim to further bring respondents' stories to life and enhance report insights and outputs

BRANDASSET® VALUATOR (BAV)

- 50 brands, 26 attributes and 8 personal opinion statements
- 3,822 respondents from Black, South Asian, East and South East Asian, Middle Eastern, Mixed, White ethnicities
- Consumer brand categories: the High Street, Beauty, Food and Beverage, and Financial Services
- Exploring the role of brands
- Investigating which brand perceptions resonate with different respondents

+ BRAND CASE STUDIES

- 6 case studies of brands tackling different aspects of Consumer Inequality

The report integrates the key findings to give insights from multiple perspectives on one theme. All primary research was conducted between December 2021 and February 2022, unless otherwise specified, and further breakdowns are available upon request. Any external references are sourced in the Appendix, as is further detail on the various aggregated data approaches. Harvard Referencing Style is used.

Abbreviations: Kantar Quantitative (QT), Kantar Qualitative (QL), BRANDASSET® VALUATOR (BAV), Choreograph Population Modelling (CM)

THE CONSUMER EQUALITY EQUATION

BENEFIT TO CONSUMERS

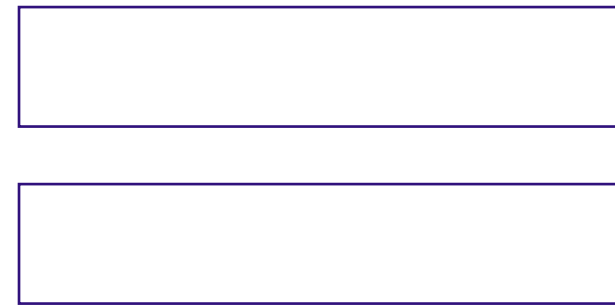
Where consumer equality is:

Equality of access, availability and pricing of products and services

Being valued and treated by businesses and brands in an equal way in society, increasing overall social equality

Ability to live daily life and fulfil individual and family aspirations

RISING
CONSUMER
EQUALITY



GROWING
BUSINESS
SUCCESS

BENEFIT TO BUSINESS

Where business success is:

Revenue and growth

Fulfilment of purpose

Longevity

Brand equity

Strong market position

MORE EQUAL, THRIVING SOCIETY

As consumer equality rises, so does business success. This simple relationship sits at the intersection of the individual, businesses and society. And because consumer experience is not trivial—it shapes not just everyday experiences, but a whole lifetime—creating more equal consumer experiences ultimately leads to greater social equality too.

By focusing on delivering rising consumer equality, businesses can deliver actionable, tangible impact that is within their remit and delivers business growth.

A group of four women are gathered around a large screen, looking at it with interest. One woman in the foreground, wearing a white hijab and a light purple top, is pointing at the screen. Another woman to her left is also pointing. A third woman, wearing a green top, is looking at the screen with a smile. A fourth woman, with blonde hair, is partially visible on the right side of the frame. The background is a blurred office or meeting room. The text 'OUR FINDINGS' is overlaid in the center of the image.

OUR FINDINGS

1

DOES ETHNICITY MATTER TO CONSUMERS?

Rightly or wrongly, it can be hard to talk about ethnicity and its role, and brands are often worried about getting it wrong, so we asked people to tell us:

- How important is ethnicity to who they are?
- How does ethnicity compare to other attributes of social identity?
- How do they feel about ideas like 'belonging' and 'home'?
- We also asked questions about racism and its impact on their lives and consumer experience.

What emerges is a complex picture—ethnicity *does* matter, in a big way, but so do other things.

Being seen in all their complexity beyond superficial markers is the most important thing of all. When done badly, it creates exclusion and inequality. Done well, it creates a powerful sense of belonging. Brands have a responsibility in understanding, reflecting and conveying that complexity, not just because it's important to society, but because it also brings business success.

'racism' (noun)

Prejudice, discrimination or antagonism by an individual, community or institution against a person or people on the basis of their membership of a particular racial or ethnic group, typically one that is a minority or marginalised.

THE SHORT ANSWER IS: YES

91%

of people from Minority Ethnic groups said their ethnicity was important in their sense of who they are (QT).

BUT IF PEOPLE ARE TREATED BASED ONLY ON THEIR ETHNICITY, THAT'S CALLED RACISM

86%

of people in the UK feel that racism is a problem (QT).

92% people from Minority Ethnic groups
85% of people from the White group

ETHNICITY IS IMPORTANT, BUT SO ARE OTHER FACTORS

Ethnicity does matter, but so do lots of other things: national identity, religion and community. For White people, region was notable. It all points to one common truth: Everyone wants to belong, and people find different ways and different places of belonging.

But what was also important to everyone we asked, irrespective of ethnicity, was **national identity**: 91% of people from Minority Ethnic groups and 86% of people from the White ethnic group said it was important to their sense of self (QT).

People from Minority Ethnic groups have a rich and nuanced experience of living in the UK; the word 'community' can refer to the people in and around where they live, their ethnic community, various social and professional circles or even just people with a shared set of values or interests. Among people from Minority Ethnic groups 86% said community is important to their identity. This may have be to do with feeling a heightened sense of belonging with other people 'like me' (QT).

What also stands out is **the importance of religion, religious heritage or spiritual beliefs** to the sense of identity for people from Minority Ethnic groups (83%) compared to White respondents (59%)—the religious connection often plays a role not only in terms of spirituality, but also as a cultural meeting point and building a sense of community and belonging (QT).

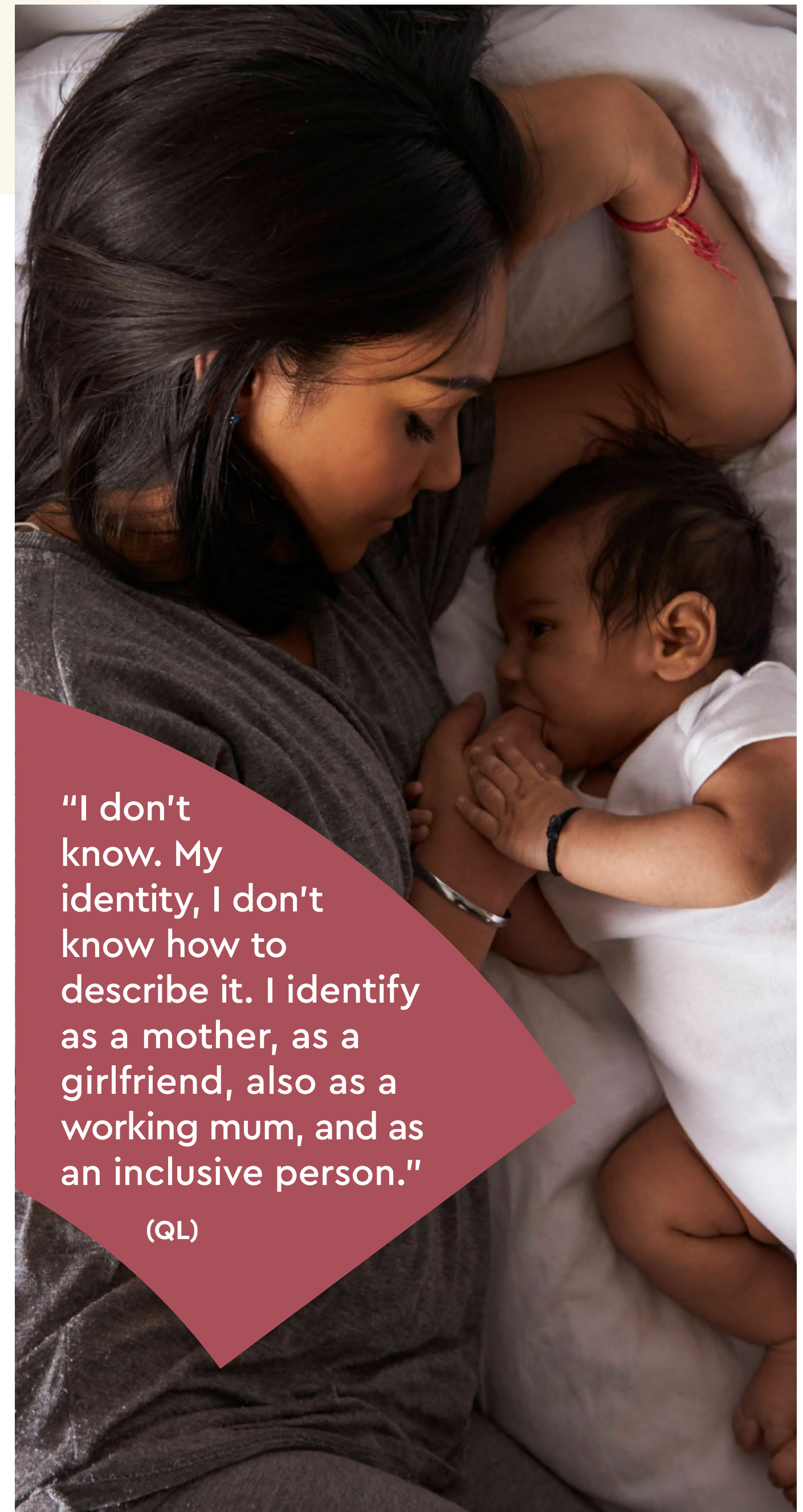
The **region** of the UK you are from was important for upwards of three-quarters of the UK population. Notably, for people from the White ethnic group it was the most significant factor (81%) after national identity (QT).

We also found that identity has a close relationship with a feeling of having the right to equality in society, and a stake in it. This came through particularly in the experiences and feelings of first and beyond generations compared to those who were immigrants themselves. We also found that there is no singular concept or feeling about identity or belonging (QL).

HOW IMPORTANT IS THE ROLE OF EACH OF THE FOLLOWING IN YOUR SENSE OF WHO YOU ARE? (QT)

	UK POPULATION	WHITE	MINORITY ETHNIC
Your ethnicity	80%	78%	<u>91%</u>
Your national identity	87%	86%	<u>91%</u>
The region of the UK you are from	81%	<u>81%</u>	77%
Your religion, religious heritage or spiritual beliefs	63%	59%	<u>83%</u>
Your community (e.g. support groups; local, ethnic or religious community)	77%	75%	<u>86%</u>

— Significant Differences



"I don't know. My identity, I don't know how to describe it. I identify as a mother, as a girlfriend, also as a working mum, and as an inclusive person."

(QL)

FOR PEOPLE FROM MINORITY ETHNIC GROUPS, IDEAS LIKE 'IDENTITY', 'HOME' AND 'BELONGING' CAN BE COMPLEX

Identity: It's complicated. And that's okay. In fact, it's exactly the way people from Minority Ethnic groups told us they feel about all the many parts of who they are. What came through loud and clear in the stories they told us is that they appreciate the recognition of this complexity in their consumer experiences.

They don't want their ethnicity to be acknowledged by superficial markers or homogenisation. They want to be seen as complex consumers, just like everyone else, and their needs recognised and served.

HOW IDENTITY IS SHAPED BY MIGRATION

Whether a consumer is the first generation in their family to settle in the UK, or the third generation, that can make a difference to their sense of identity and belonging as well.

People who have immigrated feel the most conflicted on a question about 'home'. They generally still call their country of origin 'home', despite many having spent decades living in the UK. This is partially driven by constant

little reminders they don't belong, such as when asked to repeat themselves because they have a foreign accent or being questioned around where they are 'from' (QL).

"Home should be here because obviously I live here, yes, but I still remember my—my people would say motherland." (QL)

"I feel part of the Ghanaian community because, from a child, I've always known them, but I also feel part of the [local] community here in Enfield.*" (QL)

BRITISH+

Those who were born in the UK and have grown up immersed in society and culture may describe themselves as British+; they consider themselves the product of British and other cultures and heritages.

Not having a 'foreign' accent is half the battle towards being accepted, allowing those born in the UK to more easily overcome some of the barriers their parents or grandparents faced.

There are some people who don't feel like their ethnicity should be overly defining of who they are, that a sense of Britishness is paramount. They also feel that this country is a melting pot of cultures and identity and the active acknowledgement of the colour of one's skin is part of an underlying 'othering' that pollutes and permeates the fabric of society (QL).

"I put on a different voice when I'm at work because some people have mentioned it." (QL)

CULTURAL CHAMELEONS

People from Minority Ethnic groups will often switch the sort of language they use depending on the company they're in. And sometimes that's seen as part of a wider societal pact drawing a line between their personal and professional lives—something most people can relate to regardless of their ethnicity.

However, there's a sense of empowerment in this ability to adapt that's often overlooked. But it essentially gives people from Minority Ethnic groups license to be all the different elements of who they are and to embrace the richness of their culture (QL).

NOT FEELING FULLY WELCOME

There are also times when people from Minority Ethnic groups feel they can't fully express who they are, whether that's the way they dress, the way they style their hair or in terms of the views they wish to express. They feel there's a judgement from wider society they want to try to avoid and will make compromises in order to fit in and conform to ideals and norms imposed on them about who they should be and how they should behave.

This is best captured in the idea of 'othering' that they recounted—something that feels especially egregious in the face of all the compromises minorities feel they make in order to fit in (QL).

"Most people judge me with my accent, saying they don't understand me. They will keep on saying, 'Pardon me? Repeat?' If I tell them that 'No, I'm British' 'No, you are not British. You are not born here.'" (QL)

*Enfield is a small area in North London



"If I think about microaggression,

I've always known of something in the pit of my stomach that's like, 'That doesn't feel right.' ... I've only had the language around it in the last few years as I read more and understood and talked about it to people more.

I definitely think for lots of people there's this feeling of, 'Oh, I'm just grateful.' Especially maybe for my mum's generation or older, it's probably like that at that time, 'I'm just grateful to be here.'" (QL)

BRANDS MUST RECOGNISE THE SHARED EXPERIENCES AS WELL AS THE DIFFERENCES BETWEEN PEOPLE FROM MINORITY ETHNIC GROUPS

WE ARE NOT TALKING ABOUT A HOMOGENOUS GROUP

While there are some commonalities in the experiences of people from different Minority Ethnic groups, one facet of the challenges that kept coming up is the dislike of 'lumping together' different groups of people. One important hypothesis we set out with is that while there are commonalities in consumer experience due to ethnicity, there are many differences in the groups too.

People told us that it is important for all groups to be heard, and prominence to be given to the differences and experiences of different groups. Certain voices have more prominence (and their voices absolutely should be heard), but other groups feel that their own unique identities and cultures should be acknowledged and have more share of voice (QL).

This means that for people from some Minority Ethnic groups, they don't feel as recognised as others. Outside of superficial references to big events (such as Chinese New Year, Diwali and Eid), there's a feeling that there is very little attempt made to bridge the knowledge gap and integrate communities (QL).

This translates into the sense their children and future generations just won't have the same opportunity to connect with their culture outside of what they are able to impart themselves. It serves as a stark reminder for those of other Minority Ethnic groups how far they are from being understood or accepted in society comparatively (QL).

To extrapolate this further, there are some communities who just don't feel it makes sense to go against the grain—they don't feel like they have a voice or a platform to do so; as a result, talk of protest and fighting against prejudice feels to them like a futile exercise at best.

Those from East and South East Asian groups for example feel this is the reason protests such as #StopAsianHate fizzle out—due to a lack of traction (QL).

People from Middle Eastern and South Asian groups often feel demonised for their religion—in some ways, they are told they can't fit in if they don't drink or if they dress differently or speak amongst themselves in other languages (QL).

THE PARADOX OF ETHNICITY

Too often ethnicity can be dealt with as a very reductive reference point, leaving people feeling judged superficially and limited to nothing more than their ethnicity; in fact, if they are reduced to nothing more than their ethnicity, this reinforces the stereotyping, homogenisation and racism they already endure.

But when ethnicity is a deeper, more nuanced collection of attributes that make up their sense of self and place in the world and how they interact with it, they are keen to tell us that it is central to who they are (QL). Indeed, BAV found that 83% of respondents think 'brands should make more of an effort in understanding different ethnic groups'.

What this reveals is a paradox about ethnicity. And it perhaps underpins the challenges of brands and businesses talking to people from Minority Ethnic groups—that they want their ethnicity to be recognised, but they don't want to be recognised and treated only for the superficial external markers of it.



BREAKING OPEN THE PARADOX OF ETHNICITY

Social identity maps such as this one typically focus on three layers of identity: core, chosen and given. Respondents in the study explained how the visible markers of ethnicity come to define them entirely as a person. These 'given' markers can then become limiting and homogenising. Just like with any other consumer group, there are much deeper layers that can be segmented. One of the purposes of the study was to establish this principle of variation between groups and even within groups themselves, in terms of intersectionality as well as a myriad of other segmentation methods.

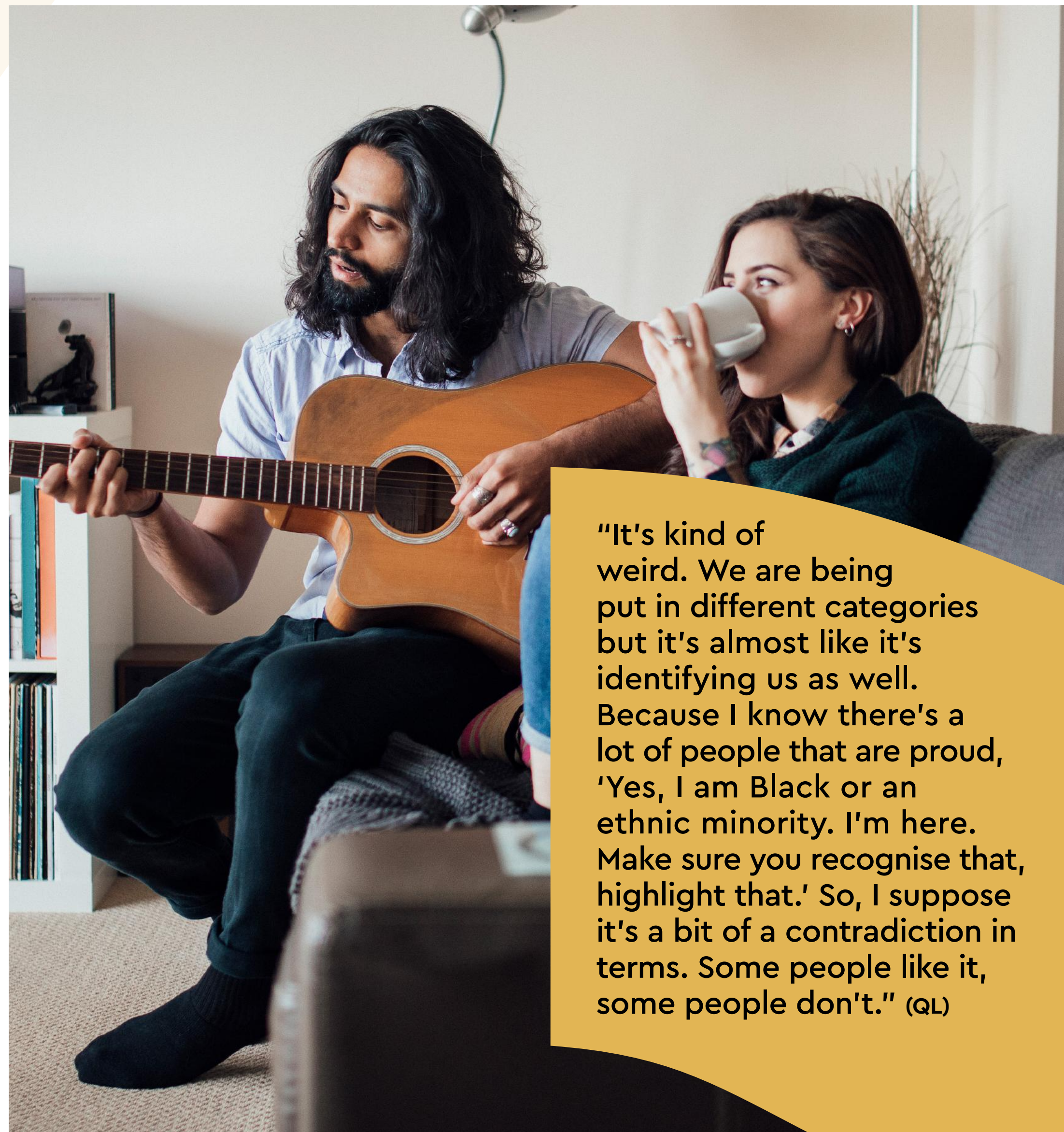
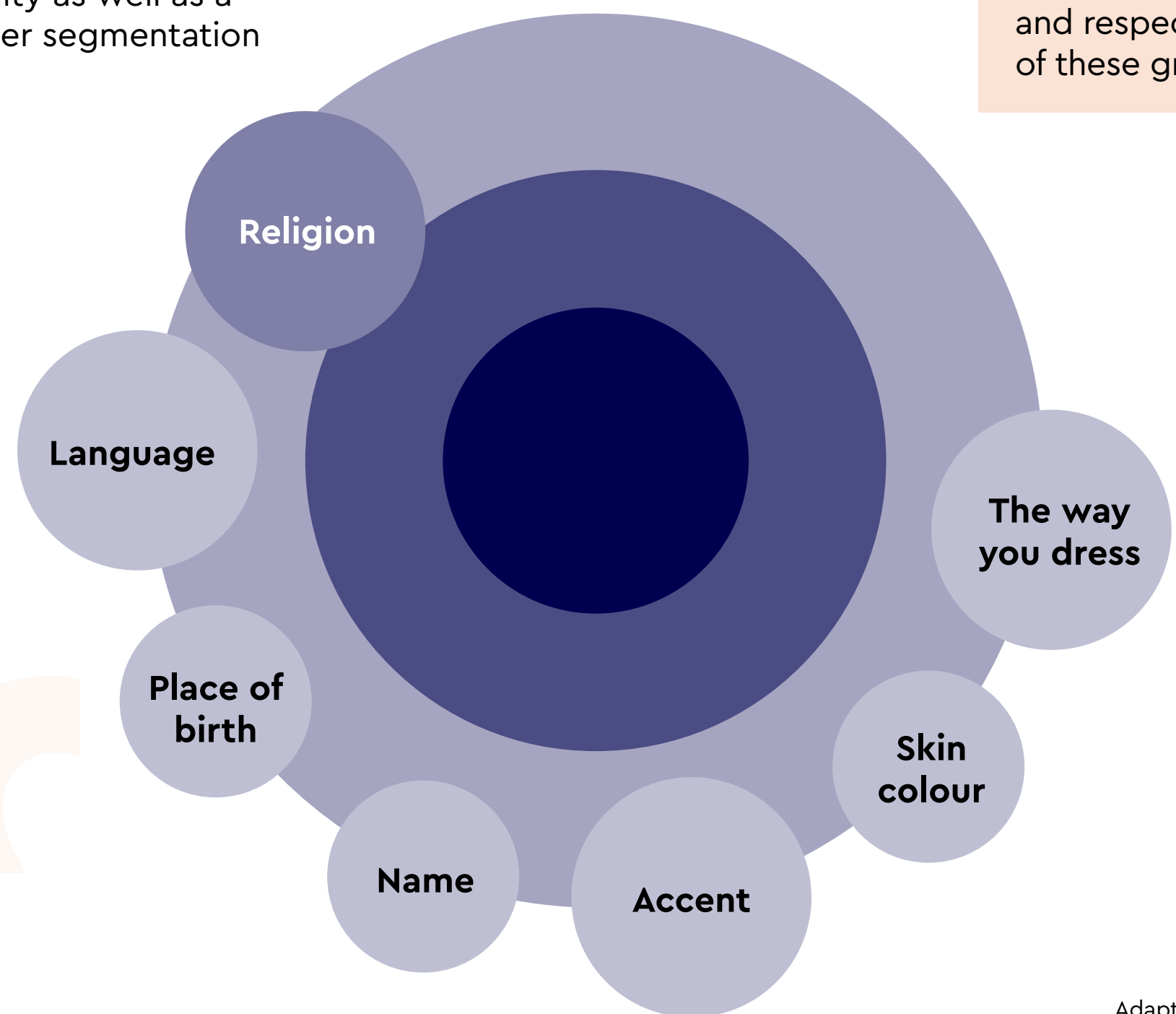
For the purposes of getting underneath the paradox of ethnicity, it may be helpful to consider a relationship between:

- HOW OTHERS SEE ME
- HOW I SEE MYSELF
- WHO I AM

LEARNINGS FOR BRANDS

The balance is to recognise the role their ethnicity plays in the context of who they are as consumers and their consumer needs. That is to say, to look beyond the superficial markers of ethnicity to its meaning in culture, belonging, family and a multiplicity of other factors.

In the same way we look at complex factors that make up other consumer groups, we must extend the same courtesy and respect to the complexity of these groups too.



"It's kind of weird. We are being put in different categories but it's almost like it's identifying us as well. Because I know there's a lot of people that are proud, 'Yes, I am Black or an ethnic minority. I'm here. Make sure you recognise that, highlight that.' So, I suppose it's a bit of a contradiction in terms. Some people like it, some people don't." (QL)

Adapted from Y Studios, 2020

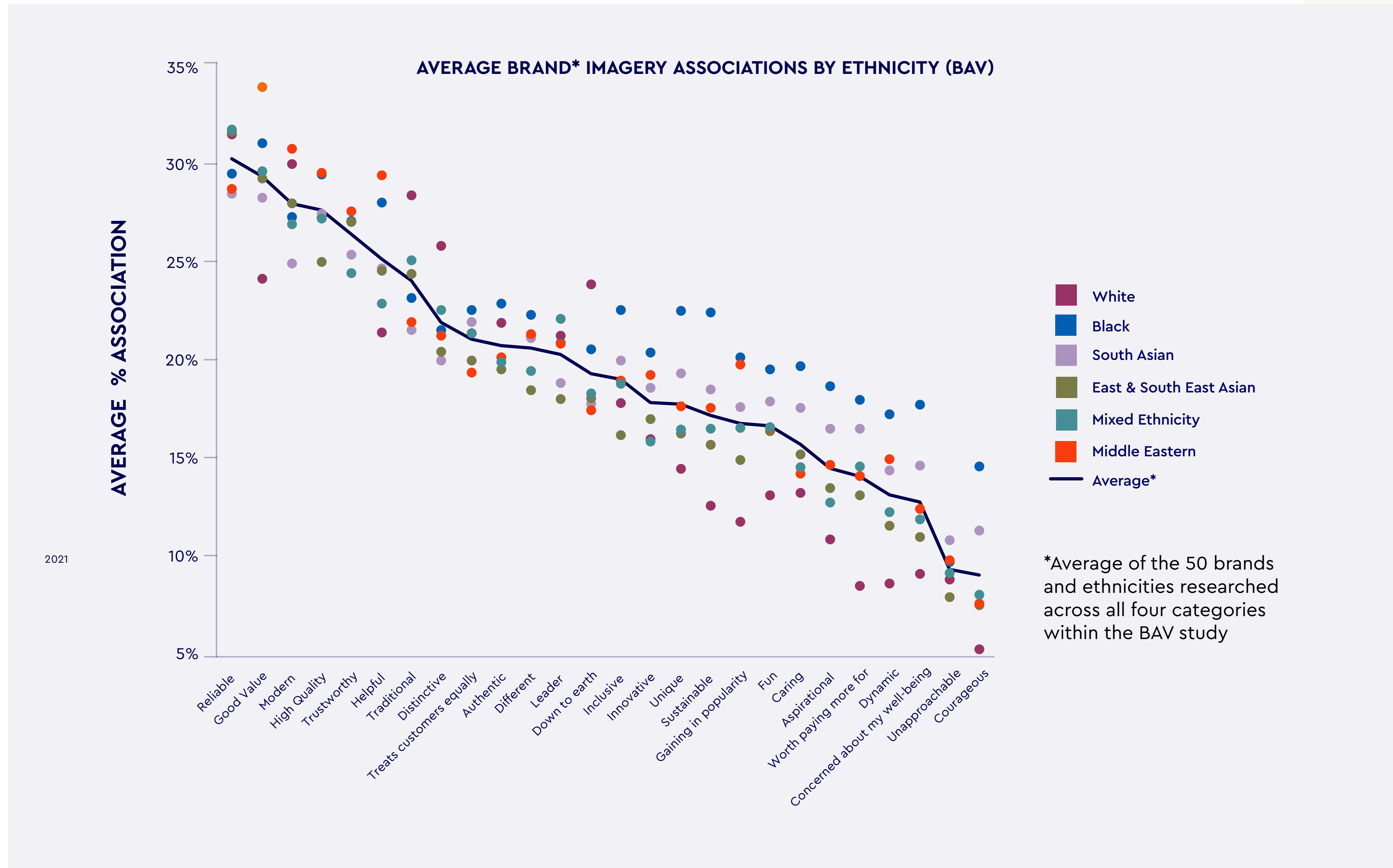
SHOULD BRANDS BE PAYING ATTENTION TO ETHNICITY AND BRAND PERCEPTION?

The answer to the question above is clear: Yes, ethnicity does matter for brands.

BAV conducted research across 50 brands, four categories and 26 traits. The chart shows the attributes that appeal to different groups. The categories included the High Street, Financial Services, Beauty, and Food and Beverage. Separate detailed breakdowns show variations across categories, and also drivers that are universal across all groups, as well as attributes that are notable for the population of a single ethnic group or multiple groups. What is clear is the heterogeneity of groups, as well as areas of coalescence.

In other parts of the study, categories are broken down by Minority Ethnic group and by attribute to give a picture of what is driving consumer brand strength.

What was notable in the findings were the attributes that showed the greatest variation between groups, usually diverging between White respondents and those of Minority Ethnic groups. Those notable attributes are: courageous, sustainable, worth paying more for, good value, gaining in popularity, helpful, concerned about my well-being, and dynamic (BAV).



2

WHAT DOES IT FEEL LIKE TO BE A CONSUMER FROM A MINORITY ETHNIC GROUP?

You experience poorer healthcare service

Kings Fund (2021)

Leading global brands and celebrities profit from your culture's rituals and traditions

Refinery29 (2018)

You experience buying more expensive car insurance because of your name

Citizen's Advice (2022)

You're only just starting to find make-up products for your skin

Marketing Week (2019)

Staff perpetuate or turn a blind eye to racist abuse of customers

People Management (2018)

Your community is depicted in stereotypical roles that are false or harmful

The Independent (2019)

If you go into a supermarket, you'll have to walk to the back of the store or a hidden aisle to find products, and even then, you're not British, you're part of a separate 'world' category; different

The Grocer (2016)

You are followed around a store for looking 'suspicious'

The Guardian (2019)

Algorithms and technology can't recognise your face so you are discriminated against

Find Biometrics (2019)

You can't get a mortgage

Y Deku, S., Kara, A., Smith, K & Xia, M (2021)

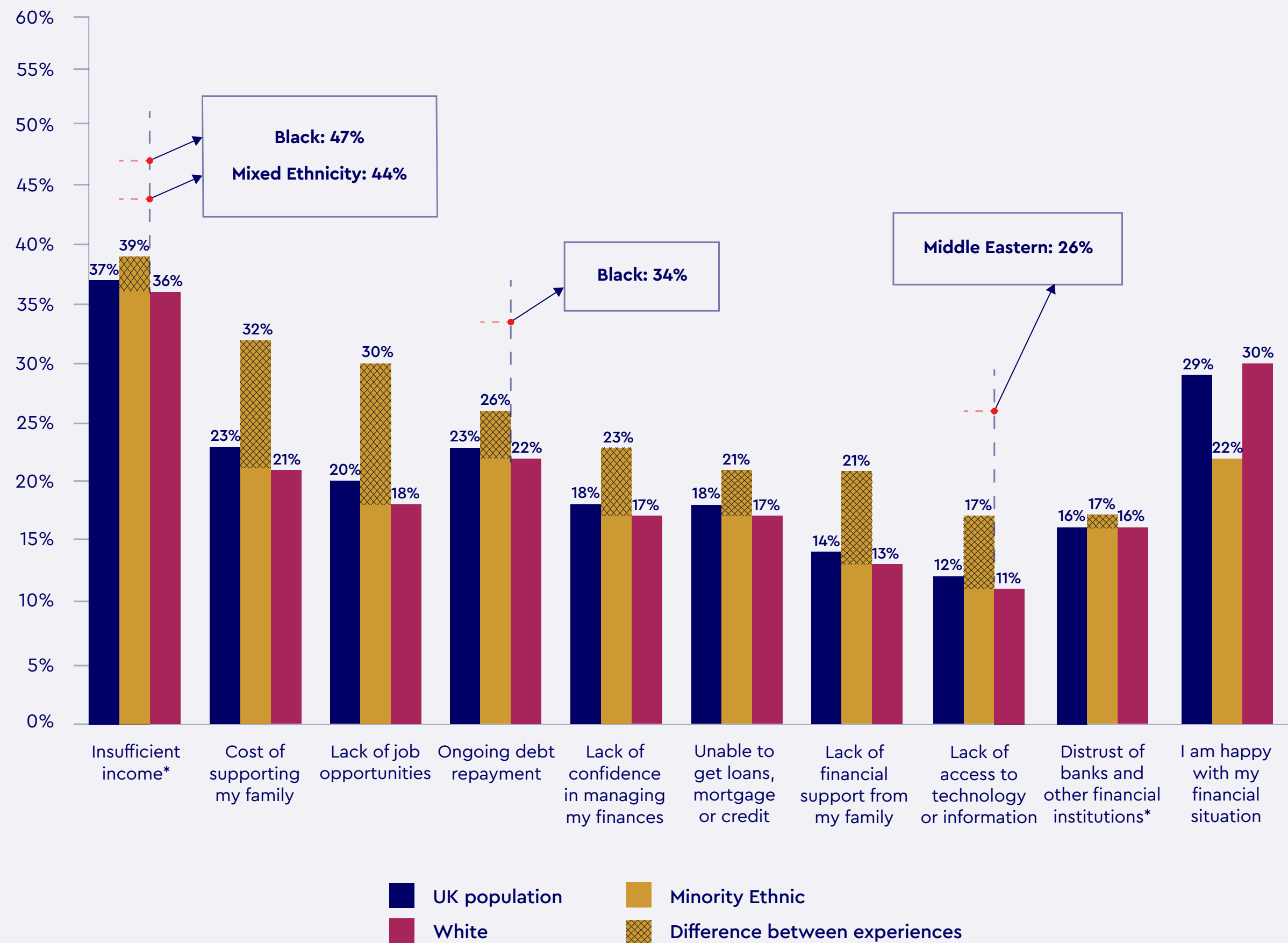
Businesses face more struggles for finance and support

Federation of Small Businesses (2020)

DAILY PERSONAL EXPERIENCES ARE NOT TRIVIAL

THEY ADD UP

WHICH, IF ANY, OF THE FOLLOWING MAKE IT DIFFICULT FOR YOU TO IMPROVE YOUR FINANCIAL CIRCUMSTANCES? (SELECT UP TO 5) (QT)



*not statistically significant

Some people might say daily negative personal experiences are 'small'. But these differences can multiply across a lifetime, across families and over generations. These seemingly small differences are highlighted by the shading of the yellow boxes on the charts across multiple areas: finance, employment and consumer experiences. At every step of each experience there is a negative difference. It is constant, chronic, persistent and pervasive. Their constant presence shows how they add up. And over a lifetime can multiply into massive inequality.

FINANCE

Looking at aspects of people's financial situation, there is a difference of experience in almost every element consumers were asked about. In themselves they are notable, but their consistent presence across the category could suggest a negative multiplier effect on people's lives (QT). Data analysis from the UK national Census 2011 shows that generational wealth, assets and inheritance are notably lower for people from many of these Minority Ethnic groups (Bangham G, Resolution Foundation, 2020).

"I don't believe they think anyone of our colour should be able to be rich, really. I think there's a stigma and we're supposed to stay and we're not supposed to be getting too far."

(QL)

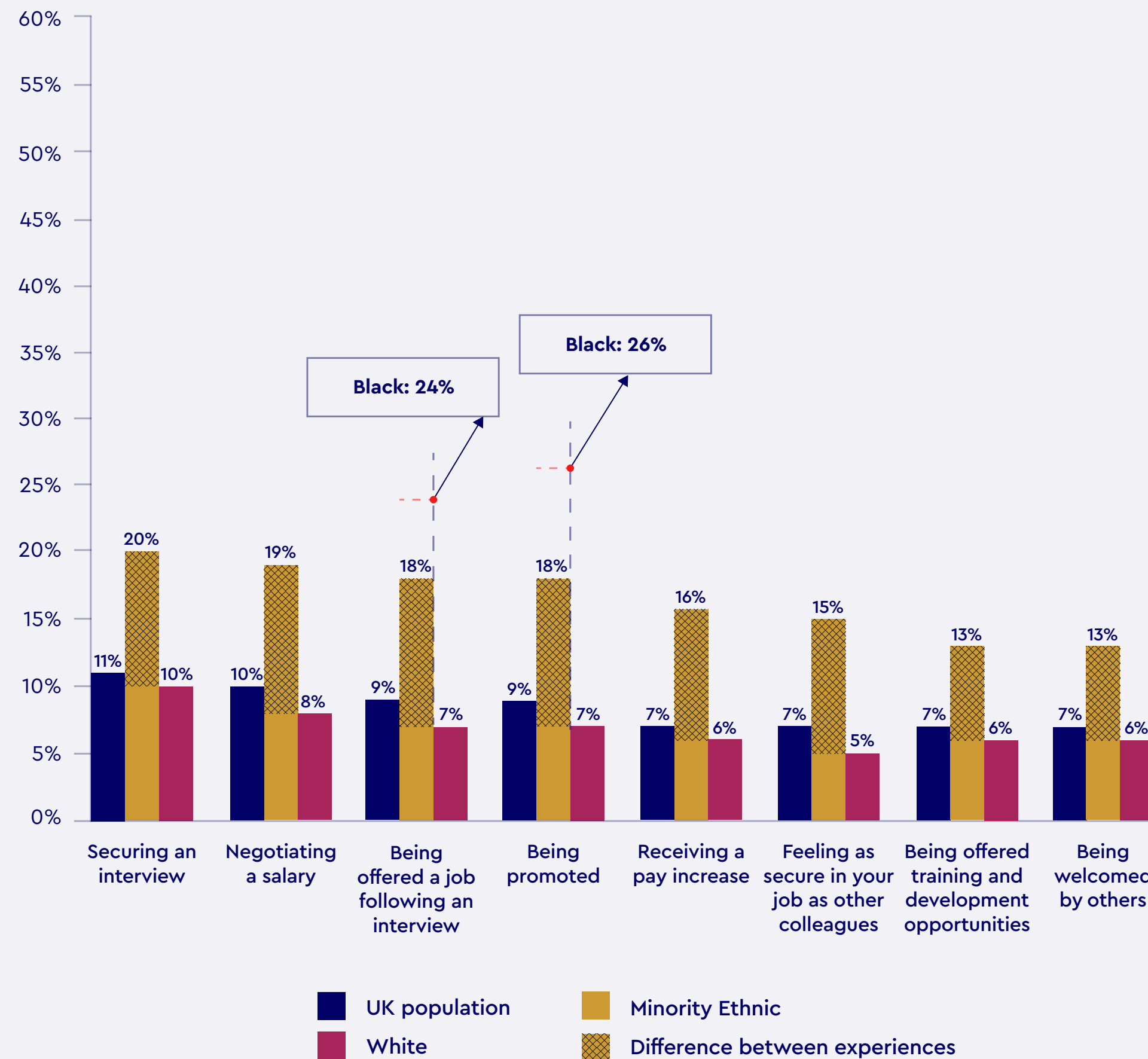
"I think sometimes it's been an advantage to be seen like Chinese tourists with lots of cash to throw back. [But] I think I just [feel] pressured to buy. [The assumption that] she's of Chinese origin, she's got a bit of money."

(QL)

DAILY PERSONAL EXPERIENCES ARE NOT TRIVIAL

THEY ADD UP

WHAT IMPACT, IF ANY, DO YOU BELIEVE YOUR ETHNICITY HAS HAD ON THE FOLLOWING WORK-RELATED SITUATIONS? (% NET NEGATIVE) (QT)



EMPLOYMENT

The same pattern emerges in the employment journey, with the differences showing the negative impact at each stage of the journey. Over a lifetime it adds up (QT).

"[There is] much more conflict in terms of the colour of his skin and how hard he has to work to get the same thing as somebody else."

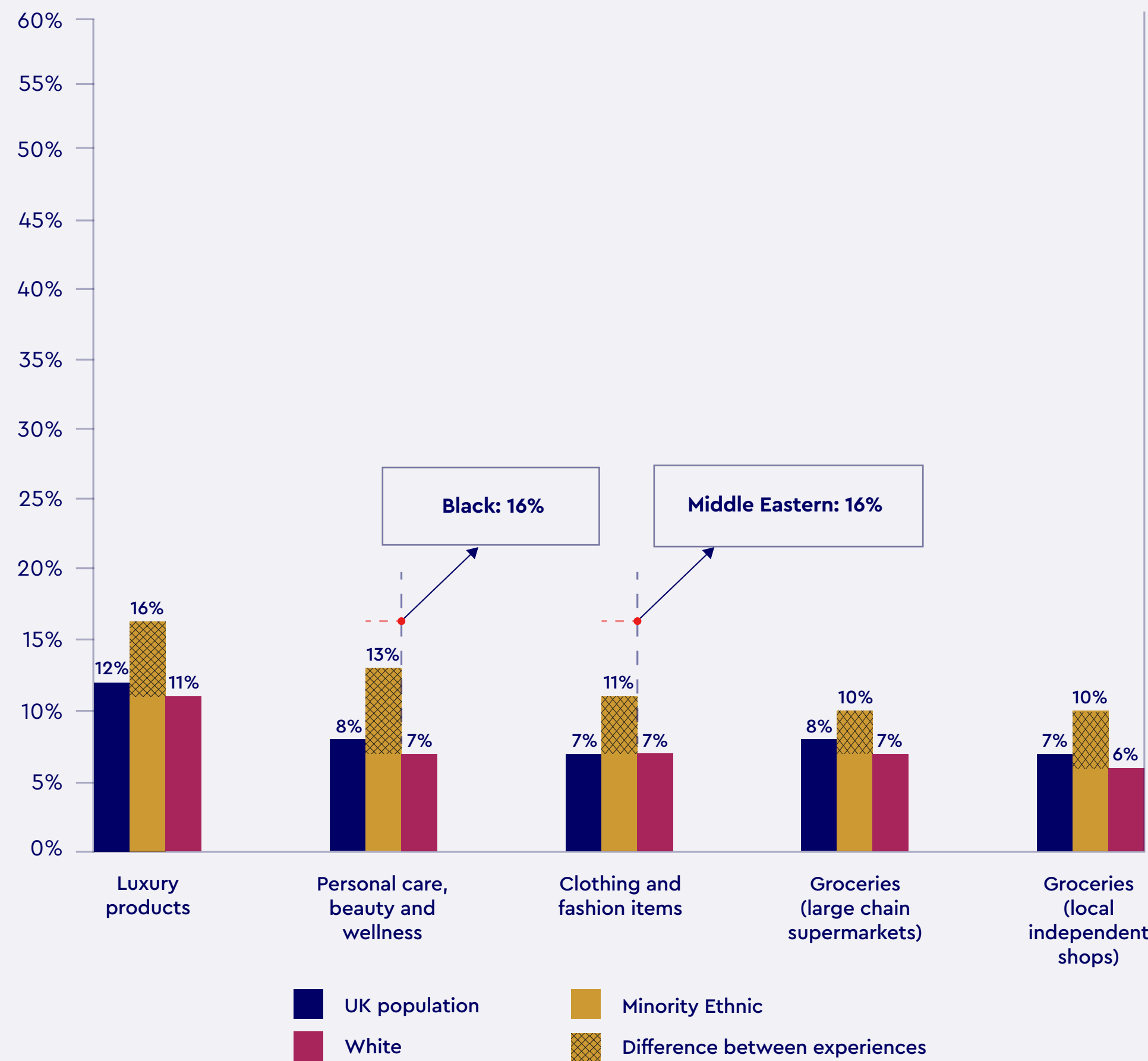
(QL)

"I would like Black men to have the same equal pay as their White coworkers because there's a lot of Black men here that do the same job as a White man, but their salary is less."

(QL)

CONSUMER EXPERIENCES ARE NOT TRIVIAL THEY ADD UP

WHAT IMPACT, IF ANY, DO YOU BELIEVE YOUR ETHNICITY HAS ON YOUR OVERALL EXPERIENCE AS A CUSTOMER IN EACH OF THE FOLLOWING CATEGORIES? (% NET NEGATIVE) (QT)



CONSUMER EXPERIENCE

The same pattern emerges yet again looking at consumer experience across categories: negative impacts of ethnicity which suggest unequal experiences in every aspect. It is worth remembering that these seemingly individual consumer experiences are not standalone; for one person they can proliferate in a day and over a lifetime can add up to an overarching unequal consumer experience (QT). If a consumer is trying to purchase goods to build a life then this hampers that ability.

"I went into [a fashion outlet] with my friend and she is Black ... bearing in mind we're both like 30-year-old young professionals. The security guard, we know he was following us around the store and to the point where my friend actually said, 'Right, I'm leaving'... She didn't say anything to him but she was really, really mad about it ..."

(QL)

"I do think that brands should reflect Asians—we live in a melting pot, and there are all these people that are contributing to your sales."

(QL)

In addition, it reduces the area of the public sphere in which equality is being experienced by a proportion of society. Inequality of experience in the civic sphere is understood. But it exists in the domain of businesses and brands as Consumer Inequality. And this is an inequality that is detrimental to consumers as well as businesses themselves. It is an inequality that can be addressed by brands to benefit their businesses as well as their consumers and society as a whole.

THE CONCEPT OF CONSUMER INEQUALITY

INEQUALITIES AREN'T ONE-OFFS: THEY BUILD UP OVER A LIFETIME. WE MUST THEREFORE CONSIDER THE LIFETIME IMPACT FOR INDIVIDUALS, AS WELL AS BRANDS.

Inequality of experience even in a single instance is problematic, especially for brands, where every interaction should matter.

But when it builds up across categories, from a young age, through a lifetime, the effect is cumulative and multiplied. A seemingly small negative or unequal experience at one time multiplies to something larger and ever-more unequal and life-impacting. And this can build over families and generations. Concepts like financial inequality and health inequality and their impacts are familiar. As a consequence of our study, we would now like to introduce the concept of **Consumer Inequality**.

Applying the concept of Consumer Inequality to assess each single interaction of every consumer experience offers the ability to understand the full and cumulative impact of a brand's relationship with its consumer. This cumulative impact sits at the heart of the intersection between individual, brand and society.

Just as unequal experiences aggregate for individuals as growing disparity, they also aggregate for businesses as ever-increasing lost revenue and a growing gap between them and the individual.

By understanding the full cumulative impact, it shows the scale of Consumer Inequality to be addressed, but it also demonstrates how much opportunity that offers for business growth.

Consumer Inequality is pervasive and also difficult to spot, because the differences can look small. But also because of the desire to look for single causes and single solutions, especially 'big' ones. What the concept of Consumer Inequality gives brands and consumers themselves is a name for the persistent problems.

The good news that consumers tell us is that it is in fact possible to close these gaps, because they are already expressing their positivity at efforts to engage (QL)—whether that's at the very least having products in supermarkets and in-store, or having employment policies that redress historic inequalities, or whether it's in more inclusive advertising. The qualitative research in particular showed that consumers from Minority Ethnic groups feel positive about the potential that lies ahead (QL). But first the painstaking effort of understanding the detail of experiences, the gaps and the inequalities must begin. But the consumer rewards and the commercial successes are potentially very high.

'consumer inequality' (noun)

An inequality that lies at the intersection of consumer experience (what brands/corporations do) and the social context (the systemic and societal problems of inequality and racism)



3

MONEY & FINANCE: CAN YOU GET IT & HOW DO YOU SPEND IT?

To understand our consumers, we have to start at the heart of consumer life: money.

We wanted to know:

- How people manage and spend their money
- Their barriers to gaining more wealth
- How people feel about their work and income
- How they feel about their relationship with financial institutions
- And of course, where the similarities and differences lie among people from different ethnic groups

It was made clear that financial growth is a consistent ambition, but the motivations, methods and barriers are not.

More than three-quarters of people from Minority Ethnic groups say they are unhappy with their financial situation.

Here, we will explore why that might be.

78%

of consumers from Minority Ethnic groups are unhappy with their financial situation (QT).

BILLS ARE A CONSTANT, BUT FINANCIAL TREATMENT IS NOT

A BRIEF NOTE ON THE ECONOMY

Bills are a source of worry. And given that this research was conducted when the Covid pandemic and early ramifications of Brexit were in full swing, it comes as no surprise that there was almost a universal concern for the UK economy. When we asked people what social issues they were most concerned about, it was the UK economy that topped the list for absolutely everyone, regardless of ethnicity.

In fact, **91% of all consumers ranked the UK economy as their biggest concern** (QT).

For people from Minority Ethnic groups, if it's harder to get money and save money, if there are more financial responsibilities and it feels more overwhelming to deal with financial institutions—whether that's because of Consumer Inequality, lack of trust or lack of confidence—those impacts and concerns can multiply. It is worth remembering that people from Minority Ethnic groups were also more likely to lose their jobs, as well as be affected health-wise by the pandemic, with consequences for finances (People Like Us, 2022).

And now in the middle of a cost-of-living crisis, all of this will multiply even further. The hard lessons of history are that in times of financial crisis, people from Minority Ethnic groups can bear the social brunt.

SPENDING PRIORITIES

It is not surprising that bills are most important when people are thinking about their finances—50% of people, in fact (QT). And with the cost-of-living crisis, this is likely to be truer now than ever before.

Saving for unforeseen events and emergencies, and saving for holidays and travel then completed the top three for the consumers of most Minority Ethnic groups, except for Black and East and South East Asian consumers, who prioritised saving for retirement over holidays (QT).

It's worth considering that for families from Minority Ethnic groups, travel may not be a 'luxury' or 'nice to have', but rather it may be considered an essential for visiting close relatives or families abroad.

Saving for retirement might be about planning ahead for multigenerational households, or a reflection of a sense of urgency to build capital and self-support, especially if money and work are tight pre-retirement.

RELATIONSHIP TO FINANCIAL INSTITUTIONS

When we asked consumers from Minority Ethnic groups to discuss their feelings regarding financial services, they didn't necessarily feel limited by the institutions, but felt more pressure to make their money go further, whether that was due to immediate costs, family spending or long-term planning (QL).

But while the majority of these consumers feel that they have access to the financial products and services they need, there is a relatively higher proportion of people from Black, Middle Eastern and Mixed Ethnic groups (compared to those from the White group) who feel it's not easy to understand the products or services available to them (QT). This might be partly due to a lack of financial education: 23% of people from Minority Ethnic groups feel that they lack confidence in managing their finances compared to 17% of White consumers (QT).

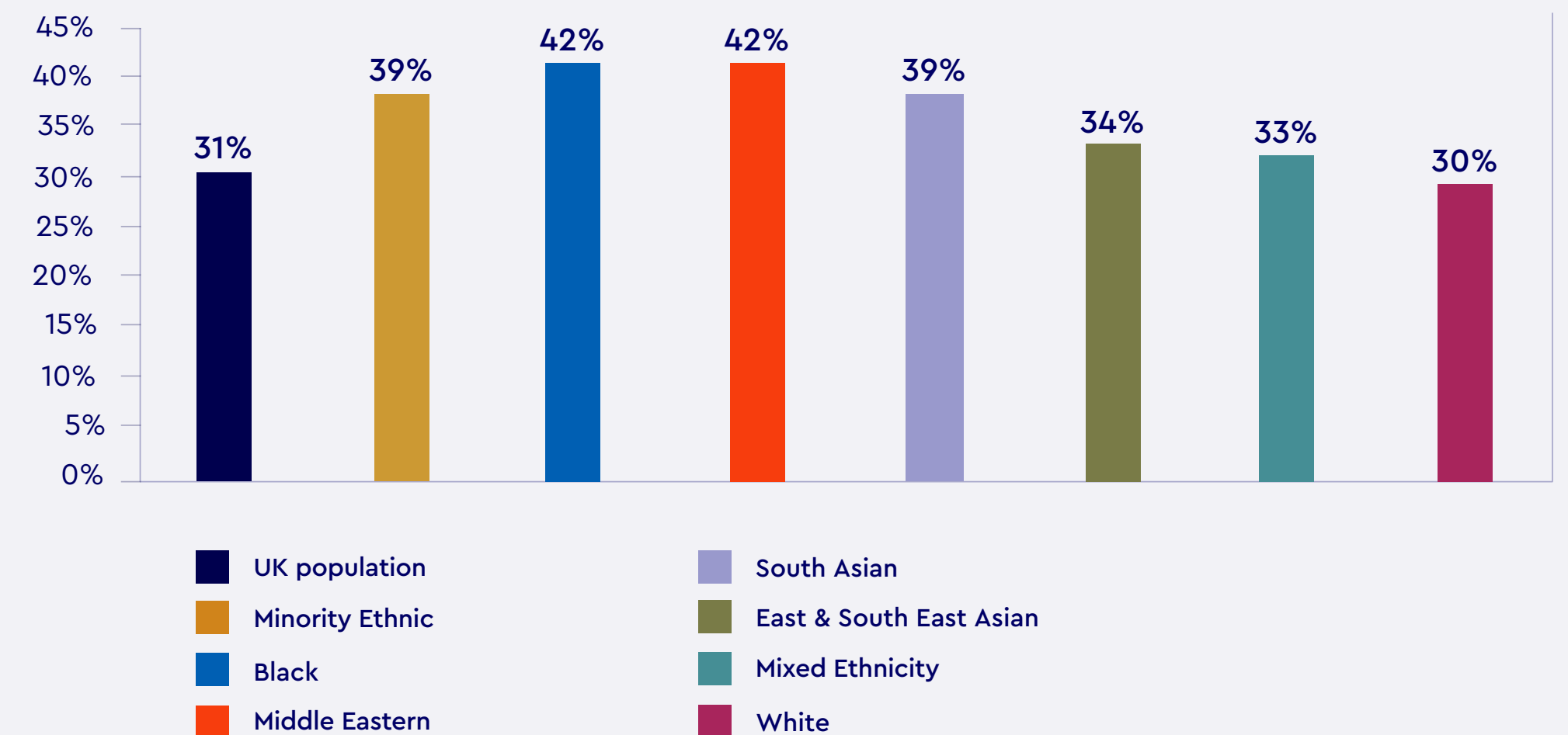
The human element was also called out: 39% of consumers from Minority Ethnic groups felt that their ethnicity negatively affects their experience with financial services. Black and Middle Eastern consumers indexed slightly higher at 42% (QT).

A number of people mentioned that there was a preference for dealing with staff from a similar ethnic background where possible (QL).

CHANGING PRIORITIES GENERATION TO GENERATION

People who have immigrated are more likely to be thinking about paying for their everyday bills (57%) and unforeseen events (45%) compared to those from Minority Ethnic groups who are third generation or more at 47% and 32%, respectively (QT).

'MY ETHNICITY AFFECTS THE EXPERIENCE I HAVE WITH BANKS AND OTHER FINANCIAL SERVICES.' (QT)



INVESTMENT IS KEY—FAMILIES ARE A PRIORITY

FAMILIES ARE A FINANCIAL PRIORITY BUT ALSO A FINANCIAL CHALLENGE

There is a resounding presence of the family in multiple aspects of financial life.

When it comes to household composition 59% of people from Minority Ethnic groups versus 42% of people from the White group live in multigenerational households (QT).

Nearly a third of all consumers from Minority Ethnic groups say the cost of supporting their family is part of the responsibilities they face, compared to 23% of the UK population. People from the Black ethnic groups in particular felt this at 37% (QT).

Among consumers from Minority Ethnic groups 21% felt challenged by a lack of financial support from their family—this was less significant for White people, 13% of whom shared the sentiment (QT).

Typically, people from Minority Ethnic groups were more likely to also be supporting their elders: 20% of people were thinking about how to support older family members compared to 13% of White people (QT).

There are also changing priorities generation to generation. People who have migrated are more likely to be thinking about investing to increase wealth (31%) compared to those whose families migrated two or three generations ago (24% and 23%, respectively) (QT).

Being part of **multigenerational households** brings its own challenges. For those with older family members in their household (three-plus generations), 35% said **a lack of confidence in managing their finances** was an added problem, combined with a lack of sufficient income and the general cost of supporting their family. This was up from a 23% average of all people from Minority Ethnic groups (QT).

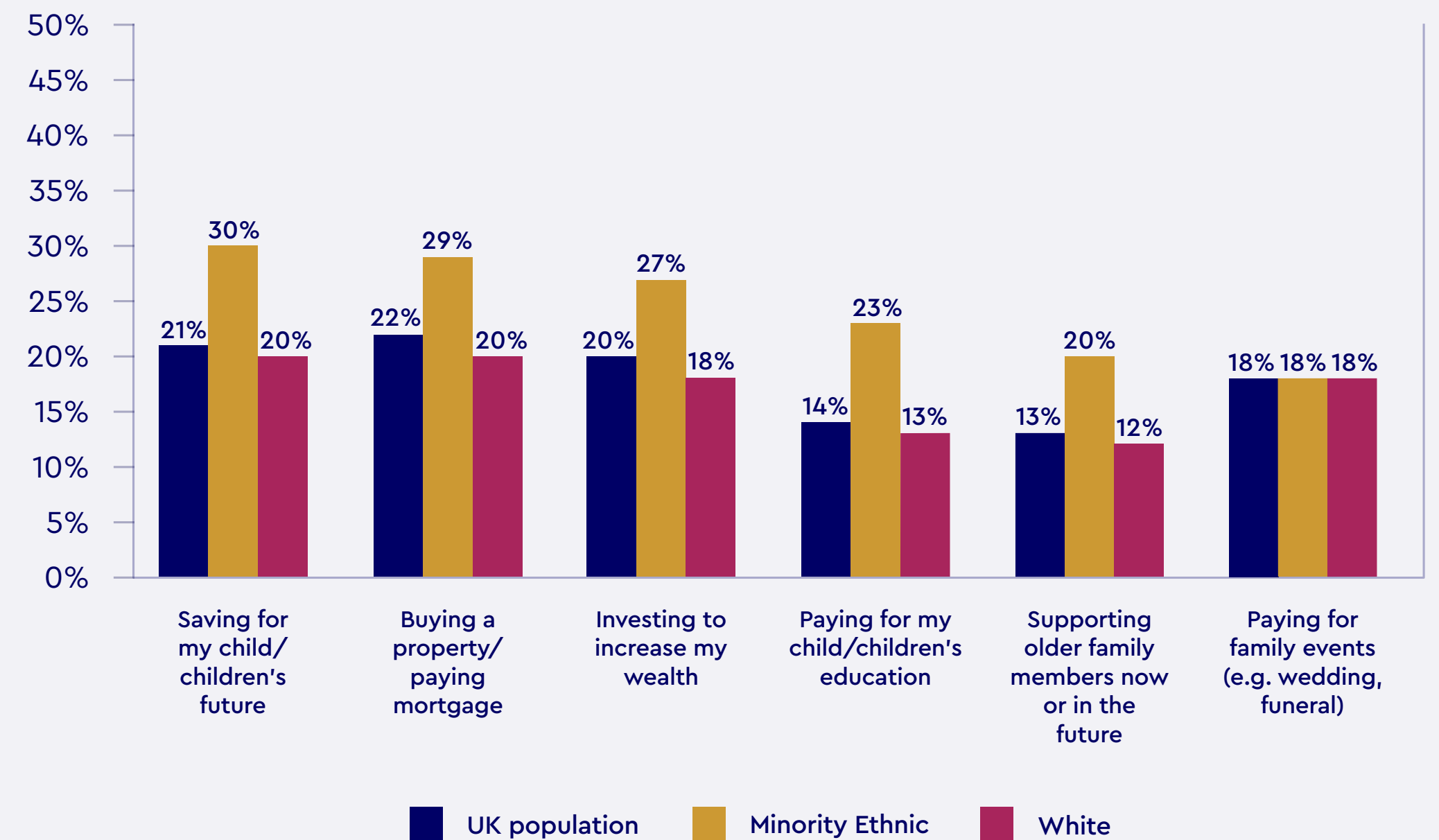
The importance of money to build a family future is also very clear and comes through in a sense of collective future, and an upward trajectory of building on what has already been established.

A third of people from Black, East and South East Asian, and Mixed Ethnicity groups are thinking about **'buying a property/paying their mortgage'**, and nearly a third of South Asian and Black people focused on **'saving for my child/children's future'**. For White people, both factors scored approximately 10 percentage points lower as a priority (QT).

Of those from Minority Ethnic groups, 39% said they had **'insufficient income'**, which rose to 47% of Black people and 44% of people from the Mixed Ethnicity group (QT).

And 30% of people from Minority Ethnic groups flagged a **'lack of job opportunities'**—rising for Black people to 32%. This is in contrast to only 18% of White people. This suggests that not only are people from Minority Ethnic groups likely to be unhappy with what they are earning, but they're struggling to find better options (QT).

WHICH OF THE FOLLOWING ARE MOST IMPORTANT WHEN THINKING ABOUT WHAT TO DO WITH YOUR MONEY? (QT)



INVESTMENT IS KEY—FINANCIAL GROWTH IS ON THE AGENDA

THE RISING INVESTOR

Financial growth on your own terms was a standout priority. And investing for wealth was one of the most notable findings of the study.

Among people from East and South East Asian groups and people from Black groups 33% were thinking about 'invest[ing] money to increase wealth'. A significant difference was the age of investors. The most dominant age group among Black and East and South East Asian investors was 35-54. The most dominant age group for South Asian respondents was 18-34-year-olds (32%); for Mixed Ethnicity, it was 55+ (41%) (QT).

In fact, **28% of people from Minority Ethnic groups aged 18-54 said they were investing for wealth** compared to 17% of the same age group of White people (QT).

This desire to take income into your own hands was shown through thinking about investing to develop skills and earning new qualifications—18% of people from Minority Ethnic groups versus 12% people from the White group—and starting a business.

Among people from Black ethnic groups 20% said they were thinking about entrepreneurialism, and this was 18% for people from Middle Eastern groups, whereas only 7% of White people were considering this (QT).

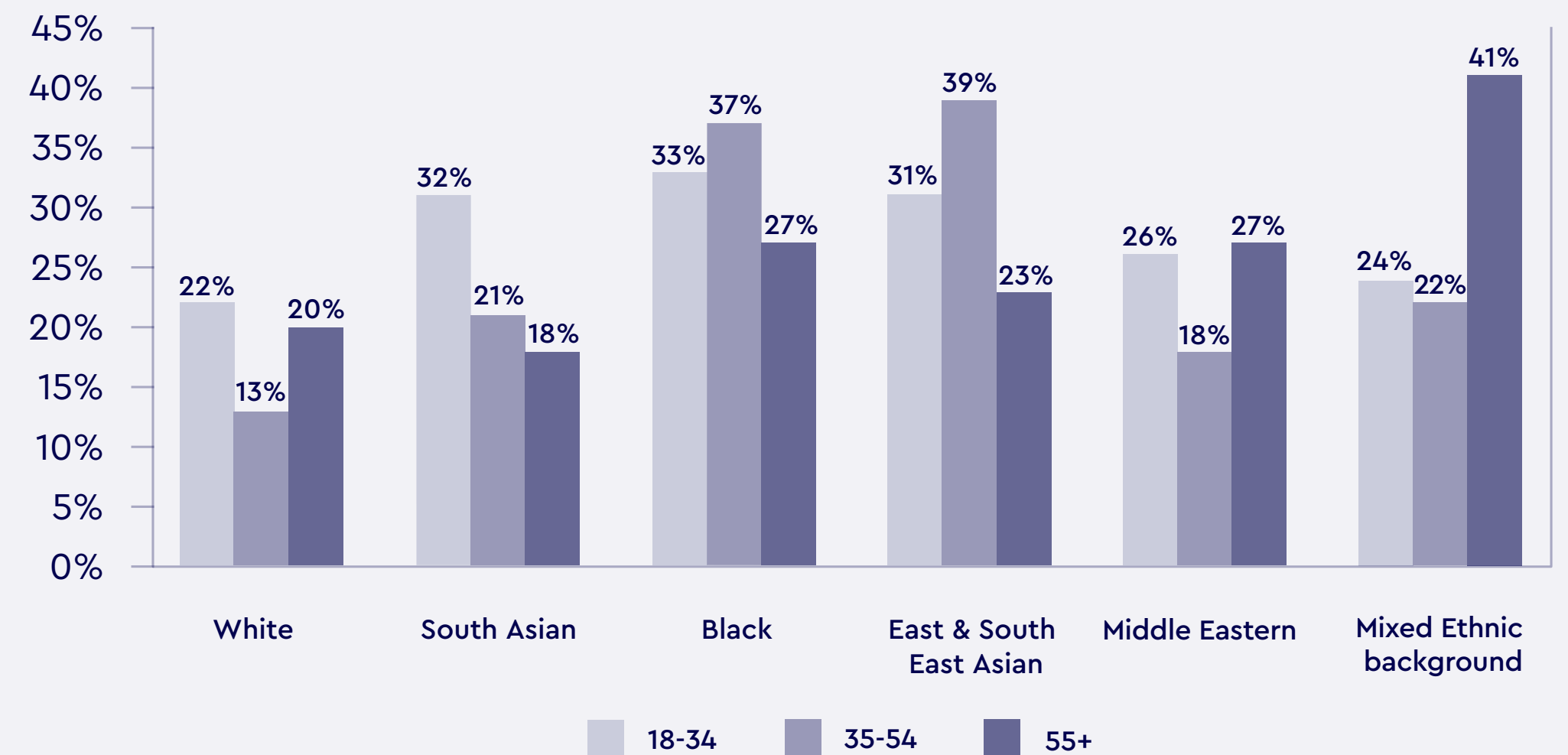
LEARNINGS FOR BRANDS

There is a clear opportunity for financial services to work to reduce both the perception and the reality that ethnicity affects Minority Ethnic consumers' experiences.

There is also a clear commercial imperative to tailor offerings towards a younger, more diverse consumer base, allowing them to invest in their future not only for themselves, but for their families.



IS 'INVESTING TO INCREASE MY WEALTH' IMPORTANT WHEN THINKING ABOUT WHAT TO DO WITH YOUR MONEY? (QT) IF YES:



"I could definitely see that there were problems with people who were almost failing to save for that nest egg in the future. By failing to save, they were creating a disaster in the future and that's indeed what happened. ... So, I've done all of my planning for my retirement. Now, my goal is to provide financial security for my grandkids. I've got three kids so I want to

provide financial
security for them."



4 WHAT IS THE CONSUMER RELATIONSHIP TO PURCHASE?

Now that we have established that ethnicity does matter to consumers, we wanted to take a deeper look into how, if at all, consumers feel impacted by ethnicity when experiencing and purchasing from brands.

To find this out, we explored:

- How consumers feel when shopping in different environments
- Whether they feel they are respected and valued by businesses
- Whether they feel they have access to the products and services they are looking for
- What companies can do that would (most) encourage purchase

The responses—particularly when recounted in person in the qualitative research—suggested that people from Minority Ethnic groups ultimately felt less valued in their purchasing experience, with poorer experiences impacted by lack of products, availability, trust, confidence and engagement.

Here, we explore why that might be, and the learnings that businesses can take to make Minority Ethnic consumers feel more valued.

34%

of consumers from Minority Ethnic groups are more likely to shop with brands that ensure a more consistent quality of service to customers of all ethnicities (QT).

PURCHASE AND PRODUCT EXPERIENCES LEAVE A LOT TO BE DESIRED

Consumers from Minority Ethnic groups are making decisions on where to spend their money using the same basic criteria as everyone else. They want to buy things they need, they want to buy things that are fashionable, they like a bargain, they will spend a little bit more for a brand they like, and they will shop somewhere that's closer to where they live if it's more convenient (QT, QL).

In short, these consumers are all looking for experiences where value, availability and brand connection are equally accessible. The challenge is that reality is not meeting that need.

LESS VALUED

Among consumers who don't feel valued, the proportion is higher for consumers from Minority Ethnic groups.

In the clothing and fashion categories, 11% of people from Minority Ethnic groups feel that their ethnicity has a negative impact on their overall customer experience (with Middle Eastern consumers feeling this the most). This collective figure rises to 13% in beauty and personal care,

and 16% in luxury. In large supermarkets, 1 in 6 consumers of Mixed Ethnicity report feeling less valued (QT).

READING BETWEEN THE LINES—NOT EQUAL

However, the fact that less than 20% of people from Minority Ethnic groups (QT) indicated that ethnicity had an impact on their overall customer experience felt low to us. This was particularly because during the in-depth qualitative interviews with consumers from Minority Ethnic groups, it was clear that many of them had stories about not feeling welcome or respected in-store. This difference between reporting in the quantitative research and the qualitative research suggests that when people tell their stories, their experiences are unequal. But when asked to score them, they may not have a reference point, may compare them to other worse or non-existent experiences or minimise them. By listening carefully during qualitative storytelling, this lack of equal experiences becomes more apparent.

The feelings described included an apprehension from some consumers from Minority Ethnic groups when entering certain stores (usually more premium retailers)—where they were made to feel like they don't belong.

PRODUCTS DO NOT CATER TO THEIR NEEDS

When looking at the shopping experience across multiple categories, we found that compared to White consumers, those from Minority Ethnic groups are more likely to struggle to find products and services that cater to their specific needs.

Among consumers from Minority Ethnic groups 13% felt that products from large supermarkets are 'not designed with people like me in mind' (QT).

Even when more ethnically inclusive products are available, these consumers report dealing with a limited range.

CASE STUDY:

GOOGLE PIXEL

Using the wealth of data available to them, Google Pixel was able to recognise the longstanding history of misrepresentation that camera technology presents when capturing people across the full range of skin tones, particularly the darkest. This disproportionately affects many within Minority Ethnic groups. Google's imperative was to embed image equity into its products to ensure that every skin tone was represented accurately and each consumer felt equally valued when using its products.

Starting with advice from a diverse range of image makers, and ultimately through technology and AI improvements, Google released improved camera features like face detection and auto exposure in its Real Tone software to provide a more equitable camera for all.

Pixel



THE IN-STORE EXPERIENCE IS STILL AN IMPORTANT ELEMENT OF THE CONSUMER'S ECOSYSTEM

IN-STORE OR ONLINE?

Over half of consumers from all ethnicities said they mostly shop in-store—particularly groceries and luxury.

In luxury, consumers from Minority Ethnic groups over-index at 49% on in-store shopping compared to White consumers particularly driven by people from the Middle Eastern (53%), South Asian (51%) and Black (49%) groups. Why this might be needs further investigation (QT).

But there were a few reasons those from Minority Ethnic groups were likely to shop online.

The strongest differences were "a wider range of products that suit my needs" (5% higher than the average) and "finding better quality advice and recommendations for my needs" (6% higher than average) (QT).

THE PROVIDER DILEMMA

One of the most common anecdotes about supermarket brands being relevant to different ethnicity groups was in relation to annual holidays and celebrations and the 'World Foods aisle'.

From the qualitative research, the people we spoke to tended to be positive about brands' (typically supermarkets) at least providing some limited tailored food and products in the first place, even if they were towards the back of the shop.

However, it was clear there was a much stronger connection to local independent stores servicing these needs already and most likely in greater depth and range than for White consumers. There was a desire to see them protected from losing business to the national and international brands, and so people's purchase intent was torn between the two (QL).

People from Minority Ethnic groups tended to feel less catered to across both large supermarkets and local independent stores, which represents an opportunity for the overall sector to improve the customer experience (QT).

"I think [Supermarket X] have introduced real food, big, massive ranges of all world foods got big aisles of that. [Supermarket Y] got a lot of Chinese, Malay, halal products. I know there's an event they've got Cards in there and Hanukkah and Passover and everything else. So they're trying to be more inclusive but on the flip side of that, they're putting these little shops out of business where people would normally go for halal meat."

(QL)

"We went to a [supermarket] we don't usually go to just outside of town and the staff are mainly White and you can tell they are looking at you like you don't belong there."

(QL)



HOW CAN BRANDS IMPROVE THE SHOPPING EXPERIENCE?

So, what can companies or brands do to encourage these consumers to shop with them more?

PRODUCT RANGE

We found 58% of the UK population and 48% of consumers from Minority Ethnic groups were keen to see a 'greater product range that fit their budgets'. This aligned with similar views regarding financial pressures. Middle Eastern consumers were the outliers here, less likely to be swayed by this commercial decision by another 10% (QT).

When asked about the interest in 'products tailored to specific cultural needs', 37% of consumers from Minority Ethnic groups said they would shop with brands that addressed those cultural needs, versus only 23% of the UK population. This was highest at 39% of Middle Eastern consumers and lowest at 20% of White consumers (QT).

Notably, key attributes for High Street brand strength among respondents from Minority Ethnic groups include 'modern' and 'worth paying more for' (BAV).

SERVICE & PEOPLE

Service makes a huge difference. Consumers from the Black group were particularly swayed to shop with brands that 'ensure a more consistent quality of service to customers of all ethnicities', at 41%, in contrast to 28% of White consumers (QT).

Employing 'more people from all communities' was particularly encouraging for people from South Asian and Middle Eastern groups (at 35%), supporting the responses we heard in the qualitative research—particularly for the finance and grocery category. These consumers are more likely to feel more at ease if they can see more of themselves in the places they choose to shop. These factors help break down barriers and contribute to the preference for shopping with mainstream brands (QT, QL).

Concerns about product range and service for people from Minority Ethnic groups applied across multiple categories—large as well as local grocery shops, beauty, and luxury (QT).

Younger consumers from Minority Ethnic groups (18-34) were also less likely to be happy with their shopping experience—at between 14% and 15%—than the older consumers (35-54), where 10-11% of people felt this way (QT).

LEARNINGS FOR BRANDS

Not feeling valued, catered to, or trusting of what brands are doing is a big deal, both for consumers and the brands themselves. After all, upwards of 70% of all respondents believe that the actions, products and services of brands can affect their well-being (BAV).

Data and modelling show that younger consumers from Minority Ethnic groups are projected to increase their buying power as they grow older (CM). They are already conscious of the differences in experience, and this will predispose them to move to brands that disrupt the status quo and deliver the more equal and tailored experiences they are seeking.

To gain commercial value, there is an opportunity for brands across all categories to adopt a more inclusive, wider range of products and services that cater to their specific needs in-store and online.

CASE STUDY:

WEEE!

Founded in 2015, Weee! is an e-grocer serving the East and West coasts of the US, as well as other individual states. Weee! delivers 10,000+ hard-to-find goods from around the globe directly to customers.

Weee! has been disruptive in so much as understanding the unmet needs of underserved communities, and it also

offers the staples that are already available, making it a one-stop shop for underserved communities.

Weee! differentiates itself from competition by really driving community at the core of its value proposition. A central aspect of its offer is to generate a sense of community and fun via its online platforms.



CASE STUDY:

TUFTS HEALTH PLAN

After launching a task force to proactively seek out problem areas for its consumers from different ethnicity groups, Tufts Health Plan—an American healthcare insurance company—leveraged the data and insights available to them to recognise that their consumers from Minority Ethnic groups faced disproportionate challenges and barriers when it comes to getting the right healthcare and coverage.

Tufts has been able to create a number of inclusive programs and services (such as bilingual sales staff to break down linguistic barriers)

that reflect its diverse member population. Initiatives like this have not only made its consumers feel more valued, but also created value for the business in the process.

At the beginning of this report we detailed the challenges of data inequality regarding people from Minority Ethnic groups. Whilst it's important across all the points we've made in this report, a brand couldn't possibly expect to get its product range or service right for this audience without knowing more. The Tufts Health Plan case study shows how this comes to life. It's vitally important.



5

WHAT ARE THE ROLES OF SELF-EXPRESSION & REPRESENTATION?

Representation

1. The act of speaking or acting on behalf of someone else (or a group). 2. The description or portrayal of someone or something in a particular way.

Self-expression

The expression of one's own personality: assertion of one's individual traits.

When we talk about belonging in the UK, we might think it's something that is up to minority groups to achieve. But that's not the case. Those already in the UK Embrace rather than 'other', and instead of entrenching a feeling of exclusion, they feel more able to express themselves in who they truly are and have greater engagement and sense of belonging. In order to make one feel more included, representing

a person and their interests in broader society is a key part of making them feel more included.

We've discussed our respondents' relationship to money and finances, and we've explored their experience as a consumer.

But we felt we needed to bridge the gap into the realm of how consumer experience interacts with a feeling of societal belonging.

After all, as we've discussed, the consumer experience is not trivial: It shapes almost every aspect of life.

84%

of respondents agree that 'it's important for brands to promote diversity and inclusion' (BAV).

IT'S TIME FOR BRANDS TO RETHINK THEIR ASSUMPTIONS ABOUT LUXURY AND BEAUTY AUDIENCES

ASPIRATION IS KEY

There is an untapped opportunity with the relative aspiration of people from Minority Ethnic groups—27% of these consumers define 'investing to increase wealth' as a priority (QT).

People from Minority Ethnic groups reported that, in terms of aspiration, premium/fashionable brands are very much top of mind.

At a push, some can think of examples of these brands' making an effort to diversify, but ultimately, people are buying from them because they represent a future where they belong. People from Minority Ethnic groups expressed that it's nice brands are being more representative but that's not a reason to purchase in itself (QL).

When looking at brand strength, White respondents want relatively more 'good value', while respondents from Minority Ethnic groups relatively want more intrinsic worth and high quality (BAV).

This high level of purchase of luxury goods may at first glance seem at odds with the findings in the finance section that highlights

concerns among consumers from Minority Ethnic groups about bills, family responsibilities and worries about income and priorities.

However, it fits with the contextual findings that intrinsic worth and high quality are relatively more important for these consumers, as well as 'worth paying more for' (for High Street brands) (BAV). Or simply put, they are looking to the luxury category to fulfil multiple aspects of consumer products and services they are not receiving elsewhere and are willing to pay for them.

'YES, WE BUY LUXURY PRODUCTS'

Brands need to rethink assumptions about luxury. Consumers from Minority Ethnic groups, particularly Middle Eastern, Black and South Asian, buy luxury products:

More than 5 in 6 report buying luxury products (compared to less than 4 in 6 of White consumers). And yet, consumers from Minority Ethnic groups do not feel that luxury products are designed for them (QT).

According to Kantar's BrandZ Most Valuable Global Brands 2022 report, the luxury category is outpacing the growth of other sectors with a combined year-on-year growth of 45%. The top 10 most valuable global brands have a combined value of US\$344 billion.

The business opportunity of consumers from Minority Ethnic groups within beauty and personal care is expected to rise to £10.5 billion annually by 2061 (CM).

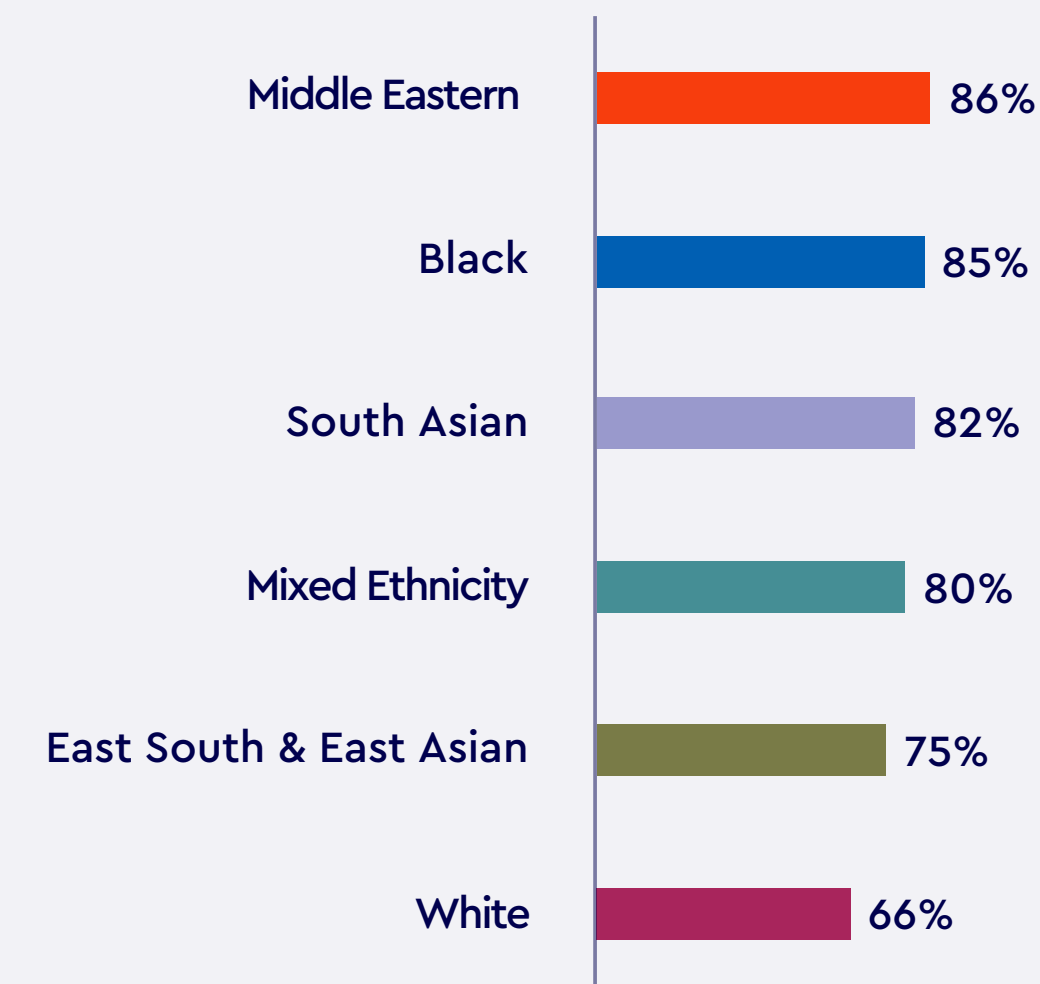
But across the consumer journey in luxury and beauty, people from certain Minority Ethnic groups report feeling less included and represented, particularly in luxury products' not being designed for people like them in mind, and not feeling valued as a customer, based on the service they receive (QT).

There is a large imperative for luxury brands to bridge the inclusion gap in luxury considering the sizeable customer base and its higher engagement.

"One of the designers. This is not a positive thing. He said he didn't want ... people of colour wearing his clothes. I read an article [newspaper] and they named and shamed him. Then his sales dropped because obviously a lot of the Black rappers wore his brand."

(QL)

'I BUY PRODUCTS IN LUXURY' (QT)



WHERE ARE WE WITH ADVERTISING?

RECOGNISING INCLUSIVE PROGRESS

When we polled our audiences across categories about brand equity, respondents from Minority Ethnic groups showed higher brand relevance to beauty than White respondents (BAV).

It is well noted that the beauty industry has also been making a strenuous effort to be more inclusive—everything from more representative and diverse advertisements, to influencers from Minority Ethnic groups promoting themselves and the category, to a growing product range. And of course the arrival of disruptive brands that specifically speak to these audiences.

The best creative work doesn't just help sell products and build brands, it can influence people's behaviour, attitudes and emotions (Kantar & Affectiva, 2021).

Advertising can be instrumental in creating and reinforcing positive or negative stereotypes. Diversity & Inclusion in advertising is a hot topic—the challenge is to find an approach that is authentic. Brands have a bigger societal purpose if they can authentically accelerate positive change within the collective psyche of society.

We've even seen that advertising has the power to build trust among consumers when the adverts are more representative of different ethnicities. Upwards of 77% of respondents from Minority Ethnic groups felt this way, rising to 82% of East and South East Asian respondents. This was in contrast to 60% of White respondents (BAV).

BUT RECOGNISING THE CHALLENGE OF TOKENISM

Consumers from Minority Ethnic groups are significantly more likely than White consumers to expect brands to deliver diversity, representation and discourse on important issues. In particular, Black consumers are more likely than those from other Minority Ethnic groups to want equal representation in advertising, at 78% (QT).

"These ad people, I think they've noticed that it's good to mix everyone because they get money from everyone—it's just fitting in with society."

(QL)

But more than half of all consumers (56%) also think brands only use ethnic diversity for commercial gain (QT). Whilst this scepticism is strong among all ethnicity groups, many qualitative conversations demonstrated the need for representation, even if it was for sales—and that they were happier to invest in brands that took that approach (QL).

It simply means inclusive advertising is welcome, but it needs to be supported across the consumer journey, and sensitivity is key.

INTERSECTIONAL CONSIDERATIONS

The biggest differences between White consumers and those of Minority Ethnic groups were actually between consumers above 55 years old. There was an 18% difference in those who 'feel

most positive towards a brand whose advertising represents people from all communities equally' compared to the White audience of the same age, and a 19% difference for the statement 'Brands can do more to make people like me feel represented in their advertising'—much greater differences than among other consumers (QT).

This suggests that advertising is not reflecting older consumers from Minority Ethnic groups.

The opportunity for brands lies in breaking down barriers in a real sense, not in empty platitudes (QT).

The qualitative research highlighted that although it's heartening and reassuring to see a more diverse range of faces and lifestyles represented in advertising and messaging, this is largely seen as something that's long overdue—given the makeup of the population and the contribution Minority Ethnic groups make to British culture. That's not to say more inclusive casting or a well-timed statement doesn't resonate, it's just that it's the tip of the iceberg in terms of actually effecting change. True inclusion is about making a long-term commitment to making many incremental steps, rather than promising the world (QL).

"[Fashion] brands on their websites, they use people of colour, they use people with disabilities, they use all kinds of different people now, which I think is great and they're teaching people that everybody is the same. We can all wear the same clothes and all this same kind of thing. I think that's a really, really positive thing."

(QL)

LEARNINGS FOR BRANDS

Brands in these categories can capture value from consumers in Minority Ethnic groups by challenging their own assumptions about their audience and recognising the power of aspiration in their brand positioning.

Representative advertising is important in an already active industry in order to gain trust from these consumers.



CASE STUDY:

SLEEK MAKEUP

Recognising that many individuals are still marginalised based on pre-existing stereotypes such as the colour of their skin, Sleek Make Up decided to put inclusion and representation at the core of its brand strategy.

The brand is rooted in the belief that everyone has a right to be seen and heard, and they have a right to feel exactly how they want. They see make-up as being in the front lines of changing perceptions and redefining what 'success' actually 'looks' like.

This foundation of equality and representation is reflected not only in their communications and advertising—by working with a diverse and representative range of content creators and brand ambassadors—but also in their products (by testing products for all skin tones), internal processes (through DE&I policies), and partnerships with brands that share similar values and beliefs.

Sleek
MakeUP

6

WHAT DO CONSUMERS FROM MINORITY ETHNIC GROUPS WANT FROM BRANDS?

After considering what consumer experience looks like for people from different Minority Ethnic groups, it is equally important to investigate how they feel about brands. In particular, how do they want brands to behave, what do they want brands to talk about, and how and where do they want communication?

We asked:

- How they feel about the role of brands in society
- How they feel brands should talk about or act on any societal or environmental issues
- How they connect with brands personally
- Which channels they use and trust the most

Respondents were very clear that brands have an incredibly important role in shaping culture (82%) and reflecting modern Britain (80%) (BAV).

Respondents from all ethnic groups agreed resoundingly at 84% (BAV) that it's important for brands to promote diversity and inclusion, suggesting that this appeals across the board.

In this section we explore the detail and complexity of **what** and **how** brands should engage. We then look at a framework for engagement. And most excitingly, we explore what consumer and commercial impact that could have in an **alternative future**.

82%

of respondents say that brands play an important role in shaping Britain's culture (BAV).

80%

of respondents agree that brands nowadays have a responsibility to reflect modern Britain (BAV).

HOW SHOULD BRANDS BEHAVE?

BE AUTHENTIC—TOKENISM IS SPOTTED FROM A MILE AWAY

With more and more businesses taking a stance on issues like representation, there's a growing awareness brands are looking to actively target consumers from Minority Ethnic groups—it's impossible to miss the move towards more diverse casting across advertising and the media in general.

On this matter 73% of consumers from Minority Ethnic groups and 63% of White consumers agree that brands should represent people from all communities equally in their advertising (QT).

"I think they need to look beyond the colour of the skin. If they ask me, 'How does a brand like me represent someone like you?' you're telling me straight away that I'm different, which gets under my skin. Do you know what I mean?"

(QL)

Consumers from Minority Ethnic groups (71%) were significantly more likely than consumers from the White group (56%) to feel more positive towards brands that do (QT), with consumers from Minority Ethnic groups seeing diversity and representation overall with positivity and appreciation (QL). But there is cynicism among consumers (QL), with 56% of consumers across all ethnicities believing that brands only use ethnic diversity in their advertising to increase sales (QT).

Brands must strike the right balance between representation and tokenism by avoiding lazy stereotypes when trying to depict people from Minority Ethnic groups in advertising, whether that's conforming to traditional societal depictions, or in terms of expectations around visual appearance.

In particular, care needs to be taken not to 'other' these consumers by constantly reminding them how different they are and ignoring the things that make them the same (QL).

BE MORE COURAGEOUS

BAV research showed that respondents from all ethnicities believe that the 50 brands studied tend to lack courage.

In particular, the strength of association with this particular attribute varied the most by ethnicity groups. This suggests people from different ethnicities perceive, interpret and experience this concept differently across brands, categories and sectors.

There is a new breed of brand starting to enter and own this space. For example, Fenty, according to the BAV study, is considered the most courageous brand for respondents from all the Minority Ethnic groups while still achieving a strong second place amongst White respondents—demonstrating that winning over one consumer group and leaning into their needs doesn't mean alienating another. In fact, it can be a winning strategy for them too.

Being courageous is a relatively untapped territory and way of behaving (rather than necessarily a brand personality trait) for most mainstream brands, but if done with conviction, it could lead to huge benefits for companies and consumers alike.

MINORITY ETHNIC AUDIENCES SEEK FUTURE-FACING BRANDS

From the diverse set of 50 brands we studied we found that White respondents value brands that embody tradition, trust, reliability and helpfulness (BAV). It may be that brand habits passed down through the generations play a role in this. It may also be due to an older age profile, or established cultural and buying habits.

Respondents from Minority Ethnic groups, on the other hand, are relatively willing to pay more for brands. And they want more modernity, innovation, dynamism, fun and uniqueness (BAV).

BETTER EMPLOYMENT AND SERVICE PRACTICES

People from Minority Ethnic groups want to ensure a more consistent quality of service to customers of all ethnicities at 34%, rising to 41% of people from the Black group. But it's something that also appeals to people from the White group, at 28% (QT).

"How you as a company engage with the underlying topic is to improve the conditions for your Black staff or try and work on the gap between the wages of the Black staff. Also, put more Black people in your executive positions."

(QL)

This should extend to employing more people from all communities, something that 33% of people from Minority Ethnic groups said would encourage them to shop with companies (QT).

LEARNINGS FOR BRANDS

The clear imperative towards *behaviour* means that being comprehensive in a brand's approach is the key. Taking an 'inside out' view—or walking the walk before doing the talking—makes the difference in driving positive brand sentiment.

BEING COURAGEOUS CAN BE A WINNING BRAND STRATEGY ACROSS ALL ETHNICITIES

HOW FENTY BEAUTY IS RANKED ON THE 'COURAGEOUS' TRAIT BY ETHNICITY (BAV)

1ST
BLACK RESPONDENTS

1ST
SOUTH ASIAN RESPONDENTS

1ST
EAST AND SOUTH EAST ASIAN RESPONDENTS

1ST
MIDDLE EASTERN RESPONDENTS

1ST
RESPONDENTS FROM MIXED ETHNICITIES

2ND
WHITE RESPONDENTS

CASE STUDY:

DOVE CROWN COALITION

Dove recognised that consumers were seeking action—not just words—in the fight against systemic racism.

CROWN is an acronym for 'creating a respectful and open world for natural hair'. It was established to encourage society to act now to end race-based hair discrimination.

This was done in partnership with the National Urban League, Color of Change, and the Western

Center on Law & Poverty, which co-created the CROWN Coalition.

The coalition has successfully pushed many initiatives, such as legislative change to outlaw race-based discrimination in the US. In the UK this has involved adopting the 'Halo code'—the UK's first Black hair code for schools and the workplace, developed by Advocacy Academy.



WHAT CONVERSATIONS SHOULD BRANDS BE IN?

SOCIAL EQUALITY IS OF UTMOST IMPORTANCE

People are very concerned about racial equality. In fact, of all the issues they were asked about, it polled top, with 92% of consumers from Minority Ethnic groups saying they were concerned and 80% of White consumers. And more than that, they want brands to step up: 72% of people from Minority Ethnic groups say brands should be in conversations about racial equality—the highest number (QT).

This is closely followed by the significant desire for brands to be in conversations about both local and global issues, from climate change to UK and global politics—all of particular interest for people from Minority Ethnic groups.

One crucial difference shown in the chart below is that more people from Minority Ethnic audiences believe brands should be engaged (regardless of the topic) than White audiences. They see the potential in brand action to change society more strongly.

The largest differences are those around equality—racial equality had a 19-point difference, gender equality had a 13-point difference and social class equality also had a 13-point difference. When considering the people affected by these intersectional issues, it is no surprise that they're asking brands to step in more (QT).

SUSTAINABILITY ALSO RANKS VERY HIGH

Sustainability is an important issue for all consumers, and particularly for people from Minority Ethnic groups.

Concern ranged from 88% among people from White and East and South East Asian groups up to the highest concern of 93% for people from the South Asian group (QT).

When it comes to brand involvement, almost two-thirds of all consumers believe that 'brands should be in conversations about climate change and sustainability' (QT).

Consumers from Black and Mixed Ethnic groups thought this was slightly more important, with 73% responding as such, but notably White respondents felt less so, with only 63% agreeing with the statement (QT).

Similar themes are found in the BAV study, with 77% of respondents saying 'Brands are not doing enough to care about the planet' (BAV).

EMPHASISING A STRONG SOCIAL PURPOSE

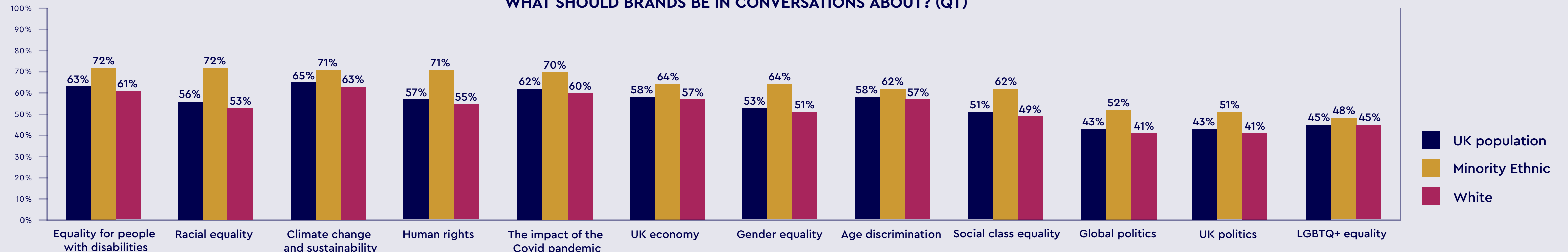
On average 71% of respondents said they 'actively choose to buy brands that have a social purpose and try to do good'. Respondents from Minority Ethnic groups responded strikingly higher at 77% versus 56% of White respondents (BAV).

When it came to asking 'What can companies do that would encourage you to shop with them?' notably one-third of people from Minority Ethnic groups said 'offer more ethical and sustainable products', with those from Mixed Ethnic groups most likely to shop with brands that offered such products (36%) (QT).

LEARNINGS FOR BRANDS

Audiences from Minority Ethnic groups are primed to be involved and care more about social and environmental issues—brands need to make it relevant and meaningful to them in order to engage them fully.

WHAT SHOULD BRANDS BE IN CONVERSATIONS ABOUT? (QT)





"I do think there's lack of a care of the environment. I think we'll do anything to exploit to get maximum profitability. I think that is being raised now. People are getting aware of it, but it's what we can do to help it and what big companies will do to deal with that.

You can take every resource going but if you don't feed back into it, what are you actually achieving?

I think sometimes

that
gets

message
lost."

(QL)

WHERE AND HOW SHOULD BRANDS COMMUNICATE?

CONSIDER THE ROLE OF SOCIAL MEDIA AND RELEVANT INFLUENCERS

When it comes to the elements that contribute to a sense of self, 86% of people said community is important to who they are (QT). This may have to do with feeling a heightened sense of belonging with other people 'like me'.

Over the last few years there has been a proliferation in the use of social media influencers by brands as a channel to deepen their connection with consumer groups.

An even higher level of trust is felt by consumers from Minority Ethnic audiences towards influencers from Minority Ethnic groups, compared to the average consumer (QT). This could be explained by the greater sense of identity, shared experience and relatability between those influencers and their audiences.

IMPROVING INCLUSIVITY IN COMMUNICATIONS PLANNING

Our study showed that Out of Home is a trusted broadcast medium across people from all Minority Ethnic groups (QT). This can be explained by the fact that it's a community-oriented medium which can achieve 'mass personalisation' for different groups of consumers through strategic planning of both location and creative messaging.

We also see increased trust from consumers from Minority Ethnic groups towards media focused on Minority Ethnic communities such as TV and radio, where self- and community identification can be found by audiences due to the editorial content of these channels (QT).

Across all channels are certain factors, such as representation, creative messaging, contextual

placement and content, which can be controlled by businesses through their advertising to increase inclusivity of their planning for audiences from Minority Ethnic groups.

"When [the High Street brand] started advertising in those ethnic newspapers and magazines, then the graduates' started coming in. They started coming in from every part of the country."

(QL)

AN OMNICHANNEL APPROACH TO INCLUSION

Brands should incorporate diverse media channels across these groups to further enhance this base level of trust, via self-identification and community connection, using data and insights such as what is found within this report.

By fine-tuning creative messaging, frequency management, representation of the various groups, contextual placement and location of advertising, brands can make their communication work harder for these audiences, particularly in more mainstream broadcast channels.

Taking TV as an example, there is an increased level of trust placed in this channel by Black and Mixed Ethnicity consumers, as well as White consumers, compared to those from other Minority Ethnic groups explored in this study (QT).

In order to heighten the established trust in mainstream TV with the Middle Eastern audiences compared to other groups (QT), brands will now need to focus on the creative messaging and media planning and activation levers they can pull to create a greater sense of self-identification for these groups in mainstream TV advertising. This will help lead to the same sense of connection towards their communication that is demonstrated by the Middle Eastern group's similar level of trust as all other groups in Minority Ethnic-focused TV channels.

This principle can be applied across all other media channels. Taking radio as a further example of broadcast media, it can also be planned to improve inclusivity for consumers from Minority Ethnic groups through placement, messaging and targeting, to increase brand connection as shown in heightened trust in Minority Ethnic-focused radio (QT).

LEARNINGS FOR BRANDS

Partnering with individuals who can really connect with Minority Ethnic audiences is key to building trust—whilst ensuring it's part of a comprehensive communications structure to optimise audience inclusion and engagement.

" ... I think that the campaigns and what they're doing would feel more thoughtful if they were actually engaging with voices from their community who had valuable things to lend to the conversation."

(QL)





CASE STUDY:

NATIONWIDE

In 2020, prompted by the murder of George Floyd, Nationwide asked itself the provocative question of whether it was truly speaking to all of the UK, and if its media approach was supportive of a fair and more inclusive society.

Research by diversity consultancy DECA for Nationwide showed 92% of consumers who affiliate themselves under attributes of 'diversity' wanted to see brands advertise in community media, not just 'mainstream' outlets.

Alongside Wavemaker, Nationwide set about transforming its approach to media planning and buying to better reach and resonate with these communities across the UK.

It actively diversified media plans, investing with new partners such as

The Voice, The Gay Times, Enable, Posability and The Muslim News. It shifted its AV channel and programming strategy to increase reach amongst different ethnicities, and optimised its long-standing outdoor holding towards diverse communities. In digital it worked to make site lists more diverse and keyword blocklists more inclusive.

Eighteen months later, analysis of the YouGov Brand Index data showed prompted brand awareness amongst audiences from Minority Ethnic groups had increased by 5%, and Nationwide's overall brand health—an average of impression, quality, reputation, value and satisfaction—increased by 18.5%, moving it to first place amongst audiences from Minority Ethnic groups within its key competitor set (Jan 2022).

 **Nationwide**



**TOWARDS
GREATER
CONSUMER
EQUALITY**

CUSTOMER LIFETIME VALUE AND THE CUMULATIVE EFFECT OF ACTION

For individuals, the cumulative effect of Consumer Inequality adds up every day into a lifetime.

SHIFTING TO A 'CONSUMER LIFETIME VALUE' APPROACH

The same applies to businesses: There is a cumulative effect in a commercial context; we can call this 'consumer lifetime value'. The term 'customer lifetime value' is familiar as the value to a brand for the duration of the relationship with the customer. Pivoting to a 'consumer lifetime value' perspective demonstrates the value from the consumer's perspective, from the business's shoes to the consumer's shoes. Which is of course the heart of consumer equality. That's to say, if a brand can give a great experience early on, consumer engagement with that brand also multiplies.

We've seen already how the seemingly small inequalities—and therefore the seemingly small missed brand and business opportunities—add up. Expanding the time frame to short, medium and long term ('lifetime') allows visibility of the cumulative effect of these missed opportunities for a brand, and visibility of how the lost value aggregates over time. Which means that doing something now—however small—has an immediate win, but this win multiplies again and again over time, bringing medium- and long-term benefit and growth.

Add to this what we've already seen about the growth of the population and disposable income of consumers from Minority Ethnic groups, as well as the brand attributes they value as future-facing, as well as the brand attributes they value as future-facing, then expand the time horizon and consider what an alternative future is—and this makes for an exciting and eye-opening exercise.

It is also worth remembering that identity, new traditions and engagement are still being established for younger people from Minority Ethnic groups, so the rewards and engagement for brands that act now have long-term cumulative effects over generations.

MODELLING AN ALTERNATIVE FUTURE

People from Minority Ethnic groups are projected to represent almost 27% of the UK population by 2061 (CM).

The cumulative impact of businesses and brands taking at least one action each over a consumer lifetime of 40 years would lead to a paradigm shift in reducing Consumer Inequality, growing business success and ultimately contributing to greater equality in society.

In the final pages of this report, Choreograph has modelled the consumer lifetime value of 1% of Minority Ethnic group populations across three different scenarios. Here we can see the huge impacts created by simple, small interventions. These offer exciting glimpses of how the framework described in these pages can be applied and the huge impact they can have. **This is a signal that an alternative future of greater consumer equality is within our grasp and can be achieved.**

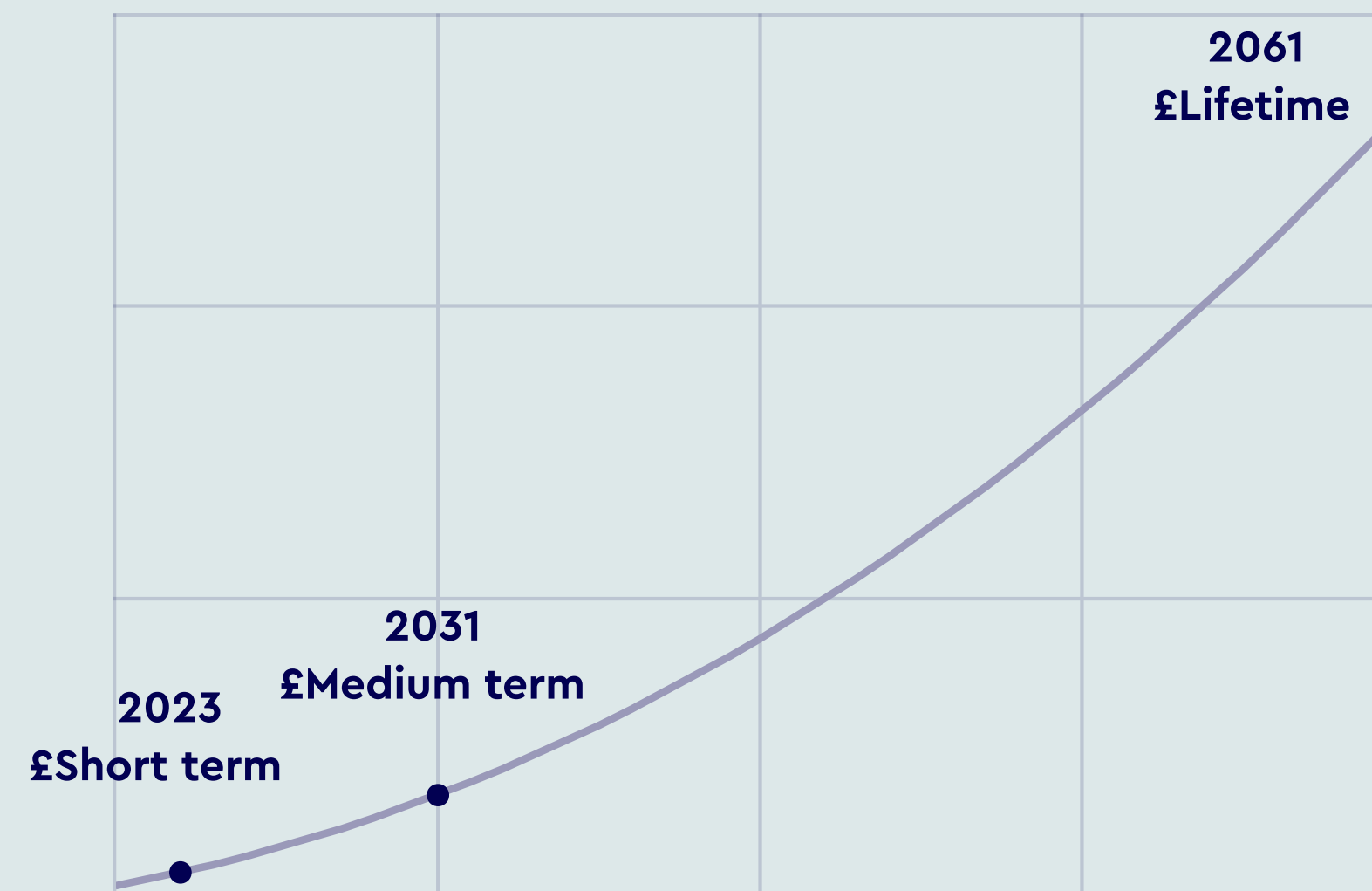
'consumer lifetime value' (noun)

Moving from a one-off annual spend concept towards cumulative life cycle opportunity—a way to think about how changes now aren't just a one-off but offer short-, medium- and long-term growth

ONE-OFF PERSPECTIVE

CUMULATIVE PERSPECTIVE OF CUSTOMER LIFETIME VALUE

But what about short, medium and long term, across 12 months, 10 years and 40 years?



Small interventions can create an alternative future

ALTERNATIVE FUTURE: WHAT IF JUST AN ADDITIONAL 1% OF CONSUMERS FROM MINORITY ETHNIC GROUPS STARTED SHOPPING IN THE UK BEAUTY AND PERSONAL CARE CATEGORY?

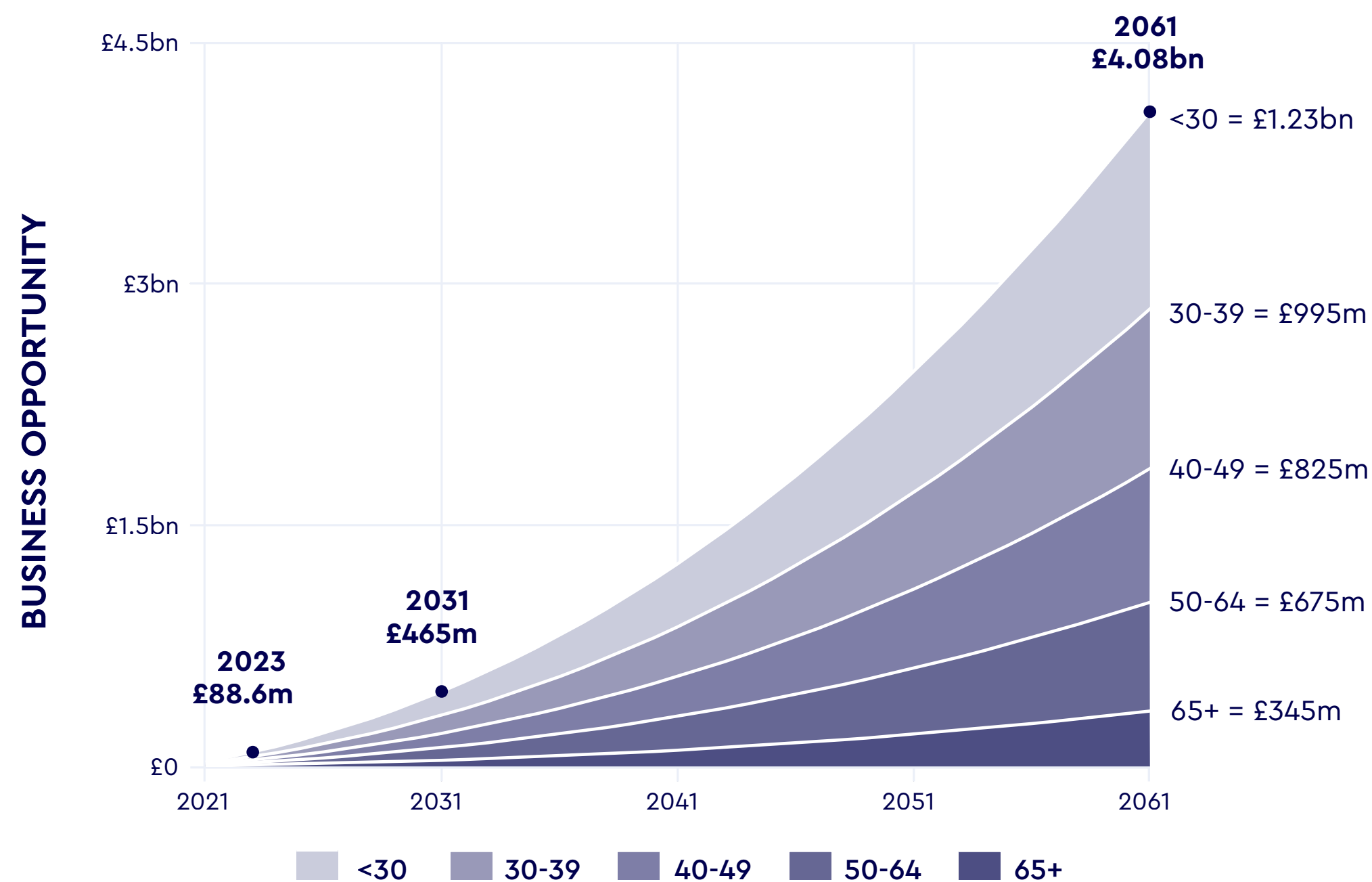
£4.08bn

ADDITIONAL LIFETIME VALUE GAINED BY ENGAGING JUST 1% ADDITIONAL OF PEOPLE FROM MINORITY ETHNIC GROUPS BY 2061 (CM)

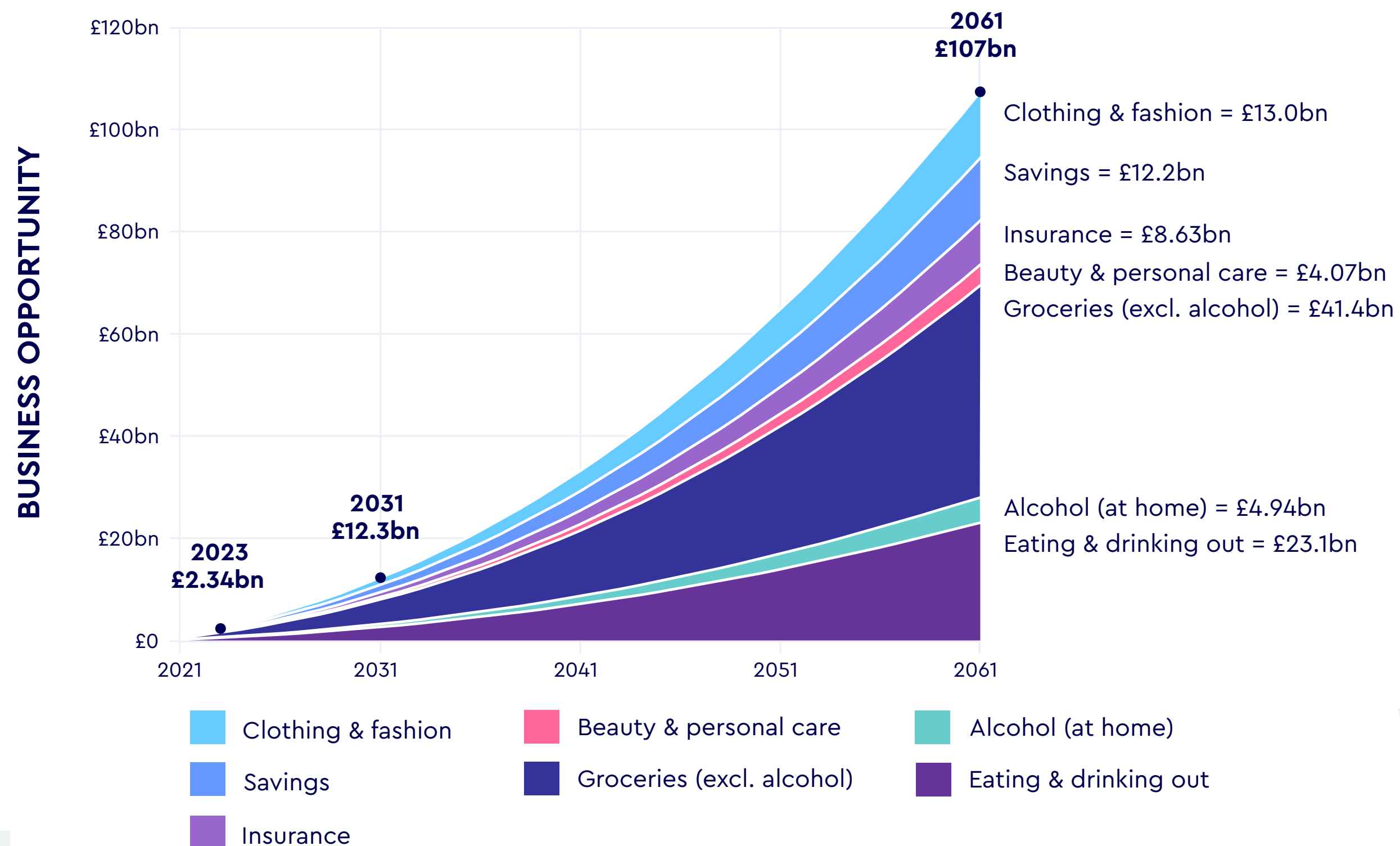
Beauty brands are more likely to be viewed as unapproachable (BAV) by consumers from Minority Ethnic groups. Key blockers of engagement include product range, service, representation and social causes such as inequality and sustainability (QT).

In the alternative future shown here, an additional 1% of consumers from Minority Ethnic groups start

shopping in the Beauty category. This newly engaged population is assumed to maintain their engagement as they age. With increasing disposable income, the short-term market opportunity to 2023 is projected to be £88.6 million. In the medium term, over the next decade, it could be £456 million, and over a lifetime, to 2061, could be £4.08 billion (CM).



ALTERNATIVE FUTURE: WHAT IF THE PURCHASE HABITS OF JUST 1% OF PEOPLE FROM MINORITY ETHNIC GROUPS WERE CHANGED DURING THIS COST- OF-LIVING CRISIS?



£107bn

THE VALUE OF CHANGING THE BRAND HABITS OF JUST 1% OF CONSUMERS FROM MINORITY ETHNIC GROUPS BY 2061 (CM)

Today, the spend for consumers from Minority Ethnic groups across the categories shown here is £71.1 billion per year. This could reach £175 billion per year by 2061 (CM). With the cost-of-living crisis unfolding, consumers are likely to go into an active exploration phase and review their choices, resulting in new habit formation. This gives brands the opportunity to change and set new buying habits.

It is worth considering that according to the report's findings from the quantitative research element by Kantar, people from Minority Ethnic groups

is more likely to shop in-store, yet their customer experience is still blocked by quality of advice and recommendations (QT). The same respondent group from the BAV research element are 1.31 times more likely to buy from brands that are ethnically representative in advertising and 1.37 times more likely to buy from brands with social purpose that try to do good.

The value of changing the brand habits of just 1% of consumers from Minority Ethnic groups could be in the short term (to 2023) £2.34 billion, in the medium term (a decade to 2031) £12.3 billion and over a lifetime (to 2061) could be £107 billion (CM).

ALTERNATIVE FUTURE: WHAT IF JUST 1% MORE OF THE UNDER-30 POPULATION FROM MINORITY ETHNIC GROUPS WOULD INVEST?

£13.4bn

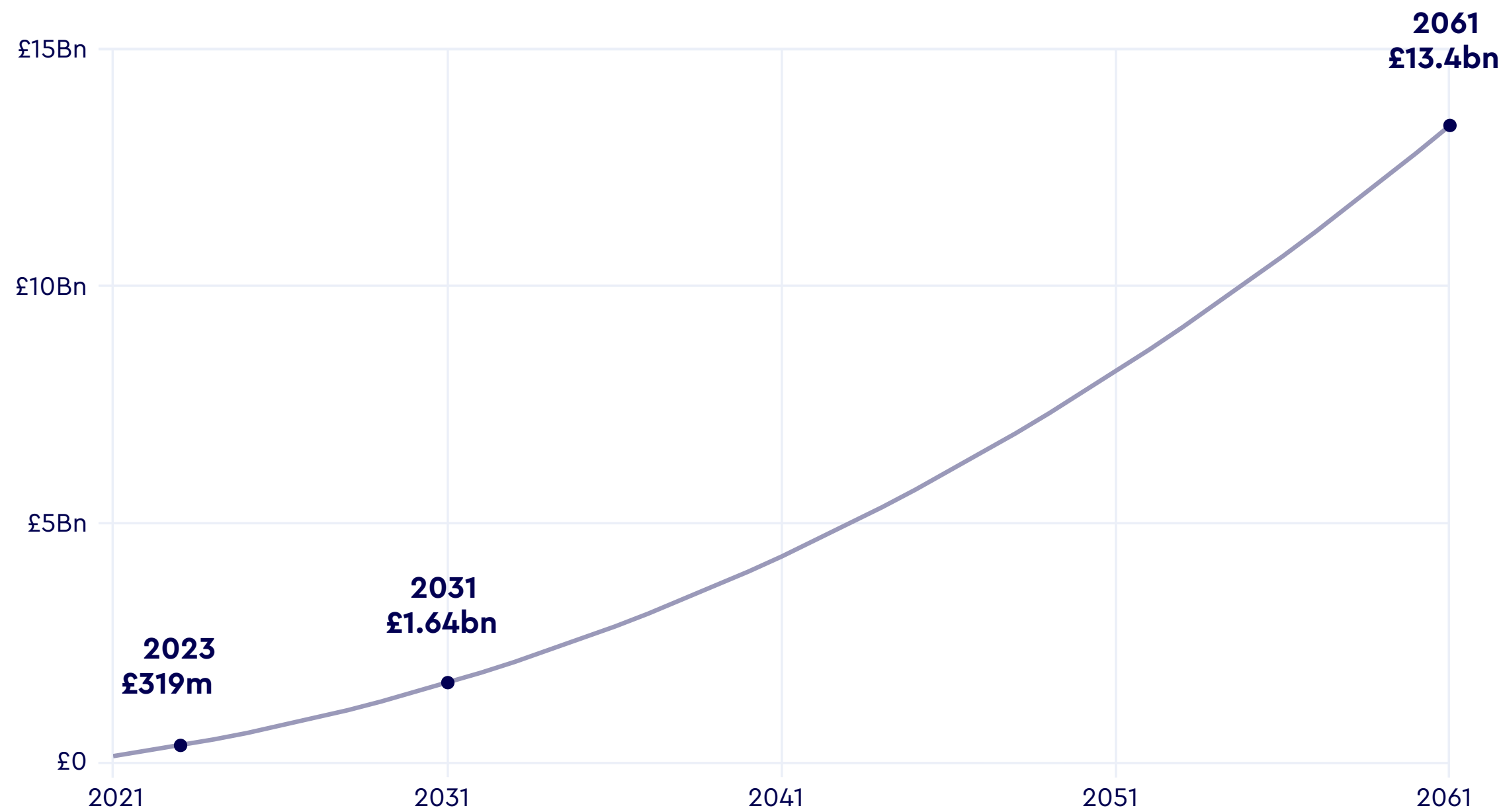
THE CUMULATIVE VALUE A BRAND COULD ACHIEVE BY GETTING **JUST 1%** MORE CONSUMERS FROM MINORITY ETHNIC GROUPS UNDER 30 INVESTING BY 2061 (CM)

It's commonly known that financial independence is strongly linked to greater social equality.

Kantar reveals that 28% of the Minority Ethnic population aged 18-54 invests in financial services for their future (QT). Choreograph estimates the current annual spend of the under-30 Minority

Ethnic population at £2.69 billion (CM). By encouraging just an additional 1% of this audience to invest, the short-term market opportunity (to 2023) could be £319 million, in the medium term (a decade to 2031) it could be £1.64 billion and over a lifetime (to 2061) it could be £13.4 billion (CM).

BUSINESS OPPORTUNITY



QUESTIONS YOU MIGHT NOW BE ASKING

By committing to delivering consumer equality, we are collectively prompted to ask key questions to start our journey. This commitment is the first step that should lead to building and executing tangible steps and actions towards consumer experience equality, based on your brand's unique position.

Here, we have detailed what some of those questions could be, and in the next slide, we introduce a framework that we have developed to help you answer them.

"How do people from Minority Ethnic groups currently perceive my brand? And do they consider their experiences equal?"

"I want to create more equal experiences, but where do I get started?"

"How can my marketing and communications better appeal to and resonate with people from Minority Ethnic groups?"

"How do I ensure that my internal business processes and culture are set up in a way that better facilitates equal experiences for people from Minority Ethnic groups?"

"How do I demonstrate that I have learned from previous inequalities in the experiences of people from Minority Ethnic groups with my brand?"

"How do I make sure that people from Minority Ethnic backgrounds feel equally valued in every interaction with my brand?"

"How do I position my brand in a way that better resonates with people from Minority Ethnic groups?"

"How do I create new products, services and experiences that solve the unmet needs of people from Minority Ethnic groups?"

A FRAMEWORK FOR MOVING TOWARDS GREATER CONSUMER EQUALITY

WPP has pulled skill sets from across the organisation to develop a proprietary framework for consumer experience equality and tools to support its development.

Combined, they provide a holistic approach to help businesses at any stage of maturity to assess, plan and execute against a range of practical equality-driving actions in order to create a lasting impact on individuals, businesses and society.

The aim is to be easy, practical and outcome-oriented, concentrating on the relationship between growing consumer equality and business success. The framework is designed to be modular, which means businesses can start anywhere. Even if that start means figuring out which attributes of the framework to focus on first.

At the heart is a meaningful brand promise and a rich understanding of the experiences, expectations and needs of consumers from Minority Ethnic groups, which should be the root of all business activity. The framework is designed to enable businesses to close ethnicity-based data gaps with explicit and tacit information, focusing on six interconnected attributes related to internal

business design, and how it translates to consumer-facing activities.

Within each of these attributes is a series of WPP tools designed to unlock opportunities to build greater consumer equality.

Consumer Insights—Helping businesses to develop and deploy insights about audiences from Minority Ethnic groups to close inequality gaps in consumer understanding, as well as to identify opportunities for experience optimisation and commercial growth.

Brand Purpose—Identifying the key brand element(s) that give you permission to engage audiences from Minority Ethnic groups and build a meaningful narrative to address their unmet needs and expectations.

Ideas—Developing creative ways to engage with, and appeal to, audiences from Minority Ethnic groups through relatable ideas, storytelling and representation.

Experiences—Serving the needs and expectations of consumers from Minority Ethnic groups during moments of engagement through a total, connected experience ecosystem designed for all end-to-end brand experiences (including media, online, in-store, product service, aftersales, etc.).

Innovation—Adopting inclusive principles and integrating insights on audiences from Minority Ethnic groups into product, service and experience design.

Capabilities & Change—Identifying, integrating and harnessing existing capabilities. Designing the necessary structures for the right people, processes, policies and data capabilities to enable progress towards consumer experience equality; identifying the culture and change behaviours required for ongoing transformation.



WHAT NEXT?

KEY TAKEOUTS:

It's time to stop overlooking the pervasive unequal consumer experiences of people from Minority Ethnic groups and take action to eventually eradicate Consumer Equality. Brands not only have a duty to understand the differing needs of the audiences they target; doing so also represents a large untapped commercial opportunity. The first step to addressing this is addressing the data inequality that exists.

There is still much work to do, and cumulative impact takes time to come to fruition. This report is a crucial starting point for brands to understand their own impact and make the lasting changes to remain relevant and grow. This work should focus on the short, medium and lifetime opportunities, with a particular focus on what can be done now.

LEARNINGS FOR BRANDS

Brands can tangibly adopt learnings for better business and consumer outcomes—regardless of business size or industry.

1. Take time to understand the varying audiences and how their experiences differ.
2. There are changes to be made throughout the consumer journey—of varying scales—all of which will have positive incremental impact.

3. There are short, medium and lifetime opportunities:

- With a cost-of-living crisis, there's an opportunity to engage new consumers during a period of habit change, and in particular to build lifetime relationships among audiences seeking new brands.
- With a young, growing cohort that is actively asking for brand engagement, a medium-term frame can reap rewards of growth while year on year building more equal experiences.
- Brands that focus on equal experiences now will establish themselves in consumers' lives and for a lifetime, with the opportunity of £16.7 trillion, and of course the knowledge of having contributed to increasing social and racial equality.

THE FUTURE

We said at the beginning that this report is just the start. We intend to hold ourselves to that. Now, with unique access to the most comprehensive insight into the consumer experience of people from Minority Ethnic groups, we intend—and already have begun—to work with partners, clients and industry to be a catalyst for change.

HOW CAN WE HELP?

We urge you to join us in our commitment to shining the spotlight on this issue, and to making change.

Beyond the tools, modelling and actions highlighted within this report, we have built out an offer and have further insights to share. More information is in the Appendices and available from the contacts below. This spans our collective specialist expertise across the WPP network, including creative transformation, strategy and innovation, data products, sustainability and technology, media investment and consumer insights.

We hope that this report and its detailed insights, data and reflection will be a useful tool for all readers and the industry as a whole, and will in itself advance the cause of racial equity.

We also hope that you see the opportunity to address Consumer Inequality to be as compelling for consumers, businesses and society as we do, and would like to further this work together.

If you'd like to reference or quote this report please refer to it as "The Consumer Equality Equation Report, WPP 2022".

CONTACT THE TEAM AT
consumerequalityequation@wpp.com

If you have any thoughts or questions, or would like to carry this conversation further, please get in touch.

“... be brave
in the process.”

You're going to get backlash, but be brave that you're doing something positive for the world. Take a stand. Don't follow everybody else. Be a leader. ... You've got massive followers—you've got to be an example and use that platform to do better.” (QL)



At WPP, we use the power of creativity to
build better futures for our people, planet, clients and communities.

Our work with the world's most recognisable brands—coupled with our global
scale, more than 100,000 talented people and industry-leading capabilities—means
we have a real opportunity to ensure that what comes next is better than what
came before. As an industry, we have a lot to do.

But we are starting here:

**WE PLEDGE TO BE A CATALYST FOR
ALL OF US TO WORK TOGETHER TO SOLVE
CONSUMER INEQUALITY**

Ogilvy CONSULTING

groupm

THE RACIAL EQUITY
PROGRAMME

WPP | BAV

 choreograph

KANTAR

Roots 

WPP

A photograph of a woman in a wheelchair and a man sitting on a sofa, playing chess on a coffee table. The woman is wearing a red hijab and a grey sweater. The man is wearing glasses and a blue and white striped shirt. The coffee table has a chessboard, a remote control, a smartphone, a small bowl, and a magnifying glass. The background shows a living room with a sofa and a window with blinds. The word "APPENDICES" is overlaid in large, bold, blue and green letters across the center of the image.

APPENDICES

REFLECTIONS ON OUR JOURNEY

Ogilvy CONSULTING

The Ogilvy Consulting team set out to answer a simple question that is fundamental to our business and to the businesses of our clients: What does it mean to stand in the shoes of our Minority Ethnic consumers?

To answer this simple but powerful question we needed a fuller understanding of their experiences as consumers, including taking steps to start correcting the data inequality gap. This resulting report is a transformative framework for more equal experiences that will allow us to support our clients in their growth and have the impact on society that is at the very heart of what we do. We hope it will lay the groundwork for future tangible change.

KANTAR

The Kantar team sought to amplify voices of people from UK Minority Ethnic groups that are traditionally dampened in mainstream consumer research by addressing the data inequality gap.

There is an industry-wide challenge for both clients and agencies alike:

- The majority of market research and insight treats consumers from minoritised groups as extraneous to mainstream consumption and industry goals. This results in business behaviour that is othering and often alienating for consumers from minoritised groups.
- Very little consumer research looks at the nuances among ethnic groups.

The research addressed these gaps by using a five-stage approach: scope, diagnose, measure, deep dive and deliver in order to amplify the voices of consumers from Minority Ethnic groups.

WPP | BAV

The BAV team set out to understand whether brand perceptions were consistent or varied across different ethnic groups, with the assumption that at least universal, mainstream brands would be seen in the same light.

Once we finally got hold of the data it was fascinating to learn that meaningful differences did in fact exist across brands and within specific categories. These findings will have implications not only on how we manage our studies going forward, but also on how agencies and clients should manage their brands.

THE RACIAL EQUITY PROGRAMME

The Racial Equity Programme is committed to leveraging what WPP does best to advance racial equity. To deliver on that commitment, it is necessary to quantitatively and qualitatively measure the impact of projects funded through the Programme.

This research is the first of its kind in the UK, which is astonishing in the year 2022. It lays the groundwork for our network to better serve our clients, and our clients to better serve all consumers across the UK with the metrics to back up those claims.

REFLECTIONS ON OUR JOURNEY



group^m

At GroupM UK, we are delighted to be among the founding partners of this project, with a unique opportunity to bring our global vision of 'shaping the next era of media where advertising works better for people' to life.

We believe that the advertising industry should accurately represent the world we live in, and we look forward to using these insights to help clients understand the consumer inequalities faced within the UK.

Alongside our Data and Technology business (Choreograph) and Out of Home (OOH) specialists (Kinetic)—both part of GroupM—we have sought to challenge perceptions, break up systemic biases and make positive, permanent change.

choreograph

The Choreograph team has built the population evolution by systematically joining large sets of diverse data sources into a single projection suite. This produced valuable insights on the demographic and socioeconomic patterns that segment the population among and within Minority Ethnic groups, and laid the foundation for projecting the future. The modelling and the coupled alternative future scenario playing capability opened the horizon for looking into what the future can offer, with due inclusivity and enablement.

The scale of innovation needed for the alignment of data sources itself highlighted the data poverty seeping into even the richest population datasets—what makes one a part of an ethnic group and what does change from the past mean for the future?

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Ogilvy CONSULTING

Ogilvy Consulting is the global strategy and innovation arm of the world's greatest creative network, The Ogilvy Group.

We believe in the power of brand, customer experience, data and technology to transform businesses, and drive growth. Our capabilities include Brand & Marketing Innovation, Business Transformation, Sustainability, Behavioural Science, Futuring, and Growth & Innovation Strategy.

group^m

GroupM is the world's leading media investment company with a mission to create a new era of media where advertising works better for people.

Responsible for more than \$60 billion in annual media investment, according to COMvergence, the company innovates, differentiates, and generates sustained value for clients wherever they do business.

GroupM's portfolio includes agencies Mindshare, Wavemaker, EssenceMediacom and Six&Partners, as well as Choreograph (Data & Technology), GroupM Nexus (Cross-Channel Performance & Activation), and GroupM Investment.

THE RACIAL EQUITY PROGRAMME

The WPP Racial Equity Programme are initiatives to advance racial equity in the world that are bold, audacious and creative. WPP pledged to invest \$30 million over a three-year period to fund inclusion programmes and to support external organisations.

Roots

Roots are a WPP professional network driven by individuals passionate about championing greater ethnic and cultural diversity within the advertising industry, our agencies and our work.

WPP | BAV

BAV is the world's largest and leading empirical study of brands. We help our clients not only to understand a brand against its category, but also to provide insight into its larger role in culture.

Developed with academic partners at Columbia, MIT, Dartmouth, and the University of Washington, BAV uniquely captures the key dimensions that drive brand momentum, advocacy, and financial success in the marketplace.



choreograph

Choreograph is a global data products and technology company built from the legacy of WPP for a new era that demands a more purposeful approach to data. Our mission is to unlock data inside brands to power deeper customer connections that fuel growth.

Our vision is to set the industry standard for how brands build relationships with customers through the application of data.

KANTAR

Kantar is the world's leading data, insights and consulting company. We help clients understand people and inspire growth.

WPP

WPP is the creative transformation company. We use the power of creativity to build better futures for our people, planet, clients and communities.

AVAILABLE ON REQUEST

WPP CONSUMER EXPERIENCE EQUALITY FRAMEWORK WPP Commercial Tools and Offers

We can provide further detail on the meaning of each part of our framework, how we can help, as well as the partners we would engage to support you in your work.

- Brand Purpose
- Consumer Insights
- Ideas
- Experiences
- Innovation
- Capabilities & Change

CASE STUDIES Case Studies available in greater detail

- Nationwide
- Sleek Make Up
- Tufts Health Plan
- Google Pixel
- Dove Crown Coalition
- Weee!
- Airbnb
- Walmart

DATA AND INSIGHTS Category-Specific Data

- Employment and the employee experience
- Beauty
- Health
- Financial Services
- Retail and the High Street
- Food and Beverage
- Luxury

BAV

More details on BAV findings overall, by category and by individual brand.

CHOREOGRAPH

We can provide detailed information on the modelling approach of population, disposable income and category spend projections for a range of demographics (e.g. age group or gender), and the structure of our alternative future scenario playing offerings.



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USEFUL TERMINOLOGY

TERM

DEFINITIONS & EXPLANATIONS

REFERENCE

Consumer Inequality

(1) An inequality that lies at the intersection of consumer experience (what brands/corporations do) and the social context (the systemic and societal problems of inequality and racism).

(2) Equal experiences, unequal experiences.

Defined by WPP

Consumer Lifetime Value

Moving from a one-off annual spend concept towards cumulative life cycle opportunity—a way to think about how changes now aren't just a one-off but offer short-, medium- and long-term growth. Adapted from the general marketing term 'customer lifetime value'.

Defined by WPP

DEI (Diversity, Equity & Inclusion)

Diversity is the presence of differences within a given setting. Equity is the recognition that different people have different needs and circumstances which may lead to imbalances, and making adjustments to redress those imbalances. Inclusion is a behaviour—being aware of differences and making efforts to ensure everyone is included. Belonging is the outcome of inclusive behaviour. It is the employee's sense that it is safe to bring their full unique self to the workplace and being accepted and valued.

Adapted from BuiltIn

Disposable Income

Disposable income is the income from all sources minus tax, pension, deductibles and all housing costs, including rent and mortgage payments.

Gov.uk

Equality

The state of being equal, especially in status, rights or opportunities.

Oxford Languages

Ethnicity

An ethnicity is a group of people with a shared cultural identity with elements such as shared cultural experiences, religious practices, traditions, ancestry, language, dialect or national origins. It constitutes the major distinguishing element in all pre-national societies, but may survive as a strong subdivision with a loyalty of its own within established nations. Ethnicity can be seen as a more positive identity than one forged from the negative experiences of racism. The term is more commonly used and asked about within diversity questionnaires in the UK.

Oxford Languages
Law Society

USEFUL TERMINOLOGY (CONT)

TERM

Minoritised

DEFINITIONS & EXPLANATIONS

To make (a person or group) subordinate in status to a more dominant group or its members. Individuals are minoritised through social processes of power and domination rather than just existing in distinct statistical minorities. The term also reflects that ethnic groups that are minorities in the UK are majorities in the global population.

REFERENCE

Dictionary.com
Law Society

Minority Ethnic Group

Ethnic minority, minority ethnic or minoritised ethnic

'Minority Ethnic', 'ethnic minority' or 'minoritised ethnic' are terms usually referring to racial and ethnic groups that are in a minority in the population. In the UK they usually cover all ethnic groups except White British. In this report we refer to ethnicity and not race. This is because: A) surveys usually ask people for their ethnicity and not their race, and B) using consistent terms helps people to understand our data.

Gov.uk
Law Society

We have strictly not used 'BAME' as this homogenises several diverse groups. 'Minority Ethnic' is sometimes preferred over 'ethnic minority'. Use of Minority Ethnic was proposed to help counter the use of the offensive short-cut term 'Ethnic(s)' when referring to people who are not White British.

Race

Race is a categorisation that is based mainly on physical attributes or traits, assigning people to a specific race simply by having similar appearances or skin colour, for example. Following historical racialisation of all groups, it's now widely accepted that race is a social construct.

Adapted from
Law Society

However, having been through the experience of being racialised and sharing common experiences of racism as a result, racial identity is important to many and can be a basis for collective organising. The term can be used in support of better understanding of the experiences and mechanisms that lead to racial minoritisation of individuals.

USEFUL TERMINOLOGY (CONT)

TERM

Racism

Representation

Self-Expression

DEFINITIONS & EXPLANATIONS

Prejudice, discrimination, or antagonism by an individual, community or institution against a person or people on the basis of their membership of a particular racial or ethnic group, typically one that is a minority, minoritised or marginalised.

- (1) The act of speaking or acting on behalf of someone else (or group).
- (2) The description or portrayal of someone or something in a particular way.

The expression of one's own personality: assertion of one's individual traits.

REFERENCE

Oxford Languages

Adapted from
Oxford Languages

Merriam Webster

QUANTITATIVE AND QUALITATIVE TECHNICAL METHODOLOGY

KANTAR

BACKGROUND

Quantitative and qualitative research was conducted by Kantar UK Insights and Consultancy and was commissioned by WPP (Ogilvy Consulting and GroupM).

UK consumer attitudinal and behavioural studies historically use nationally representative samples that mirror UK key population demographics, which by definition, survey a greater proportion of White ethnicity groups. For contextual reference, the Office for National Statistics (ONS) Populations estimates in 2019 identify the most common ethnic group in England and Wales to be White (84.8%)*.

However, when trying to understand historically under-represented groups, this approach can be a limiting factor within a quantitative research framework which relies on standard nationally representative UK population proportions, as it does not subsequently allow for deeper analysis of subgroups when looking across different ethnic cohorts that make up the UK population.

The context of this study was to look at key differences, similarities and nuances across and within ethnic groups. To this end, the framework of this study sought to redress limitations by looking at boosted representative samples within different ethnic cohorts rather than just the overall UK population, i.e. an amplification of the attitudes and behaviour of different ethnic groups that are usually dampened in mainstream consumer research. A second layer of weighting was applied to allow for nationally representative UK population totals and Minority Ethnic group net totals.

Furthermore, whilst the ONS ethnicity definitions were used as a foundation for the study, the sampling looked to broaden the coverage of different ethnicities to allow for voices to be elevated across ethnic groups: South Asian, Black African/Caribbean, East and South East Asian, Middle East/North African, Mixed, White ethnicities. The other key feature of this study was to target substantial volumes by ethnic cohorts, as detailed in the quantitative section.

This unique and targeted

approach allowed the programme to obtain a richer understanding of differences and similarities within and across ethnic groups. By approaching significant interview volumes of different ethnic groups, the methodology allowed for relatively more robust analysis of groups and sub-groups that are generally under-represented in consumer research, as well as greater statistical significance when compared to traditional UK nationally representative sample approaches and other comparable studies.

The volumes also allowed for more precise targeting of other key characteristics associated with different ethnic groups, including generational history—i.e. first generation, second generation, third generation—as well as a sense of identity and acculturation based on importance of nationality, ethnicity, religion, community and region. Furthermore, due care was taken regarding the protected characteristics of collecting ethnicity and other special category data, e.g. religion and gender self-identification.

*<https://www.ons.gov.uk/>



[peoplepopulationandcommunity/populationandmigration/populationestimates/articles/](https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/articles/)

At the time of writing, ethnicity data for the 2021 Census had not yet been released. Figures may be adjusted following its publication.

QUANTITATIVE AND QUALITATIVE TECHNICAL METHODOLOGY (CONT)

The study framework consisted of a combined quantitative and qualitative methodology amongst UK consumers or citizens in the following phases:

EXPERT ROUNDTABLES

Three roundtable discussions with industry and stakeholder experts as a foundation for quantitative and qualitative research.

QUANTITATIVE ONLINE

- Overall sample of 4,515 online interviews across the UK, adults aged 18-75+.
- Target respondents consisted of the following ethnicities under the main headings: 1,000 South Asian, 1005 Black, 502 East and South East Asian, 501 Middle Eastern, 503 Mixed Ethnicity, 1,004 White. Detailed descriptions of which ethnicities were considered under each of these main headings are supplied under the methodology of 'How was ethnicity asked?'
- Interviews were approximately 15 minutes in duration.

- The data was subsequently weighted using the ONS LFS results for Jul-Dec 2021 as a more accurate proxy for population estimates*. All data has been weighted to the profile of the population at an individual ethnic cohort level and then an additional layer of weighting was applied to derive national representative proportions of total UK population and net Minority Ethnic group totals.
- Quantitative fieldwork occurred: 2 Dec 2021 – 22 Dec 2021. Fieldwork facilitated by Sapio Research.

A key challenge of the quantitative study was to work with online panel partners to target sufficiently high volumes of the general population by different ethnic cohorts and demographics within ethnicity, as opposed to the standard broad nationally representative population approach which would historically consist of c.85% White ethnicity versus c.15% Minority Ethnicities in the UK sampling framework.

Feasibility assessments were undertaken with a selected and vetted agency and panel partners to scope the ambitious targets met in 2021.

QUALITATIVE DEPTHS ONLINE

- 18 x paired depths across a cross-section of the Minority Ethnicity cohorts described previously. Interviews were approximately 90 mins in duration.
- They covered a range of age groups (18-24, 25-34, 35-54, 55-64, 65-74, 75+).
- Groups consisted of a mix of friendship and intergenerational pairs, covering a range of UK demographics within Minority Ethnic cohorts, including age, gender, region and generations.
- Qualitative fieldwork occurred w/c 14 March 2022 – 28 March 2022.

Qualitative depths allowed for a greater understanding of the motivations of different Minority Ethnic cohorts and how their 'lived experience' as citizens and consumers, with different and rich cultural backgrounds, informs their attitudes and behaviours as they interact with institutions, brands and society in a UK setting.

At the time of writing, ethnicity data for the 2021 Census had not yet been released.

HOW WAS ETHNICITY ASKED?

'WHICH OF THE FOLLOWING ETHNICITIES OR ETHNIC BACKGROUNDS DO YOU IDENTIFY WITH (REGARDLESS OF YOUR COUNTRY OF BIRTH)?'

KANTAR

WPP | BAV

WHITE

1. British/English/Welsh/Scottish/Northern Irish
2. Irish
3. Gypsy or Irish Traveller
4. Roma
5. Other White background

BLACK/AFRICAN/CARIBBEAN/BLACK BRITISH

1. African
2. Caribbean
3. Other Black, African or Caribbean background

SOUTH ASIAN/SOUTH ASIAN BRITISH

1. Afghani
2. Bangladeshi
3. Indian
4. Sri Lankan
5. Pakistani
6. Other South Asian background

EAST AND SOUTH EAST ASIAN/EAST AND SOUTH EAST ASIAN BRITISH

1. Chinese
2. Filipino
3. Japanese
4. Korean
5. Malaysian
6. Thai
7. Vietnamese
8. Other East or South East Asian background

MIDDLE EASTERN/MIDDLE EASTERN BRITISH

1. Iranian
2. Iraqi
3. GCC Countries (Saudi Arabia, Qatar, Oman, UAE, Kuwait, Yemen)
4. Kurdish
5. Other Middle Eastern background

TURKISH/TURKISH BRITISH

1. Turkish
2. Turkish Cypriot

NORTH AFRICAN/NORTH AFRICAN BRITISH

1. Algerian, Egyptian, Libyan, Moroccan, Tunisian
2. Other North African background

MIXED ETHNICITY

1. White and Black Caribbean
2. White and Black African
3. White and Asian
4. Other Mixed Ethnic background

	White ●	Black ●	South Asian ●	East & South East Asian ●	Middle Eastern ●	Mixed Ethnicity ●	Total
Kantar	1,004	1,005	1,000	502	501	503	4,515
BAV	1,006	1,001	1,007	206	101	501	3,822
Total	2,010	2,006	2,007	708	602	1,004	8,337

For the purpose of this report, the groups above were aggregated together in the columns as shown. For shorthand they have been described in the report as titled in the table. The descriptions are intended only for brevity and are not intended as a collective description of all the ethnicities within them.

BRAND ASSET VALUATOR (BAV)

BRANDSCAPE

BAV is the largest and longest-running study and model of brands in the world. At the heart of its methodology is a concept called the 'Brandscape'. This is a term BAV uses to reflect the reality that all brands compete for consumer attention, and the experiences a consumer has of one brand impacts their perceptions and impact of all others.

From a research point of view, we deliver on this in two ways:

- By randomising brands within an online questionnaire and making no reference to the category they operate within, we create a category-agnostic approach that minimises/removes inherent category biases when thinking about brand perception.
- We quantitatively assess brand associations via a set of universal equity statements and list of attributes that can be related to any brand regardless of the category or sector they operate within (from automobiles and countries ... to politicians, telecomms and utilities).

The core equity areas are:

- Differentiation (D)—How well does a brand stand out in the consumer's mind?
- Relevance (R)—How appropriate is a brand in a consumer's life?
- Esteem (E)—How highly regarded and reputed is a brand?
- Knowledge (K)—What is the depth of familiarity consumers have with a brand?

Together these dimensions create two additional diagnostic dimensions:

Brand Strength (D&R)—A leading indicator of future growth potential

Brand Stature (E&K)—A lagging variable related to current operating value

Linking this data with our imagery metrics enables us to reveal brand- and category-level drivers across all respondents, as well as by specific ethnicity groups.



BRAND ASSET VALUATOR (BAV)

METHODOLOGY



Although most standard BAV projects involve Brandscapes of 1,000 to 3,500+ brands, this Mini BAV study was constructed as a pilot involving 50 brands from four sectors of interest to complement the overall study and offer perspectives on how perceptions might vary in different sectors by ethnicity. The sectors and number of brands in each were:



The brands themselves were carefully selected to not only shed light on the category leaders and household names, but also up-and-coming, disruptive brands and those that likely had a greater adoption by consumers from Minority Ethnic groups, with the important

caveat that any brand chosen had to have a minimum level of national awareness in order to be included in this study.

The BAV methodology uses a range of 48 attributes of which eight are core to the methodology. For this Mini BAV study, 26 attributes were polled composed of the eight core attributes, eight further attributes from the standard BAV methodology, and then 10 new attributes created with a view to pilot whether they resonated with respondents from the Minority Ethnic groups.

Findings have been aggregated by category. Individual brand data is not published as part of the study but is available on request.

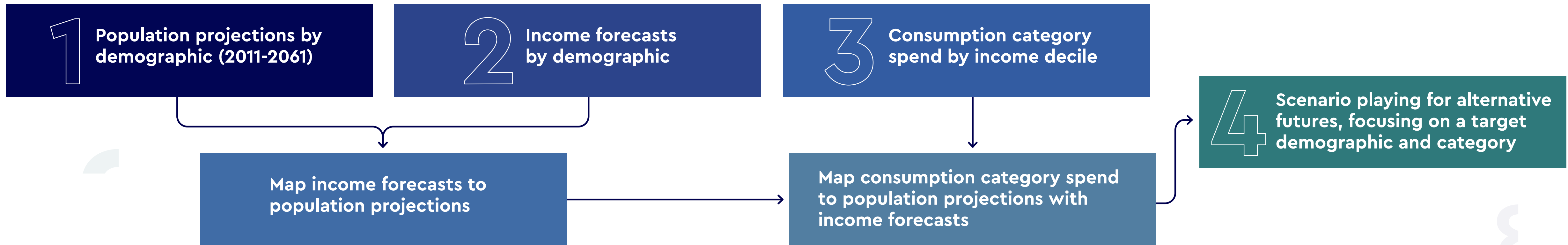
Thanks to the consistent shared online methodology between this study and our main master UK BAV study, we were able to assess how the data from these 50 brands related to our main 1,500+ UK Brandscape to create comparable results. The size of the study and its construction as a pilot were designed in order to

test the theory that ethnicity does play a role, but also as a result of the data gap in the ability to reach a cohort of sufficient size required to poll enough attributes and brands, from Minority Ethnic groups.

The quantitative data from the Mini BAV study stems from the responses of the six distinct ethnic cohorts that were sampled from across the UK for this report. The analysis itself either looks at each ethnicity cohort in turn, or compares the aggregated perceptions of the 1,006 White respondents with the 2,816 Minority Ethnic sample.

CHOREOGRAPH PROJECTIONS MODELLING

MAJOR STAGES OF WORK



NOTES:

Normalisation of household size to individuals

The income data is sourced from the HMRC/DWP Households Below Average Income database. The data can be accessed via the Stat-Xplore tool, per household or at an individual level, depending on the variable selected and how the data is cut.

Note, a number of variables may be extracted from the Households Below Average Income database; only disposable income has been 'individualised'.

The disposable income data extracted has been weighted to the individual level: "The underlying sample of individuals in the Family Resources Survey (FRS) which has been used to construct the HMRC/DWP Households Below Average Income database has been weighted or 'grossed up' to represent groups of individuals with certain characteristics in the whole population" (where groups of individuals means the demographic).

The underlying population has been validated against the populations in our projections.

Furthermore, the estimated commercial values have been validated against the (limited) available data.

'Middle Eastern' ethnicity population

Our work uses the NewETHPOP population projections. The ethnicity populations are triangulated against the 2011 Census.

The 2011 Census captured the Middle Eastern group through the ethnicity 'Arab'. The England and Wales 2011 Census reports an Arab population of 230,600.

From the granular 2011 Census data available, our estimate for the Middle Eastern population for the UK in its entirety is 218,493. Note, our work uses both ethnicity and country of birth to determine the group to which they are allocated. Furthermore, there was some data suppression for Scotland.

The population projections interpret ethnicity groupings slightly differently to the census data. Therefore, some discrepancies are expected. In 2021 the projections indicate a population of 194,594. By 2061 this is expected to increase to 390,325.

Disposable income

Disposable income is the income from all sources minus tax, pension, deductibles and all housing costs, including rent and mortgage payments.

At the time of writing, ethnicity data for the 2021 Census had not yet been released.

BREAKDOWN OF MAJOR STAGES OF WORK

POPULATION PROJECTIONS

Leeds NewETHPOP population projections (2011-2061), aggregated across country, age, age group, sex and ethnic group

ETHNICITY MAPPING

Map ethnic groups to those defined in the report

Where (census) ethnic groups map to multiple ethnic groups (as defined in the report), demographic proportions are derived from the 2011 Census* (ethnic group and country of birth)

*England & Wales (EW) and Scotland; with EW proportions used as a proxy for Northern Ireland

Validate against Census 2011 and 2021*

*High-level summaries only

INCOME FORECASTS

Disposable income* from 1994 to 2021 (HMRC/DWP HBAI database). Sliced by age group, sex, ethnicity and decile**

*Income after household costs; includes rent, mortgage payments, tax, water and electricity

**A decile is the income for 10% of a sub-demographic

ETHNICITY MAPPING

Replace missing data and outliers (these occur due to data suppression and low data availability). A range of approaches used:

- Linear interpolation
- Quintile variant of income by financial year
- For low population demographics, use a similar demographic as a donor from which to extrapolate

Current trends in socio-economic mobility are expected to continue in the near future* (e.g. increasing education and women entering the workforce). This is captured using linear regression with exponential decay (2021-2041*)

*Until 2041, thereafter income levels are assumed to be static (i.e. remains at 2041 levels)

Validate aggregates (up to 2021) against multiple external reports of UK disposable income

BREAKDOWN OF MAJOR STAGES OF WORK

CONSUMPTION CATEGORY SPEND

ONS average weekly household expenditure on goods and services by income group

- Remove housing costs
- Map and aggregate to consumption categories
- For each income decile, convert consumption category spend to proportion of disposable income

Validate aggregates against multiple external reports of UK spend in specific consumption categories

SCENARIO PLAYING FOR ALTERNATIVE FUTURES

Select target demographic(s):

- Sex
- Age
- Ethnicity group

Select parameters:

- Consumption category
- Percent of demographic to target

- Targeted demographic gains trust and begins to spend in category
- Targeted demographic ages and retains trust
- Next generation of this generation begins to inherit this trust

WPP



END

Read the report at:
wpp.com/consumerequality

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