Multicultural Marketing:
An Investigation into Marketplace Diversity Across Two Essays

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A Dissertation Proposal submitted to the
Graduate School-Newark Rutgers, The State University of New Jersey
in partial fulfillment of the requirements
for the degree, of
Doctor of Philosophy in Marketing
written under the direction of
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Newark, New Jersey
October 2017
ABSTRACT OF THE DISSERTATION

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Dissertation Directors: Carol Kaufman-Scarborough and Jerome Williams

Multicultural marketing, the practice of integrated marketing strategies that identify and tactically target potential consumers by diverse backgrounds has become less niche and a more mainstream marketing consideration, due to accelerated multicultural population growth (Franklin, 2014; Johnson, Elliot & Grier, 2010; Friedman, Lopez-Pumarejo, & Friedman, 2006; Burton 2005; Chan, 1996). These diverse subcultures have unique culturally embedded needs and perceptions of bands and products; thus, they respond better to culturally relevant marketing communications (Cui, 1997). With the growing multicultural population in the United States there has been debate and questions among marketing practitioners, relative to targeting consumers by their race, ethnicity or sexuality. This subject is studied over 2 essays.

The first essay is “Leveraging Diversity as a Resource: Identifying an Organization’s Antecedents, Strategic Approach and Succeedents to Multicultural Marketing”. Multicultural marketing strategy is examined; leveraging the theory of the Resourced Based View of the Firm (Wernerfelt, 1984) in positing a conceptual model and identifying constructs within an organization that predicate multicultural marketing success. The conceptual model is constructed where an organization’s commitment to diversity is proposed as a tacit, competitive resource.
The second essay, “Moderating the Effectiveness of Racially and Ethnically-Congruent and Diverse Marketing Communications”, investigates the consumer response to multicultural advertising among racial and ethnic groups and diversity in advertising among the general population across 4 studies. The likeability of multicultural advertising is positively mediated by the felt, cultural targetedness of the marketing communications. This effect is also moderated by levels of acculturation and ethnic identity. Attitudes towards diversity in advertising is also explored among all consumers. The findings demonstrate that there is a “post-racial” segment of the population that appreciates diversity in advertising. This essay adds to our knowledge of Distinctiveness (McGuire, 1984) and self-identity theory (Tajfel, 1980).
ACKNOWLEDGEMENTS

“Life grants nothing to us mortals without hard work.” – Horace

Growing up my father always told me to “work smart, not hard”. Going through a doctoral program has demonstrated that “smart” and “hard” go hand-in-hand. To this end, there are many people who have prepared me for and helped me to achieve this life goal. I am forever grateful for their sacrifice for and belief in me.

First and foremost, I would like to thank my wife, Tereska E. James, who gave me the encouragement to pursue a Ph.D. Without her love, sacrifice and dedication, this journey would have been impossible. I would also like to thank my son, Grayson M. James, for embodying the inspiration to sustain me through the peaks and valleys of a Ph.D. program. I made the sacrifices for an academic career for the greater good of my family and this work is humbly dedicated to my wife and my son.

This scholarship is also produced in honor of the memory of my late parents, Frank N. James, Ellois B. James, and my late brother, Zale A. James. My parent’s love and guidance taught me that nothing in life is given to you and all of life’s rewards come through hard work and sacrifice. My brother, Zale, always taught me to fight; stand up for myself and never give up! I am humbled to stand tall on their shoulders.

I want to acknowledge sister, Valerie L. James-Sanders, who provided me with a rent-free start in my professional life and my oldest brother, Stanley N. James, for giving me an appreciation for math and science many years ago. I am grateful for your love and guidance. I lost my sister-in-law, Tanya A. Haman, during the course of my program and I want to recognize her memory. I hope this work and my academic career will be an inspiration to the son she left behind.
There are numerous members of the academic community that I would like to acknowledge. James E. Swartz one of my undergraduate professors at Cal Poly Pomona, advisor and now friend, who wrote my letters of recommendation to pursue my master’s degree at Northwestern University and my Ph.D. at Rutgers. Clarke Caywood, one of my Northwestern professors and “Europe travel companion”, who also recommended me for a Rutgers business Ph.D. Lastly, Gerri Henderson, my friend and committee member who convinced me to pursue a career in academia and recommended me to Rutgers Business School by introducing me to my co-chair and now “academic father”, Jerome D. Williams.

Like my birth father, Jerome Williams’ generosity has allowed me to attend the finest marketing conferences and opportunities in our discipline. I also want to thank Carol Kaufman-Scarborough for sacrificing her time to co-chair with Jerome. Also, Alokparna “Sonia” Monga for dedicating her time to be a committee member and her advice and counsel in this work. Thank you all for allowing me to find my academic voice.

Lastly, I would be remiss if I did not acknowledge my mother-in-law, Joan G. Mitchell, whose love and sacrifice to help our family, enabled me to complete my Ph.D. in a timely manner.
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Essay 1: Leveraging a Commitment to Diversity as a Resource: Identifying an Organization’s Antecedents, Strategic Approach and Succeedents to Multicultural Marketing

1. INTRODUCTION

In the marketing literature, ethnic marketing is defined as the process of promoting race and ethnic neutral products and services so that they have value for racially and ethnically-identified customers (Pires & Stanton, 2015; Johnson, Elliot & Grier, 2010; Gould, Sigband, & Zoerner, 1970). Ancestry, birthplace and language exemplify characteristics of ethnic or racial group membership; where individuals use these traits to self-identify to themselves and to others (Chan, 1996; Hui, Kim & Laroche, 1992). Race, ethnicity, and culture are conceptualized by: an individual’s visage (race), their sentiments and rationalizations (ethnicity), and their behaviors (culture) (Harrison, Thomas & Cross, 2015; Dalal 2002). While used interchangeably with ethnic marketing, *multicultural marketing* is conceptually different (Nwanko & Lindridge, 1998). The practice of multicultural marketing is broadly defined as the framework of integrated marketing strategies and tactics that identify and target potential consumers by race and ethnicity, but also: disability, age, religion and sexual orientation (Johnson, Elliot & Grier, 2010; Friedman, Lopez-Pumarejo, & Friedman, 2007; Burton 2005; Chan, 1996).

Multicultural marketing necessitates further explanation relative to the marketing mix (product, price, place/distribution and promotion). As multicultural marketing is executed within the domestic borders of a country to its diverse populations, an organization’s products and distribution (supply chain) is the same as it is for the general market. General Market, used synonymously with the terms, *Mass or Mainstream* Market, is conceptualized as the broad, overarching segment of a marketing initiative—
many times used as a euphemism for the white, Caucasian or non-diverse population (Korzenny & Korzenny 2011; Kumaki, Moran, & Bendinger 2010; Orlandi, 1998). The exception where the end products and place of distribution are not identical is when there are goods, services and retailers that are not race and ethnic neutral; e.g., ethnic food products or ethnic hair care stores (Cui, 1997; Cui & Choudhary, 2002, Pires & Stanton, 2002). In this scenario, the customer will most likely already be from a multicultural background. Setting prices for goods and services based on race or ethnicity can be viewed as redlining, the practice of charging different prices for products and services on the basis of one’s heritage, which is illegal (Henderson & Williams, 2013; D’Rozario & Williams, 2005). Within the discipline of multicultural marketing, the most malleable element of the marketing mix is Promotion via the use of marketing communications (Cui & Choudhury, 2002; Cui, 1997). Promotions, inclusive of: advertising, personal selling, public relations, sales promotion and direct marketing is the most consumer-facing element of the marketing mix (Henderson & Williams, 2013; McCarthy, 1960). Therefore, promotions—exemplified by advertising—is the focus of multicultural marketing in this essay.

For further context within this essay, multicultural marketing segments are limited to race, ethnicity (Cui 1997, 1998; Cui & Choudhury 2002, 2003; Pires 1999) and sexual preference (DeLozier & Rodrigue, 1996; Witeck & Combs, 2006; Oakenfull, 2013 & 2012; Oakenfull & Greenlee, 2005; Oakenfull, McCarthy & Greenlee, 2008; Kates, 2004 & 2002). A practitioner’s study by the Association of National Advertisers (ANA) (2008) presented the multicultural segments targeted most often by American marketers through multicultural marketing, which include: U.S. Hispanics, African Americans,
Asian Americans and the Lesbian, Gay, Bisexual and Transgendered (LGBT) population in respective order. As out-group members, these diverse subcultures have unique, culturally-embedded perceptions of brands and products, thus they respond to culturally relevant marketing communications (Cui, 1997, 1998; DeLozier & Rodrigue, 1996; Cui & Choudhary 2002, 2003).

The predominant racial and ethnic populations of the United States: African-Americans, Asian Americans and U.S. Hispanics, presently account for over 36% of the population and collectively have a sizable propensity to purchase (Becerra, Chapa & Cooley, 2016; Humphreys, 2015). However, many U.S. organizations opt to invest overseas in the B-R-I-C-S (Brazil, Russia, India, China and South Africa) countries due to their burgeoning economies and are forgoing the potentially lucrative profitability and growth that exists in the United States among racial, ethnic and other American subcultures (Cespedes & Wong, 2010; Vijayakumar, Sridharan & Rao, 2010). The diverse population of the United States is growing at a rate of almost 52% versus just over 4% for the Anglo-American population (Humphreys, 2015). Given the multicultural population growth that results in market power, where sizable and subsequently lucrative populations command representation and attention from marketers (Paulson & O’Guinn, 2016), a majority of Fortune 500 companies are leveraging the practice of multicultural marketing to seek a competitive advantage in their respective marketplaces (Cui, 1997; Segal & Sosa, 1983).

The United States is made up of various racial, ethnic and religious groups outside of African Americans, Asian Americans and Hispanics; e.g., Jewish Americans, Muslim Americans and other ethnic groups from Europe, such as Romanian-Americans (El-
Bassiouny, 2014; Mich & Keillor, 2011; Hirschman, 1981). These groups are not reflected in this essay because their market power is not as substantial in contrast to the predominant American racial and ethnic groups. As a result, the aforementioned religious, racial and ethnic segments are not pursued as often in U.S. multicultural marketing as evidenced by the ANA study (Association of National Advertisers, 2008; 2003).

Approximately one-fourth of marketers target the LGBT community (Association of National Advertisers, 2008). The LGBT population is anywhere between 4-to-10% of the population and presently has a market power that is at parity with the racial and ethnic groups (Oakenfull, 2012). The LGBT population is having more of their rights acknowledged as same-sex marriage is now legal throughout the United States (Obergefell v. Hodges, 2015; Witeck & Combs 2006). As a result, organizations have evolved from stigmatizing and avoiding the LGBT community to viewing gay and lesbian consumers as a profitable segment from which to gain a competitive advantage (Oakenfull, 2012).

The disabled population consists of 20% of the population—more sizable than the black and Hispanic populations of the United States (Baker & Kaufman-Scarborough, 2001)—and has substantial propensity to purchase that is also approximately the same as the American racial and ethnic population (Friedman, Lopez-Pumarjo & Friedman, 2007). This segment also responds positively to targeted marketing communications. While the market power is evident, many organizations forgo the disabilities market in favor of the racial, ethnic and sexual orientation segments (Friedman, Lopez-Pumarjo & Friedman, 2007; Burton, 2005). In addition to the findings of the ANA (2008) study, the
predominant racial, ethnic and sexual preference segments are featured in this essay as there is a sizable infrastructure of African-American, Asian American, Hispanic and LGBT-targeted marketing communications agencies and consultants that are employed by marketers to specifically target these populations (Advertising Age, 2017; Adweek, 2015).

The multicultural paradigm—the growth of emerging minority groups—is not unique to the United States. Australia, Canada and the United Kingdom are other countries that have a significant, burgeoning diverse population (Cui & Choudhury 2002; Pires 1999). The practice of multicultural marketing is not as developed in these countries as it is in the United States (e.g. Makgosa, 2012, Koeman, Jaubin & Stemans, 2010; Nwankwo & Lindridge, 1998). For example, in the United Kingdom, the Black and Minority Ethnic (BME) population is 14% of the British population, and has considerable market power (De Napoli, 2014; Institute of Practitioners in Advertising, 2014), yet few British marketers target these segments. Similarly, the ethnic market of Australia represents 20% of Australian households (Marketing, 2013). However, Australian marketing initiatives are primarily directed at the Anglo population (Marketing, 2013; Pires & Stanton, 1999). Lastly, a sizable minority group will exist in Canada’s three largest cities of: Toronto, Vancouver and Montreal by 2031 (Daniels, 2012). Despite this demographic shift, many Canadian companies have been unhurried to respond to this ethnic shift in the population (Daniels, 2012).

Given the population growth and the market power of multicultural consumers, American marketers state that targeting diverse consumers is critical to their business (Bulik, 2008) as a majority of organizations have developed approaches to be more
inclusive with their promotional activity via multicultural marketing (Henderson & Williams, 2013; Cui & Choudhury, 2003; Cui, 1997). When executed well, multicultural marketing demonstrates cultural respect to diverse groups by conveying that an organization is sincerely interested in their business, which may lead to greater profitability (Korzenney & Korzenny, 2011). Promoting race-neutral products and services to diverse minority segments has been practiced since 1916 (Elliot 2011; Chambers 2009; Davis 2002; McDougnah & Egoff 2002, Printer’s Ink, 1916). Despite this time and the financial opportunity diverse segments present, many organizations continue to be challenged to harness the spending influence of these groups to grow their business and brands. For instance, over 80% of organizations believe that multicultural marketing is essential to their organizations (Bulik, 2008). However, 40% of marketers do not realize the financial value racial and ethnic consumers bring to their organization and another 44% state that they do not have a structure on how to effectively manage multicultural marketing (Bulik, 2008). In the case of the U.S. Hispanic segment, marketers estimate 25% of their organizational growth comes from this population, however many of these organizations do not have a marketing strategy to target the Latino segment (Gevelber, 2014).

Exogenous challenges relative to U.S. multicultural marketing among marketers, in no order of importance, include: the growth of the multiracial population and immigration (Ford, 2008). Endogenous challenges are: integrating marketing communications between diverse and general market consumer segments, multicultural organizational structure and the use of a diverse versus a general marketing communications agency for multicultural marketing communications (Ford, 2008). See
Lastly, it is suggested that expertise in multicultural marketing is derived from the educational background, diversity training, awareness programs and business experience of an organization’s employees (Poole, Garrett-Walker, 2016). As a result of these challenges, the burgeoning growth of multicultural consumers is a top-ten issue of concern among senior-level American marketers (Tharpe, 2013).

**Table 1 - Top Endogenous and Exogenous Issues in Multicultural Marketing**

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<td>Integrate multicultural marketing communications across all racial and ethnic segments:</td>
<td><em>It is critical that organizations lead in the development of multicultural promotional tactics, informed by in-depth multicultural insights, so that these marketing communications resonate across all populations.</em></td>
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<td>Multicultural organizational structure:</td>
<td><em>Organizations must emphasize accountability and focus on inclusivity and pooled resources relative to multicultural marketing initiatives.</em></td>
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<td>Use of a general market marketing communications agency versus a multicultural marketing communications agencies to advertise to diverse groups:</td>
<td><em>Multicultural advertising agencies tend to have stronger cultural specializations and tacit knowledge of diverse consumers; however, many general market agencies and consultancies are recruiting specialists cognizant in multicultural research methodologies and consumer behavior.</em></td>
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<td>Multiracial Families:</td>
<td><em>As America’s demographics continue to change, additional practitioner research is needed to understand an organization’s marketing communication decisions to reach multiracial families. Are they best reached by multicultural or general market advertising approaches?</em></td>
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<td>Immigration:</td>
<td><em>Marketers need to be proactive with research initiatives that target immigrant populations at different levels of acculturation into dominant society.</em></td>
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The literature suggests that multicultural marketing communications positively increases a minority group’s attitudes toward targeted advertising and the sponsoring brand and, in turn, influences their purchase intentions towards that brand (Johnson & Grier, 2011; Forehand, Deshpande, and Reed 2002; Forehand & Desphande, 2001). However, there is a great deal of inconclusiveness on how to achieve an optimal multicultural marketing strategy within an organization. Cui & Choudhury (2002) posit that firms are divided in how they can most efficiently target diverse subcultures. Is multicultural marketing success dependent upon a combination of the right personnel, strategy, financial resources or multicultural experience (e.g., Bowman, 2017)? In other words, there is a great debate on the best strategic process and structure for organizations to best execute multicultural marketing initiatives. Does an organization need to create marketing communications for each diverse group using spokespersons, cues, language, and/or idioms specific to the targeted diverse group (e.g., Holland & Gentry, 1999; Gould, Sigband & Zoerner, 1970)?

A firm with an unconventional approach to multicultural marketing is Wal-Mart Stores, Inc. The Senior Vice President of Brand Marketing and Advertising stated that 100% of Wal-Mart’s growth will come from multicultural consumer segments (Wentz, 2012). Referencing a first-mover, competitive advantage (Caves & Porter, 1977), the firm doubled its multicultural marketing spending by 100% (Wentz, 2012). Wal-Mart also broke down its organizational silos to incorporate multicultural marketing into their daily business operations (Pashupati, Ellis & Morse, 2016; Wentz, 2012; Wentz, 2011). Besides the growing multicultural population, the impetus and rationale behind Wal-
Mart’s approach to multicultural marketing is unknown and it is undetermined if this approach equates to the most effective strategy to target the multicultural consumer.

With the growth and prevalence of ethnic populations in recent years, there has been a strategic debate among American marketers on how to handle a majority-minority population; which has begun in California, Hawaii, New Mexico and Texas in the United States (DeVore, 2015; Franklin, 2014). Overall, the United States is projected to become a complete majority-minority nation in the year, 2044 (Frey, 2014). As a result, multicultural marketing is becoming a more mainstream marketing strategy and less of a niche activity, as it was perceived in the past (Franklin, 2014). The dynamic of this multicultural paradigm has led to confusion among marketing practitioners on how to target and execute marketing initiatives against diverse consumers. This incertitude has given rise to strategically targeting out-group populations via the Total market approach to multicultural marketing (Farfan & Beniflah, 2016, Pashupati, Ellis & Morse, 2016, Bowman & Katz, 2015, Burgos, 2016 & 2014, Farfan, 2014; Franklin, 2014; Louth, 1966, 1966a).

The marketing literature is somewhat plentiful with behavioral responses of ethnic consumers to multicultural advertising or sales promotions (e.g. Zuniga, 2016; Cooley, Brice, Becerra & Chapa, 2015; Lenoir, et. al, 2014; Forehand & Desphande, 2001; Green, 1999, 1995; Desphande & Stayman, 1994). However, there is a dearth of literature on organizational antecedental factors relative to multicultural marketing strategies and tactics (Cui 1997, 2001; Cui & Choudhury, 2002). Taylor (2011) states that the conceptualization of multicultural marketing is complex, thus making it challenging to develop an appropriate study. There are theoretical papers, cross-cultural multicultural
marketing studies and grounded theory qualitative papers on ethnic marketing strategies in organizations. Cui (1997) and Cui & Choudhury’s (2002) conceptual papers on a strategy for the customization or adaptation of ethnic marketing is admittedly cited as “simplistic” by the authors with measures and constructs that may not represent the key scenarios in multicultural marketing. The conceptual model of Intercultural Accommodation (Holland & Gentry, 1999) posits a series of customer-centric, predicate factors (accommodation experience, attitude towards accommodation, agent knowledge, newness, strength of ethnic identification and attitude towards mainstream culture) and a model that may improve an organization’s multicultural targeting efforts of marketing communications. These factors—which are centered on the organization—may be incorporated into the other areas of the marketing and promotional mix including: product distribution, product development, sales interactions and corporate social responsibility within an organization. However, a key takeaway of this model is that Intercultural Accommodation may occur at any level within the organization in terms of minority hiring practices and the promotion of causes important to the diverse community (Holland & Gentry, 1999). Ouelett (2007) states that ethnocentrism affects one’s perceptions of products and their willingness to buy. Marketing managers should be mindful of sentiments of consumer racism (Ouelett, 2007) towards an organization from multicultural populations. Burton (2002) brings up a suggestion about whiteness in multicultural marketing theory development. Whiteness Theory provides an explanation of ethnic and racial differences from the perspective of power, privilege and oppression (Burton, 2009). Understanding the influence of whiteness in marketing may help practitioners—as well as academics—have a wider frame of reference relative to majority
versus minority group perspectives and how these filter their perceptions of ethnic consumer markets and their behaviors (Burton, 2009).

Lastly, Peñaloza & Gilly (1999) called for additional research of the dynamics of a marketer’s multicultural acculturation process within its organization, with their marketing research process and their advertising agencies. While Holland & Gentry (1999), Burton (2009) and Peñaloza & Gilly (1999) allude to it, what has not been discussed in the marketing literature, here-to-date, is how an organization’s human diversity—and its commitment—can be leveraged as a resource when marketing to multicultural consumers. Other disciplines of the organization such as Corporate Social Responsibility (CSR) have been studied as a point of competitive advantage in the strategic management and marketing literature (e.g., Christmann, 2000; Sen & Bhattacharya, 2001; Luo & Bhattacharya, 2006; Manigan & Ferrell, 2004). Organizations view CSR actions as investments that are intended to benefit the company as well as the recipient (Johnson, Elliot & Grier, 2010). However, diversity as a competitive resource—in terms of an organization's network of executives and employees as human capital—has been studied extensively in the management literature (e.g., Richard, 2000; Richard, Barnett & Dwyer, 2004; Slater, Wieland & Zwirlien, 2004), but not in the marketing literature. An organization’s financial benefits from CSR initiatives have been evaluated in terms of a consumer’s positive product brand evaluations and purchase intentions (Johnson, Elliot & Grier, 2010; Marin & Ruiz, 2007). Instilling inclusive and culturally relevant values into a brand’s image for diverse consumers would make a brand and its products more relevant to the consumer, enabling the organization to gain wider acceptability and achieve better revenues (Johnson, Elliot
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& Grier, 2010; Keller & Moorthi, 2003). It is posited that leveraging diversity within an organization as a competitive advantage can predicate success in multicultural marketing, enabling better financial and strategic performance and advertising effectiveness for the organization.

This essay addresses the following overarching research questions. First, what are the important antecedents and succeedents necessary within an organization that can be measured to leverage diversity as a resource in multicultural marketing? Second, what is the Total market approach to multicultural marketing and how is it defined? Lastly, do organizations that leverage diversity as a resource and take a Total market approach to marketing to multicultural consumers potentially have: a higher financial performance, are more strategic, have more effective advertising and have leeway to develop culturally-relevant marketing communications that are not strictly uniform in nature to marketing communications developed for the general market? These questions will be answered through a conceptual model that draws upon strategic management and international marketing literature, which will add to our knowledge about the Theory of the Resource-Based View of the Firm. The multicultural marketing antecedents and succeedents will be developed though the creation of formative constructs using Principal Components Analysis of well-cited practitioner questionnaires and items from the Association of National Advertisers and other entities, who have researched the subject of multicultural marketing. Marketing practitioners have been debating the need and the best strategic approach to multicultural marketing for decades and these specific research questions are a sparingly addressed topic in marketing academia (Cui, 1997; Cui, 2001; Cui & Choudhury, 2003; Cui, 1998). The posited, conceptualized model in this essay,
that leverages diversity as a resource, will make a substantial contribution to the marketing literature in this vastly understudied area of marketplace diversity with significant practitioner implications. A more in-depth literature review and proposition development is discussed in the next section.

1.1 LITERATURE REVIEW

1.2.1 Diversity Avouchment, Competition and Multicultural Marketing

Within the practice of marketing, the interaction between marketers and consumers, across diverse subcultures, is the basis for economic growth of an organization (Jamal, Peñaloza & Laroche, 2015; Gentry, Jun & Tansuhaj, 1995). Relative to multicultural marketing, understanding this cooperation between marketing and consumers is more complex with a need to go beyond the obvious and simplistic tactics of blunt segmentation by race, ethnicity and sexual preference (Jamal, Peñaloza & Laroche, 2015; Cespedes & Wong, 2010; Holland & Gentry, 1999). However, many marketing organizations may maintain narrow views of diverse cultures based upon their own experiences with diversity, especially in terms of commerce. For example, Poole & Garrett-Walker (2016) demonstrate that undergraduate business students are less aware of ethnic and racial privilege, overall racial issues and institutional discrimination and subscribe to colorblind racial and social dominance ideologies. In other words, business practitioners may be less culturally inclusive than other disciplines within an organization. The Bureau of Labor Statistics (2015) highlights that just over 18% of marketing and sales managers (compared to 80% white) and 25% of marketing research analysts (compared to 81% white) are of African American, Asian American or of U.S. Hispanic origin. The conceptualization of race and ethnicity has supported a social
hierarchy where whites sit at the top and minority groups are secondary (Harrison, Thomas & Cross, 2015).

Socially constructed concepts such as one’s sexuality also has politically charged perceptions (e.g., Harrison, Walker & Cross, 2015). The United States is approximately 96% heterosexual. A conservative estimate of 4% of American adults identify themselves as lesbian, gay male, or bisexual; less than 1%—0.3%—of adults are identify as transgendered (Oakenfull, 2013). Thus, it can be argued that approximately 4.3% of adults openly identify themselves as LGBT within the workforce.

Extant literature in organizational behavior commonly discusses in-group/out-group membership based on race, ethnicity, ability, religion, age, sexuality, economic class, education, and gender (Oakenful 2013; Burton 2005; Fiske 2000; Cui 1997). More predominant racial, ethnic and sexual orientation groups, by virtue of their population numbers, are better able to promote the interests of their in-group. Thus, in-group interests can be determined by historically majority populations. The United States is: 73.8% Caucasian, 86% native born, 78% percent Christian and 96% heterosexual (Oakenfull 2013; U.S. Census 2016). However, size of a group is not the sole determinant of a group’s influence. Clout is derived from social status and institutionalized privilege. The concept of institutionalized privilege implies the assumption of one's own in-group experiences as normal, while marking the out-group experiences of others as different or exceptional (McIntosh 1990).

Relative to the conceptualization, creation and production of marketing communications, general market (in-group) favoritism is considered a function of partiality toward the in-group rather than negativity toward the out-group (minority
group) (Brewer, 1979). See table 2 for classifications of in-group and out-group populations in the United States. Evaluations of and behaviors toward out-groups are driven by an individual’s level of social dominance orientation, which is the basic desire to have one's own primary in-group—however defined—be considered better than, superior to, and dominant over relevant out-groups (Sidanius, 1993). The feeling of social dominance orientation could be related to not only the size of the out-group, but exposure to it. When an out-group member is considered of equal or lower status, even without a prior history of contact, there will be evaluative and behavioral discrimination in favor of the in-group members (Tajfel & Turner, 1986).

**Table 2 – In-group and Out-Groups**

<table>
<thead>
<tr>
<th>Social Identity Marker</th>
<th>In-Group</th>
<th>Out-Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male</td>
<td>Female or Transgendered</td>
</tr>
<tr>
<td>Race</td>
<td>White</td>
<td>Black or African American, American Indian or Alaska Native, Asian, Native Hawaiian or Pacific Islander</td>
</tr>
<tr>
<td>Sexual Orientation</td>
<td>Heterosexual</td>
<td>Homosexual</td>
</tr>
<tr>
<td>Religion</td>
<td>Christian Protestant or Catholic (in last 50 years)</td>
<td>Muslin, Jewish, Buddhist, Hindu, Mormon, etc.</td>
</tr>
<tr>
<td>Nationality</td>
<td>U.S.-Born</td>
<td>Foreign-Born</td>
</tr>
<tr>
<td>Physical Characteristics</td>
<td>Able-Bodied</td>
<td>People with physical, mental or emotional disabilities</td>
</tr>
<tr>
<td>Ethnicity</td>
<td>Western European</td>
<td>Puerto Rican, Ecuadorian, Brazilian, Nigerian, Cambodian, Indian, etc.</td>
</tr>
<tr>
<td>Use of English</td>
<td>Proper English</td>
<td>Accents, English as a Second Language, African American Vernacular English</td>
</tr>
</tbody>
</table>


Literature on racially and ethnically similar in-groups states that a high level of organizational diversity facilitates better communication, social interaction and stronger
relationships with different out-groups (Richard, et. al., 2004; Blau, 1977). Many in-group managers have trepidations about making generalizations about multicultural consumers due to political correctness (Richard, et. al. 2004; Robinson & Dechant, 1997). Human asset specificity refers to the specialized information, language, and know-how accumulated through relationships and knowledge-sharing routines (Dyer & Singh, 1998). Innovative organizations tend to employ more multicultural segments than less innovative companies; thus, out-group bias is less likely to happen for management teams with greater diversity in its human assets (Richard, et. al., 2004). Therefore, successful multicultural marketing could depend on how much a firm has avouched for diversity beyond their external marketing efforts (Association of National Advertisers, 2003). In other words, a multicultural marketing antecedent within an organization can be referred to as Diversity Avouchment—conceptualized here as the commitment from management and peer groups within an organization who see diverse segments as important to their organization.

The paradigm of diversity is an outside force—organizations may adjust their marketing strategy to leverage the increasing market power of diverse segments (Slater, Weigand & Slater, 2004; Porter, 1981). Competition is posited to make organizations more conducive to multicultural marketing initiatives (Shanmuganathan, Stone & Foss, 2004). The Theory of Industrial Organization (IO) states that an industry’s external forces guide an organization’s strategy, with profitability correlated to its strategy (Porter, 1981; Zou & Cavusgil, 2002). Theodosiou & Leonidou (2003) suggest that competitive forces compel adaptation of marketing initiatives to gain an advantage over business rivals in international marketing. Venkatraman and Prescott’s (1990) principle of co-
alignment also confirms this sentiment, stating that a firm’s strategic fit with its environment, suggests a positive relationship to its performance.

With this background and context, the following proposition is presented:

**P1: The Higher the Level of Competition, the Greater the Level of Organizational Diversity Avouchment.**

1.2.2 Multicultural Experience Within Organizations

A survey fielded by the Association of National Advertisers (2008) stated that only 22% of organizations have a high level of knowledge and best approaches to multicultural marketing. The Resourced Based View (RBV) (Wernerfelt, 1984) best explains the tacit skillset of cultural nuance, competence and tactical approaches to market to diverse consumers as: valuable, rare, imperfectly imitable, and not substitutable (Barney, Wright & Ketchen, 1991). Organizations with higher levels of experience in multicultural marketing management may understand the kinds of partnerships and resources that allow them to generate positive returns on investment (e.g., Dyer & Singh, 1998). Creativity and innovation are enhanced when a multicultural workforce is employed within an organization (Cox & Blake, 1991). In other words, organizations with a high level of organizational diversity avouchment are in a more advantageous position to market to the multicultural consumer.

In international marketing, having a global orientation, a firm’s emphasis on worldwide success—instead of an individual country—is not easily replicated as a firm’s global interpretation of its corporate strategy is unique to the organization (Zou & Cavusgil, 2002). However, in domestic marketing, it can be argued that an organization’s orientation towards multicultural marketing—versus general marketing—is similarly tacit knowledge as the interpretation and execution of multicultural marketing is specific to an
organization. Firms with a high level of multicultural marketing experience may have multicultural marketing departments that are embedded and work closely with the general marketing organization of a company (Association of National Advertisers, 2003; Burgos & Mobolade, 2011). Increased multicultural experience also suggests that there is an avouchment from top management and the success of reaching multicultural consumers is woven into the strategy of the organization (Burgos & Mobolade, 2011). For example, Proctor & Gamble’s executive management, recognizing the size and growth rates of multicultural consumer segments, integrated multicultural marketing into the organization’s overall marketing operations, instead of continuing to execute the strategy within the silo of a stand-alone multicultural marketing department (Kumaki, Moran & Bendinger, 2010; Miller & Kemp, 2005). Thus, the following proposition is suggested:

**P2: The Higher the Level of Multicultural Experience, the Higher the Level of an Organization’s Diversity Avouchment.**

1.2.3 Out-group Valuation

Marketing domestically to diverse consumers is a long-term proposition by investing in the particular needs and wants of ethnic consumers (King, 1993). An example of an organization that took time to understand multicultural marketing was the Sony Corporation; stating that it took 3 years to be comprehensive and sincere with respect to diverse consumers (Bulik, 2008). The banking industry, for instance, has also seen multicultural marketing as an investment commitment that demands consistency (Shanmuganathan, Stone & Foss, 2004). Appropriate investment in multicultural marketing can be looked upon as mobility barrier—factor associated with competitive profit differentials—to deter competition and could assist in revenue generation for an organization (e.g., Caves & Porter, 1997). Acknowledging the financial impact of
diverse consumers is possible as the data for the business case exists (Bulik, 2008). However, only specific human capital (Dyer & Singh, 1998), skilled in multicultural marketing, can articulate this to their organization’s management via their tacit expertise. This implicit understanding is evidenced as only 42% of organizations have sufficient funding for multicultural marketing initiatives, 45% have deficient internal support and 44% do not have the proper structure or metrics for multicultural marketing initiatives (Bulik, 2008; Association of National Advertisers, 2008). An organization’s economic understanding of diverse segments is critical for a competitive advantage in multicultural marketing. Thus, an antecedent to multicultural marketing is referred to as *Out-group Valuation*, defined as the understanding of the financial contribution of multicultural populations to an organization’s business. Thus:

**P3: The Higher the Level of Outgroup Valuation, the Higher the level of Diversity Avouchment**

1.2.4 Multicultural Creativity

Multicultural advertising is the tactical execution of multicultural marketing, which aims to reach a diverse target audience through intercultural accommodation, the use of nuanced symbols, traditions, beliefs, values, attitudes, and/or objects from cultural backgrounds (Johnson, Elliot & Grier, 2010; Holland & Gentry, 1999; Gould, Sigband & Zoerner, 1970), with a goal to increase business results for the organization. Diverse consumers are brand loyal and acknowledge the nuanced, culturally-relevant script of targeted marketing communications more so than the general population (Lenoir, et. al. 2013; Williams & Qualls, 1989). The growth of multicultural advertising agencies is testimony to the fact that organizations are investing in out-group advertising expertise to avoid the stereotypical pitfalls that may occur during the planning and execution of
multicultural marketing communications (Holland & Gentry, 1999; Cui, 1997). Figure 1 demonstrates the average increase in multicultural advertising agency revenues among the top 10 U.S. Hispanic, African-American and Asian-American advertising agencies. While steadily trending upwards, there is an increase in revenue when the 2000 and 2010 decennial U.S. Census data was released in 2001 and 2011 respectively; evidencing that the United States is becoming a more racially and ethnically diverse nation.

**Figure 1 – Average Annual Revenue Among the Top 10 U.S. Hispanic, African-American and Asian American Advertising Agencies: 2001-2016**

The management of an advertising agency to leverage efficiencies and the subsequent initiatives into the overall promotional mix is an implicit skillset (Srivastava, Fahey & Christensen, 2001; Barney, 2001). Marketers, who develop positive partnerships with their advertising agencies, have a set of tangible processes and intangible relationships that require the knowledge and skill of specific employees. This
skillset is more valid for the management of marketing communications agencies that have a diverse specialty given the tacit nature of leveraging and understanding the cultural nuance of out-group populations. There is an inferred knowledge in understanding how diverse subcultures consume multicultural media and respond to culturally-targeted marketing communications. Boulding, et. al. (1994) suggest that organizations that increase their unique communication activities to consumers, leads to a future increase in brand differentiation. Effective multicultural advertising management is an immobile resource that can provide a competitive advantage by tapping into a diverse consumer’s potential market power. Therefore:

**P4: The Higher the Level of Organizational Diversity Avouchment, the Higher the use of Multicultural Marketing Communication Agencies to Leverage Multicultural Creativity.**

1.2.5 Multicultural Rede

Marketing investment decisions hinge upon valid marketing research and sales data (Zaltman & Moorman, 1988), which rarely exists for many American ethnic and racial groups (Valdés & Beniflah, 2016; Valdés, Beniflah & Quintana, 2014). Limited research and lack of valid data have been major barriers to a better understanding of the complexity of marketing in the multicultural marketplace (Valdés, Beniflah, 2016; Valdés, Beniflah, Quintana, 2014). The lack of knowledge and naïve assumptions about racial and ethnic consumers has perpetrated multicultural marketing faux pas among many marketers (Henderson & Williams, 2013; Cui & Choudhury, 2002; Holland & Gentry, 1999; Cui 1997). In an effort to avoid missteps with the multicultural consumer, consulting firms, such as, The Futures Company (formerly Yankelovich), have addressed an organization’s desire for Multicultural Rede on racial and ethnic consumer insights
and consumption behavior (Holland & Gentry, 1999); as they plan and/or develop multicultural marketing communication initiatives. However, consultancies as well as marketers, require more accurate research and sales data for multicultural populations (Holland & Gentry, 1999). For example, U.S. syndicated sales data undercounts the purchases made by multicultural consumers by 20%-to-60% of the true volume, depending upon the industry (Valdés, Beniflah & Quintana, 2014). This can result in benchmark measurements like return-on-investment (ROI) (e.g. Rust, Lennon & Zeithaml, 2004) that are flawed as most multicultural marketing initiatives are underfunded. Marketers rarely spend to the percent of population of racial and ethnic groups to provide a reliable ROI metric (Kantar, 2013; Coffey, 2013; Humphreys, 2015; Korzenny & Korzenny, 2011; Advertising Age, 2012). The total advertising spend on multicultural marketing is approximately $11 billion (Coffey, 2013; Korzenny & Korzenny, 2011; Oakenfull, 2012). While substantial, this figure of $11 billion is just under 8% of the estimated total U.S. spend of $141.2 billion (Kantar, 2013). To provide context, the multicultural population is over one-third of the American population (Humphreys, 2015).

Whether or not a marketing recommendation is politically acceptable to the decision-making constituency within an organization can be a very pertinent issue relative to multicultural marketing. For example, most marketing initiatives have *champions* within their organizations, individuals who are committed to particular marketing ideas (e.g., Desphande & Zaltman, 1984) and *opponents*, people within the organization who are contrarian to specific marketing programs. If marketing research shows that the program of a senior marketing manager (the champion) is not faring well
in the marketplace, this manager may more likely criticize the validity of the research (Desphande & Zaltman, 1984). Conversely, it can be argued that opponents may cite the legitimacy of the research as evidence not to move forward with an initiative. These scenarios may also exemplify the mindset of champions and opponents in organizations relative to multicultural marketing.

Multicultural buying power and expenditures have been calculated since 1920 (Steele, 1947; Sullivan, 1945). Issues relative to internal and external validity of these figures remain omnipresent as evidenced with present-day, multicultural discretionary income statistics. For example, the early calculations of multicultural buying power for African Americans, published in the Journal of Marketing (Sullivan, 1945), was descriptive in nature and did not disclose detailed methods. Without understanding the rigors of the analysis, practitioners and academicians should take pause as to the validity of those purchasing power figures. Modern day calculations of buying power are similarly vague in their analysis. However, when scrutinized with what sparse methodological detail is provided, the certainty of multicultural buying power figures becomes highly suspect. The often cited buying power and earned income statistics that are cited by academicians and practitioners to demonstrate the respective economic strength of a racial or ethnic group or present the business case for multicultural marketing are calculated behind a paywall. In other words, marketing practitioners, academics and other parties have to pay a fee to receive the most recent reports containing buying power figures. As a result, there are either vague or no details on the methodology as to how buying power statistics are calculated.
However, it is expected that the buying power/earned income figures from these monetized reports would have a close variance. Surprisingly, there is a gargantuan dispersion in the results between the reports. Using the reports for 2006 and African-American buying power as an example, *The Buying Power of Black America* reports African-American earned income to be $744.1 billion for 2006 (Smikle, 2007). Another report, *The Multicultural Economy*, estimates that black buying power is $798.9 billion for the same year (Humphreys, 2007). A final report, *A Marketer’s Guide to Discretionary Income*, states a lower aggregated total income estimate of $488.9 billion for African Americans (Li & Franco, 2007)—multi-billion dollar discrepancies in African-American discretionary income. The only consistent and expected finding is that white households have substantially more buying power or earned income than multicultural populations. Without understanding the full details of the computations used to obtain these figures, it is unclear if the divergence between the 3 reports for African-American earned income resides within either report’s margin of error. Therefore, it cannot be determined which numbers present the most accurate business case or economic strength for the African-American consumer. Perhaps the much smaller African-American discretionary income figure of $94.6 billion as calculated by Li & Franco (2007) is a more realistic figure? Given the lack of methodological evidence, the answer to this question is inconclusive. See Table 8.

**Table 8 – Discrepancies in 2006 American Multicultural Buying Power (Discretionary Income)**

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>African American</td>
<td>$798.9 billion</td>
<td>$488.9 billion **($96.4 billion)</td>
<td>$744.1 billion</td>
</tr>
<tr>
<td></td>
<td>2017 Estimate</td>
<td>2015 Estimate</td>
<td>Change</td>
</tr>
<tr>
<td>----------------</td>
<td>---------------</td>
<td>---------------</td>
<td>--------</td>
</tr>
<tr>
<td>Asian American</td>
<td>$426.9 billion</td>
<td>$274.1 billion</td>
<td>($90.6 billion)</td>
</tr>
<tr>
<td>U. S. Hispanic</td>
<td>$798.3 billion</td>
<td>$511.6 billion</td>
<td>($96.5 billion)</td>
</tr>
<tr>
<td>Multiracial*</td>
<td>$86.3 billion</td>
<td>$94.5 billion</td>
<td>($24.1 billion)</td>
</tr>
</tbody>
</table>


The University of Georgia Selig Center’s, *The Multicultural Economy* buying power statistics for African Americans, as well as Asian Americans and U.S. Hispanics, tend to be the most cited figures in practitioner marketing and trade publications. These now questionable figures—as evidenced in the aforementioned discussion—are used to justify the business case for multicultural marketing. Moreover, *The Multicultural Economy*’s buying power figures have been referenced to justify the economic size of the American ethnic populations in the academic marketing literature (e.g., Chattaraman, Lennon & Rudd, 2010; Brumbaugh & Grier, 2006; Porter & Donthu, 2006; Harris, Henderson & Williams, 2005).

The validity of multicultural buying power data also has implications for other diverse segments. The approach used by Witeck Communications, a public relations firm with a specialty in the LGBT consumer, in estimating LGBT buying power reflects the undisclosed method used by *The Multicultural Economy* (Witeck, 2015). Thus, the validity of LGBT buying power figures is also brought into question. LGBT Capital, a financial asset manager that specializes in providing financial services and advice to the LGBT community, conducted their own buying power study and estimated that the LGBT spending power in the U.S. for 2014 is approximately $900 billion versus $884 billion as calculated by Witeck Communications for the same year (Hudson, 2015; Witeck,
2015)—a $16-billion-dollar difference. Without detailed methodology from Witeck (2015) or LGBT Capital (Hudson, 2015) it cannot be determined if the almost 2% difference falls within the margin of error of either report. The academic marketing literature referencing economic size of the LGBT segment cites the Witeck U.S. LGBT buying power figures derived using Humphrey’s (2015) methodology (e.g., Oakenfull, 2013; Oakenfull, 2012; Oakenfull, McCarthy & Greenlee, 2008; Baxter, 2007).

Disparities and questions about multicultural discretionary income figures also occurs outside of America. For example, the combined disposable wealth of the United Kingdom’s Black and Minority Ethnic (BME) group was estimated to be £32 billion in a study by the Institute of Practitioners in Advertising (IPA), a trade organization for the marketing communications industry in the United Kingdom, in 2003 (BBC News, 2002). The IPA published an updated study in 2012 where the buying power was more recently reported to be £300 billion. The UK Census (Office of National Statistics, 2016) shows that the BME population has only grown 5% from 2001 to 2011. Yet, BME buying power has increased 838% in the 9 years between 2003 to 2012. Similar to American multicultural buying power, statistical methods or a data source on how the figures are derived is not reported. This difference in buying power between 2003 and 2012 is extreme, appearing to be methodological sampling error. Multicultural population samples should be representative of the groups from which they are drawn (Darley & Williams, 2006) and it is unknown if this was done by the IPA in 2003 or in 2012. Further affecting the validity of the buying power figure, the IPA’s source for the £300 BME buying power in the 2012 study is an article in The Drum (2011), a UK-based
marketing trade publication, that is cited as the original source for the £300 in BME disposable income.

Buying power figures for emerging minority groups in additional nations appear to have also been shared in a very cavalier manner without the benefit of methodology—and many times without a data source—as to how the figures are derived. For example, multicultural Canadians presently have a buying power of 300 billion Canadian dollars; an extreme increase (295%) from 76 billion Canadian dollars in 2005 (Ethnicity, 2016; Bhandari, 2005). Australia’s multicultural population is stated to have a declared buying power of 25 billion Australian dollars, bereft of further source details or statistical methods (Marketing, 2013).

These arguments demonstrate that multicultural buying figures are highly questionable in terms of their accuracy, primarily due the ambiguous definition and nature of discretionary income and the lack of detail on statistical methods of cited reports. When discerning market research practitioners and marketing managers become privy to the disparities, inconsiderate use and ambiguity of multicultural buying power figures, it may cause disconcerting doubts and trepidation as to the actual financial value of multicultural segments and their worth to their business. Inconsistent buying power figures from different sources hurts the credibility of these numbers and may affect how marketers view the investment in and practice of multicultural marketing.

Buying power is a subjective measure when used as a proxy of the multicultural economy. Valdés & Beniflah (2016) and Valdés, Beniflah & Quintana (2014) and made the first attempts to estimate the economic contribution of the U.S. Multicultural population. The aggregate retail expenditures by multicultural group are as follows: $22.9
billion (Hispanic), $14.8 billion (African American), and $6.7 billion (Asian American) (Valdés & Beniflah, 2016; Valdés, Beniflah & Quintana, 2014). A limitation is that the research is limited to the U.S. independent retail grocery channel—privately owned and/or controlled grocery stores with annual sales between roughly $2 million and $5 billion (Valdés & Beniflah, 2016; Valdés, Beniflah & Quintana, 2014). The entire retail population is not considered suggesting the multicultural retail expenditures are much higher.

It is posited that marketers who rely on consultants—beyond their multicultural advertising agencies—diversity boards and internal employee resource groups can secure the most accurate data and appropriate counsel on multicultural consumers and help the organization achieve a Total market approach to Multicultural Marketing. Formally:

**P5:** The Higher the Use of Multicultural Marketing Communications Agencies, The Greater the Use of Consultants/Diversity Boards or Employee Resource Groups for Multicultural Rede.

**P6:** The Higher the Use of Multicultural Rede, the Greater the Opportunity to Achieve a Total market approach to Multicultural Marketing.

1.2.6 The Total Market Approach

Similar to Cui’s (1997) and Cui & Choudhury’s (2002) discussion on the topic of multicultural marketing, strategic context is drawn within the Standardization versus Adaptation debate in international marketing. Parallel to multicultural marketing, there is little consensus for an optimal strategic approach in international marketing (Zou & Cavusgil, 2002). The Standardization/Adaptation approach to international marketing has been debated since the early 1960’s (Schmid & Kotulla, 2011; Kustin, 2004; Keegan, 1969). Proponents of Standardization reference cost savings, economies of scale and a
unified look and feel to marketing communications (Moon & Jain, 2002; Jain, 1989; Levitt, 1983). Theodore Levitt (1983) famously argued that firms should market their products universally throughout the world. Adaptation is costly and does not make an organization competitive (Levitt, 1983). The advocates of Adaptation argue that complete standardization can be seen as an unsophisticated strategy because it oversimplifies the complexities and nuances of other cultures (Oba, 2009). Many blunders in international marketing occur due to firms not acknowledging or understanding foreign cultures (Moon & Jain, 2002). However, full adaptation is not preferable as there is no cohesiveness to other marketing communication initiatives (Moon & Jain, 2002). Both sides of this debate are well articulated, however, there has been a trend towards more adaptation in international marketing (Oba, 2009; Boddewyn, Soehl, & Picard, 1986). Theodosiou & Leonidou (2003) suggest a hybrid approach of Standardization and Adaptation, as they cannot be mutually exclusive. The quandary of an American-based international firm is under what conditions and to what level do they standardize or adapt their international marketing initiatives (Theodosiou & Leonidou, 2003). To summarize this debate, it can be argued that there are 3 strategic perspectives in international marketing: full Standardization, a hybrid of Standardization and Adaptation and full Adaptation, each utilized depending on the objectives of an organization.

In domestic multicultural marketing in the USA, there is a similar debate on which approach is most effective. There has been on-going discourse since the 1970’s on whether diverse consumers necessitate a specialized, culturally-relevant approach to marketing communications (Gould, Sigband & Zoerner, 1970). Proponents of diverse
consumers as a special market reason that diverse segments will respond more readily to appeals through culturally relevant media and the use of targeted idioms of speech and/or music in marketing communications (Holland & Gentry, 1999; Gould, Sigband & Zoerner, 1970). Opponents argue that diverse consumer purchase decisions are made not based on their race, ethnicity or sexual orientation but on their socio-economics, thus diverse groups may just as well be targeted through general market promotional initiatives (Gould, Sigband & Zoerner, 1970). Presently, the burgeoning growth of ethnic subcultures has resulted in many marketers making shifts in their approach to multicultural marketing to create integration and leverage efficiencies with their general market initiatives to create economies of scale in multicultural marketing expenditures (Cui, 2002; Cui & Choudhury, 2012).

Historically, the marketing of race-neutral products and services, began in the 1910’s, first segmenting to African-Americans, Hispanics, Asian Americans and the LGBT population in respective order throughout the 20th century (Cui, 2001; Davis, 2002; Cui, 1998; Korzenny & Korzenny, 2011; Witeck & Combs, 2006; Printer's Ink, 1916). Under this niche model, multicultural advertising agencies burgeoned and media outlets to reach diverse subcultures flourished (Cui, 2001; Davis, 2002). Until recent years, this concept has been the de facto approach in marketing to diverse consumers (Franklin, 2014; Korzenny & Korzenny, 2011; Kumaki, Moran & Bendinger, 2010; Davis, 2002).

Cui & Choudhury (2002, P.64-65) proffered a definition and conceptualization of “multicultural marketing”, “cross-cultural marketing” and “integrated mass marketing”. These terms and their meanings are respectively parallel to Adaptation, Standardization
and the composite of the two in international marketing—see table 3. As previously mentioned, the *multicultural* approach has been the standard since the early 20th century. The process is to start the creation of advertising for the general market and then transcreate these marketing communication tactics for multicultural segments with cultural relevance in terms of diction and/or racially and ethnically similar actors or spokespeople (Frankin, 2014; Johnson, Elliot & Grier, 2010). Multicultural marketing was perceived as a niche strategy for marketers, resulting in the use of multicultural advertising agencies in the development of diverse marketing communications (Cui & Choudhury, 2002). This approach dictates a clearly defined and, in many ways, a siloed organizational approach to reaching ethnic subcultures (Cui & Choudhury, 2002). To summarize, the marketing communications strategy for the multicultural approach is standardized and the tactically-executed advertising is culturally adapted with an overt cultural script.

The Cross-Cultural approach is conceptualized to address various multicultural segments with a consistent marketing communications message (Cui & Choudhury, 2002). The strategic process begins by inclusively mining multicultural—as well as general market consumer insights—for marketing communications to develop a single marketing communications strategy (Franklin, 2014). The supposition is that diverse populations influence the general market (Villa, 2013). The goal of the Cross-Cultural approach is to have advertising that resonates for multicultural consumers but can also clearly crossover to invoke the general market (Franklin, 2014). An impetus for the cross-cultural approach is to leverage economies of scale in an organization’s marketing efforts to target diverse segments (Cui & Choudhury, 2002). The result are marketing
communications strategies that are culturally adapted and tactical advertising executions that are standardized; inclusive of cultural nuance.

**Table 3 - Strategic and Tactical Approaches to Multicultural Marketing**

| **Multicultural** | The niche approach in the development of diverse marketing communications. Marketers develop advertising and other promotions for the general market first and then transcreate it for cultural relevance for diverse segments. The multicultural strategic approach is standardized as diverse populations are not immediately considered in the development of marketing communications. However, marketing communications are adapted with an overt cultural script for diverse segments. |
| **Cross-cultural** | The process of developing a singular strategy for multicultural marketing programs that begins with an understanding of cultural insight from diverse populations as well as the general market. The result is an adapted strategy that takes into account and sometimes leads with the insights of the diverse segments. Tactically, the execution is standardized as the marketing communications for the general population are inclusive of cultural nuance for multicultural segments. |
| **Integrated Mass Market or Total Market** | From a strategic perspective, general and multicultural markets are viewed as a single entity. Marketing managers, in tandem with market research, uncover the universal insights in marketing communications that resonate with this singular segment. Similar to the Cross-Cultural, the Total market approach is strategically adapted as it acknowledges common insights between diverse and general market populations. Unlike the Cross-Cultural approach, the Total market approach leads with a standardized general market marketing communication strategy but tactically adapts it to diverse segments via cultural cues and a less explicit cultural script in the execution. |


Integrated Mass Marketing is also defined as a promotional marketing initiative created to reach everyone across general and ethnic audiences (Cui & Choudhury, 2002). Tactically, in-groups and out-groups are featured together as equals in marketing communications scenarios sans an overt cultural script (Gould, Sigband & Zoerner, 1970). This conceptualization is now synonymous with the term, *Total Market*. The idea of Total Market was first referenced in the 1960’s (Bowman & Katz, 2015). Louth (1966
& 1966a) posited that a Total Market is a compilation of sub-segments of a population, each with its own characteristics that require a specific marketing approach—with demographic changes and individual preference for products and services facilitating the growth of these submarkets. Louth (1966 & 1966a) also suggested that it is a misstep to develop marketing communications targeting an average—or general market consumer—as this consumer does not exist anymore due to the multicultural paradigm. Organizations that are not proactive to their customers’ needs and their evolution to becoming a more diverse population is provoking misfortune relative to their business opportunities (Burgos, 2016; Louth, 1966; 1966a).

Farfan (2015) states that marketers must know everything about their consumers; their differences as well as their similarities. In the context of multicultural marketing, Total Market looks at the multitude of diverse sub segments (race, ethnicity, sexual preference and the general market) and views them as a single entity; leveraging universal insights in both the communication strategy and execution of an organization’s marketing communications (Pashupati, Ellis & Morse, 2016; Franklin, 2014). Total Market is the strategic inclusion of multicultural segments while tactically acknowledging culturally nuanced particulars about a diverse segment (Farfan, 2015).

As the United States has become a more inclusive and diverse society, the multicultural model began to evolve from being a specialty market consideration to a mainstream marketing approach (Franklin, 2014). To acknowledge this demographic paradigm shift, the notion of Total Market was re-introduced in 2010 as a multicultural marketing strategy to be more encompassing of all consumers (PR Newswire, 2010; Wentz, 2010). Marketing practitioners have struggled to implement the Total market
approach into their overall marketing initiatives, resulting in many marketers and marketing trade organizations proffering their own definitions to operationalize it with little consensus on the definition (Burgos, 2015). See table 4. Therefore, borrowing the definitions provided by Farfan (2015), Franklin (2014) and Louth (1966, 1966a) the Total market approach to multicultural marketing is conceptualized and defined as an organization’s understanding of the universal consumer insights of the general market consumer and integrating multiculturalism through strategic insight and cultural cues in the execution of its marketing communications.

With this background and definition of ethnic subculture marketing strategies, the following suppositions are proposed:


P7e: The More an Organization Participates in A Total market approach to Multicultural Marketing, The Less Uniform the Marketing Communications will be with the general market, allowing for cultural nuance.

Table 4 - Multicultural Marketing Strategy Definitions among Practitioners and Trade Organizations

<table>
<thead>
<tr>
<th>Multicultural</th>
<th>Total Market</th>
<th>Cross-Cultural</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Creating separate, targeted copy for distinct market segments communicated in media that reaches diverse”</td>
<td>“Integrate multiculturalism into every step of the business process and marketing execution to”</td>
<td>“Our general market advertising from our general market agency is designed so that it appeals to general and”</td>
</tr>
</tbody>
</table>
With the literature review and proposition development provided, the next section of the essay aims to identify the formative, key antecedental and succedental components for the proposed model of multicultural marketing process within an organization. This includes operationalizing and defining components of: Outgroup Valuation, Level of Competition, Multicultural Experience, Diversity Avouchment, Multicultural Creativity, Multicultural Rede, Total Market, Financial Performance, Strategic Performance, Advertising Effectiveness and Uniform Executions.
2. **METHODOLOGY**

2.1 Operationalization of Antecedental, Succedental and Strategic Formative Constructs for Multicultural Marketing

*Procedure.* The development of the formative multicultural marketing constructs, was derived using questionnaires from two well-referenced multicultural marketing practitioner studies. The first is the *ANA’s Multicultural Marketing Survey* (2003). The ANA is known for facilitating practitioner surveys on multicultural marketing since the early 2000’s. The survey was created by a task force of executives who had prevue of multicultural marketing within their organizations in the hope of promoting multicultural marketing best practices (Association of National Advertisers, 2003). This survey was one of the first practitioner studies fielded to understand the dynamics of multicultural marketing within organizations (Association of National Advertisers, 2003). These surveys have included questions relative to: a firm’s commitment to diversity, measurement of multicultural marketing initiatives, multicultural department structure, use of general market or multicultural agencies for diverse marketing initiatives and the satisfaction and challenges with implementing multicultural marketing programs within an organization (Association of National Advertisers, 2003). The survey was first fielded by the ANA to marketing practitioners in 2002, 2003, 2004 and lastly 2008 (Association of National Advertisers, 2008).

The second practitioner study sourced for survey development was the Brandiosity’s (2008) *Chief Marketing Officer (CMO’s) Perception of Multicultural Talent Opportunities*, sponsored by Heidrick & Struggles. The recruiting firm
commissioned the study which was fielded by the consultancy, Brandiosity, to learn about the human resources needed to target multicultural segments from the perspective of the CMO, which includes questions on the satisfaction, metrics, market research and importance of multicultural marketing (Bulik, 2008). To derive antecedental and succedental factors, all appropriate questions from both the ANA and Brandiosity surveys were be placed on a 5-point likert scale with the goal to identify underlying components relative to a firm’s multicultural marketing behavior, process and approach via and exploratory factor analysis (EFA). The final survey included 75 questions. See the appendix for the questionnaire.

Lastly, the participants were administered scales that were revised with language to reflect multicultural marketing to check for reliabilities. They are: Level of competition (Okazaki, Taylor & Zou, 2006), Multicultural Marketing Experience adapted from Okazaki, Taylor & Zou (2006) and Zou & Cavusgil (2002), Financial Performance also adapted from Okazaki, Taylor & Zou (2006) and Zou & Cavusgil (2002) and Advertising Effectiveness Okazaki, Taylor & Zou (2006). Strategic performance and Uniform strategy both adapted from Okazaki, Taylor & Zou (2006).

2.1.1 Sample

The sample consists of U.S. marketers, individuals who are presently employed full-time as a corporate or nonprofit marketers who either practice or do not practice multicultural marketing within their organization. Participants were recruited across 2 separate surveys. First, to recruit multicultural marketers, a flyer was also send out to Multicultural Marketing Resources, Inc.’s news aggregator, MMRNews. MMRNews has a reach of more than 250-plus organizations who target or are interested in targeting
Hispanics, African Americans, Asian Americans, Native Americans and the LGBT community among other markets (http://multicultural.com/services/mmr_news). The research flyer was promoted on the commensurate groups on LinkedIn, a business-orientated social networking website. Secondly, to recruit all marketers—including those who may or may execute multicultural marketing—participants were sourced through the Association of National Advertisers’ (ANA). The ANA has 700-plus client-side marketer member companies, representing over 15,000 brands that spend more than $250 billion in marketing and advertising each year. All respondents, in both surveys, were incentivized by given the opportunity to win a $300 gift card to the Apple Store upon completion of the survey.

The first survey had 78 marketers participate and the second survey yielded 112 respondents. Out of the total panel of 190, n=149 completed the entire survey. A limitation for recruiting more marketers and the completeness of the survey is that many organizations do not allow their employees to participate in outside studies due to confidentiality and non-disclosure agreements. Below are two charts detailing the demographics of the survey participants.

**Table 5 – Characteristics of the 149 Marketers who Completed the Survey**

<table>
<thead>
<tr>
<th>Title</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Director</td>
<td>27.4</td>
</tr>
<tr>
<td>Manager</td>
<td>19.5</td>
</tr>
<tr>
<td>Brand Manager</td>
<td>12.2</td>
</tr>
<tr>
<td>VP Department Head</td>
<td>8.5</td>
</tr>
<tr>
<td>Category Manager</td>
<td>3.7</td>
</tr>
<tr>
<td>Assistant/Associate Brand Manager</td>
<td>2.4</td>
</tr>
<tr>
<td>SVP Department Head</td>
<td>1.8</td>
</tr>
<tr>
<td>EVP Department Head</td>
<td>1.2</td>
</tr>
<tr>
<td>Other</td>
<td>23.3</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>100</strong></td>
</tr>
<tr>
<td>Industry</td>
<td>Percentage (%)</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>Banking/Financial Services</td>
<td>11.6</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>9.8</td>
</tr>
<tr>
<td>Food</td>
<td>8.5</td>
</tr>
<tr>
<td>Entertainment</td>
<td>7.3</td>
</tr>
<tr>
<td>Insurance</td>
<td>7.3</td>
</tr>
<tr>
<td>Nonprofit</td>
<td>6.7</td>
</tr>
<tr>
<td>Beverages</td>
<td>6.1</td>
</tr>
<tr>
<td>Pharmaceuticals and Health care</td>
<td>6.1</td>
</tr>
<tr>
<td>Tobacco and Alcohol</td>
<td>3.7</td>
</tr>
<tr>
<td>Publishing</td>
<td>3.7</td>
</tr>
<tr>
<td>Personal Products</td>
<td>2.4</td>
</tr>
<tr>
<td>Education</td>
<td>1.8</td>
</tr>
<tr>
<td>Automotive</td>
<td>1.2</td>
</tr>
<tr>
<td>Travel</td>
<td>1.2</td>
</tr>
<tr>
<td>Food Services</td>
<td>0.6</td>
</tr>
<tr>
<td>Apparel/Footwear</td>
<td>0.6</td>
</tr>
<tr>
<td>Quick Service Restaurant/QSR</td>
<td>0.6</td>
</tr>
<tr>
<td>Hotel/Hospitality</td>
<td>0.6</td>
</tr>
<tr>
<td>Other</td>
<td>20.2</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Gross Revenues</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$10 billion or more</td>
<td>19.5</td>
</tr>
<tr>
<td>Less than $25 million</td>
<td>15.9</td>
</tr>
<tr>
<td>$5 billion - $9.9 billion</td>
<td>14</td>
</tr>
<tr>
<td>$25 million - $99 million</td>
<td>6.7</td>
</tr>
<tr>
<td>$100-$499.9 million</td>
<td>5.5</td>
</tr>
<tr>
<td>$1 billion - $1.9 billion</td>
<td>5.5</td>
</tr>
<tr>
<td>$2 billion - $4.9 billion</td>
<td>3.7</td>
</tr>
<tr>
<td>$500 million - $999.9 million</td>
<td>3</td>
</tr>
<tr>
<td>Don’t know/No Answer</td>
<td>26.2</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Does your organization develop Multicultural Marketing Programs?</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>59.9</td>
</tr>
<tr>
<td>No</td>
<td>40.1</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

2.1.2 Analysis
Principal components factor analysis with varimax rotation was performed on the items from the ANA and Heidrick & Struggles surveys to identify commensurate latent variables for further analysis as proposed in the literature review. Components were extracted using the scree plot and percent of variance explained. Low communalities under .40 were removed as these variables struggled to load on any factor. Removal of the weak communalities resulted in an acceptable Kaiser-Meyer-Olkin measure of sampling adequacy of .718. The Bartlett’s Test of Sphericity was 1508.71, df=465 and significant at p<.01. A total of four formative components were extracted explaining a majority (57.02) percent of the variance. The factors identified are: (1) Diversity Avouchment ($\alpha$=.87), (2) Multicultural Creativity ($\alpha$=.91), (3) Out-group Valuation ($\alpha$=.86) and (4) Multicultural Rede ($\alpha$=.76). Table 6 shows the respective items constituting each component in greater detail.

Table 6 - Antecedental and Succedental Multicultural Marketing Components

<table>
<thead>
<tr>
<th>Component Name</th>
<th>Diversity Avouchment $\alpha$=.87</th>
<th>Multicultural Creativity $\alpha$=.91</th>
<th>Out-group Valuation $\alpha$=.86</th>
<th>Multicultural Rede $\alpha$=.76</th>
</tr>
</thead>
<tbody>
<tr>
<td>My organization, top management commitment to multicultural marketing.</td>
<td>0.775</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>My organization’s management is committed to multicultural marketing.</td>
<td>0.746</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>My organization has budget for multicultural marketing.</td>
<td>0.681</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>My organization effectively organized to handle multicultural marketing.</td>
<td>0.699</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>What percentage of your total U.S. advertising budget is allocated to diverse/multicultural advertising? Less than 5%, 5-9%, 10-19%, 20-29%, 30-59%, Greater than 50%</td>
<td>0.564</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>My organization sees multicultural marketing as critical to our business.</td>
<td>0.606</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diversity permeates all facets of cultural behavior in my organization's workplace.</td>
<td>0.600</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In my organization, multicultural marketing is properly funded.</td>
<td>0.612</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At my organization, multicultural marketing has internal support among peers.</td>
<td>0.622</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

To identify the latent formative constructs of a firm’s multicultural strategic approach, the various practitioner definitions for: Cross-Cultural, Multicultural and the Total market approach were included in the survey as referenced in Table 4. A principal component analysis with varimax rotation was again executed, resulted in two
components being extracted using the Kaiser’s rule, where 59% of the variance was explained. Low communalities below 0.4 were removed, providing a Kaiser-Meyer-Olkin measure of sampling adequacy of .723. The Bartlett’s Test of Sphericity was 176.71, df=25 and significant at p<.01. The factors are (1) Total Market ($\alpha=0.78$) and (2) Platitudinal ($\alpha=0.62$). Platitudinal falls below the acceptable level of $\alpha=0.70$. Therefore, this factor was not utilized in the posited model.

Table 7 - Multicultural Marketing Strategic Factors

<table>
<thead>
<tr>
<th>Component</th>
<th>Total Market $\alpha=0.78$</th>
<th>Platitudinal $\alpha=0.62$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our organization, with our trusted internal and external partners, proactively integrates diverse segment considerations into our marketing communications</td>
<td>0.83</td>
<td></td>
</tr>
<tr>
<td>Less targeting to particular ethnic consumers, more leveraging broader strategies that appeal to all in a new multicultural marketplace</td>
<td>0.801</td>
<td></td>
</tr>
<tr>
<td>Position our products to reflect the new marketplace where today’s minority segments become the majority segments</td>
<td>0.742</td>
<td></td>
</tr>
<tr>
<td>Understanding upfront the market in totality as well as specific segments, ensuring nuanced needs and opportunities are effectively addressed across 360 strategies and tactics</td>
<td></td>
<td>0.747</td>
</tr>
<tr>
<td>Integrate multiculturalism into every step of the business process and marketing execution to maximize growth across all segments</td>
<td></td>
<td>0.684</td>
</tr>
<tr>
<td>Populating our general market marketing communications with diverse consumers</td>
<td></td>
<td>0.68</td>
</tr>
</tbody>
</table>

2.1.3 Reliabilities of Existing Reflective Measures Adapted for Multicultural Marketing

The factors below were included in the survey to test for reliabilities with the modified language to reflect outcomes in multicultural marketing:

*Level of competition* ($\alpha=0.74$) (Okazaki, Taylor & Zou, 2006) Measured on 7-point likert scale. Selected Items include: (1) We face powerful competitors in the markets where we do business. (2) There is a great deal of competition in the markets where we do business.

*Multicultural Marketing Experience* ($\alpha=0.83$) (Okazaki, Taylor & Zou, 2006; Zou & Cavusgil, 2002) Measured on 5-point likert scale. Adapted formative measure of
experience combining Zou & Cavusgil’s (2002) question of time of multicultural
operations and Okazaki, Taylor & Zou’s (2006) items of managerial and historical
experience in multicultural marketing, providing an acceptable $\alpha=83$. Items include: (1)
How long has your parent company had multicultural operations? less than 5 years, 6–10
years, 11–20, years 20–49 years, 50 or more years? (2) Our management possesses a
great deal of multicultural marketing business experience. (3) We have had a long history
of multicultural marketing business involvement.

Financial Performance ($\alpha=.84$) (Okazaki, Taylor & Zou, 2006; Zou & Cavusgil, 2002)
Measured on a 5-point likert scale. Adapted formative measure combining Zou &
Cavusgil’s (2002) and Okazaki, Taylor & Zou’s (2006) scale, providing an acceptable
$\alpha=84$. Items include: (1) Compared to major competitors, multicultural sales of our
business have been increasing rapidly. (2) The multicultural operations of our business
unit are very profitable relative to our major competitors. (3) Our return on investment
(ROI) is higher than that of our major competition. (4) Sales of our product have been
increasing. (5) Our brand equity has been increasing. (6) The financial performance of
our brand has improved.

Strategic performance ($\alpha=.83$) (Okazaki, Taylor & Zou, 2006) Measured on 7-point likert
scale. Adapted measured include: (1) We have achieved a uniform image for our brand.
(2) We have been executing a multicultural strategy effectively. (3) We have created and
reinforced a strong, multicultural image for our brand. (4) Our advertising has been
effective in helping us achieve our company’s objectives.
Uniform execution ($\alpha=.86$) (Okazaki, Taylor & Zou, 2006). Measured on 7-point likert scale. Adapted measures include: (1) We use the same advertising executions for all of the diverse markets to which we advertise. (2) We use uniform copy and textual information for our ads in all of the diverse in which we advertise. (3) We use a uniform visual image for our ads in all of the diverse markets to which we advertise. (4) We use similar creative strategies for all of the diverse markets to which we advertise.

2.1.3 Posited Model

Figure 2 demonstrates the proposed model of the antecedents, succeedents and strategic components discovered by principal components analysis of the ANA and Heidrick & Struggles Surveys and the modified reflective measures. Outgroup Valuation, Level of Competition and Multicultural Experience positively predict Diversity Avouchment within an organization. Diversity Avouchment has a positive direct effect on Total Market and has an indirect effect on the total market approach through the use of a multicultural advertising agency for creative nuance. The use of a multicultural advertising agency predicts the greater use of outside consultants (Multicultural Rede) to counsel on racial and ethnic marketing communications. Multicultural Rede completes the indirect effect predicts a Total market strategic approach to multicultural marketing.

Total market will predict higher: financial performance, strategic performance, and advertising effectiveness. However, total market will predict a negative effect on uniform executions. In other words, multicultural advertising does not have to be a direct translation of general market advertising.
3. DISCUSSION

This essay has proposed a model and validated measures of multicultural marketing within an organization to predict its financial, strategic, advertising success. To date, this paper has significant theoretical and practitioner implications. The PCA analysis has identified the important components necessary for multicultural marketing success in an organization that will be of great use to practitioners. Leveraging commitment to diversity as a tacit resource adds to what we know about the Resource Based View of the Firm. There are limitations in terms of the small sample size which is expected when conducting a field study with actual marketers, where participation is
limited due to their organization’s confidentiality agreements to participate in academic research.

It is the hope that future research in this area further explores the impact of organizational diversity among these other areas in the marketing mix. A secondary desire is to inspire future scholars to identify and define other variables that affect—via moderation or mediation—the effectiveness of an organization’s financial, strategic and advertising success relative to its approach to multicultural marketing.

While the focus of this essay is on promotions within the marketing mix, this proposed model has direct implications for the other 3 areas (product, price and place) of the marketing synthesis. There is an extensive area of product development where Diversity Avouchment can have an influence (Henderson & Williams, 2013). For example, Hewlett-Packard’s facial tracking webcams, cannot recognize faces of individuals with darker complexions and Technical Concepts, makers of infrared soap dispensers found in many hotels bathrooms, has trouble recognizing the skin tone of hands of people of color to dispense soap (Plenke, 2015; Simon, 2009). A lack of diversity exists in technology organizations (Donneley, 2017; Bui & Miller, 2016; Marcus, 2015) however, Diversity Avouchment within Hewlett-Packard and Technical Concepts would address these biological race issues relative to their products.

Relative to Price, there are different price response functions and elasticities based on race, ethnicity, and perhaps other identity-based factors (Henderson & Williams, 2013). Race and ethnicity has a significant effect across many consumer packaged goods (CPG) categories (Rosenblatt & Hochstein, 1989). For example, Rosenblatt & Hochstein’s (1989) results showed that high expenditures for food at home were
dominant in Hispanic households, and low expenditures for food away from home were apparent in black households (Wagner and Soberon-Ferrer, 1990).

Relative to shopping observations, Hispanic and Black consumers are less likely to purchase goods impulsively than do white shoppers because their lower economic situation demands a more deliberative purchasing behavior (Mulhern, Williams & Leone, 1998; Mulhern & Williams, 1994; Bellenger & Valencia, 1982). However, the Native American population are not pragmatic shoppers, as many are impulse shoppers (Shim & Gerht, 1996). To date, there is a dearth of research that investigates shopping behaviors of Asian Americans. In a lab setting, Suri, Kelkar & Machanda (1998) demonstrated that price sensitivity is related to acculturation more than income. Asian Indians are value conscious shoppers who are typically interested in seeking to attain a good value (Ownsby & Horridge, 1997). A multicultural spending model from a representative data source will provide a true presentation of the multicultural marketplace. This type of research will add to our understanding of Household Production Theory (e.g., Muth, 1966; Becker, 1965). Buying power/discretionary income is a subjective measure when used as a proxy for the multicultural economy (O’Guinn & Wells, 1989). Further study in the area of multiculturalism and price elasticities is encouraged. Lastly, through channel management (place/distribution/supply chain) marketers can offer different product offerings depending on the diverse clientele of a particular retailer (Henderson & Williams, 2013).

In the second paper of this dissertation, the component—Multicultural Creativity—is further studied across 4 laboratory experiments. This essay adds to our understanding of Distinctiveness Theory, Social Identity Theory and the role of
situational variables (ethnic identity and acculturation) relative to the likeability of multicultural advertising created for racially and ethnically-congruent audiences. From a practitioner’s perspective, this paper provides guidelines on how execute Total market advertising executions for an organization.
4. Supplementary Materials:

4.1.1. Appendix

4.1 Questionnaire developed from Multicultural Marketing Survey Results and Hedrick & Struggles’ CMO Perceptions of Multicultural Talent Opportunities (Brandiosity, 2008; Association of National Advertisers, 2003)

Q2 We would like your opinions on the following statements. Please rank these statements based your professional experiences at your organization. If a phenomenon does not occur at your organization, rank as "strongly disagree". Please read each statement carefully and be as truthful as possible in your rankings.

Q3 Diverse segments are not important to my organization.
   ○ Strongly Disagree
   ○ Disagree
   ○ Neither Agree nor Disagree
   ○ Agree
   ○ Strongly Agree

Q4 My organization's management is not committed to multicultural marketing.
   ○ Strongly disagree
   ○ Disagree
   ○ Neither Agree nor Disagree
   ○ Agree
   ○ Strongly Agree

Q5 At my organization, a challenge is a lack of top management commitment to multicultural marketing.
   ○ Strongly Disagree
   ○ Disagree
   ○ Neither Agree nor Disagree
   ○ Agree
   ○ Strongly Agree

Q6 At my organization, a challenge facing multicultural marketing is a lack of internal support among peers.
   ○ Strongly Disagree
   ○ Disagree
   ○ Neither Agree nor Disagree
   ○ Agree
   ○ Strongly Agree

Q7 My organization uses radio, targeted to reach diverse market segments.
   ○ Strongly Disagree
Q8  My organization gains efficiencies using our diverse/multicultural agency(ies) to create our company’s multicultural marketing campaigns.
   - Strongly Disagree
   - Disagree
   - Neither Agree nor Disagree
   - Agree
   - Strongly Agree

Q9  My organization uses outside diversity marketing or related advisory boards.
   - Strongly Disagree
   - Disagree
   - Neither Agree nor Disagree
   - Agree
   - Strongly Agree

Q10 Diversity permeates all facets of cultural behavior in my organization's workplace.
    1. Strongly Disagree
    2. Disagree
    3. Neither Agree nor Disagree
    4. Agree
    5. Strongly Agree

Q11 My organization uses multicultural consulting firms for multicultural marketing needs.
    1. Strongly Disagree
    2. Disagree
    3. Neither Agree nor Disagree
    4. Agree
    5. Strongly Agree

Q12 My organization uses large, traditional consulting firms for multicultural marketing needs.
    - Strongly Disagree
    - Disagree
    - Neither Agree nor Disagree
    - Agree
    - Strongly Agree

Q13  My organization sees multicultural marketing as critical to our business.
    - Strongly Disagree
    - Disagree
Neither Agree nor Disagree
Agree
Strongly Agree

Q14 My organization understands the financial worth of the Hispanic consumer.
Strongly Disagree
Disagree
Neither Agree nor Disagree
Agree
Strongly Agree

Q15 My organization understands the financial worth of the African-American consumer.
Strongly Disagree
Disagree
Neither Agree nor Disagree
Agree
Strongly Agree

Q16 My organization understands the financial worth of the Asian American consumer.
Strongly Disagree
Disagree
Neither Agree nor Disagree
Agree
Strongly Agree

Q17 My organization understands the financial worth of the Native American consumer.
Strongly Disagree
Disagree
Neither Agree nor Disagree
Agree
Strongly Agree

Q18 My organization understands the financial worth of the Lesbian, Gay, Bisexual, Transgendered, Queer (LGBTQ) consumer.
Strongly Disagree
Disagree
Neither Agree nor Disagree
Agree
Strongly Agree

Q19 We face powerful competitors in the markets where we do business.
Strongly Disagree
Disagree
Neither Agree nor Disagree
Agree
Q20 There is a great deal of competition in the markets where we do business.
- Strongly Agree
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q21 We use the same marketing communications executions for diverse and general market segments.
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q22 We use uniform copy and textual information in our marketing communications for diverse and general market segments.
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q23 We use a uniform visual image for our marketing communications among diverse and general market segments.
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q24 We use similar creative strategies among diverse and general market segments.
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q25 Our marketing communications are generally well liked in the markets in which it is run.
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
Q26 Consumers react positively to our marketing communications.
- Agree
- Strongly Agree
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q27 Our marketing communications improves the consumer’s image of our brand.
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q28 Our marketing communications makes it more likely that consumers will purchase our brand/products.
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q29 We have achieved a uniform image for our brand.
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q30 We have effectively been executing a multicultural/diverse strategy.
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q31 We have created and reinforced a strong multicultural/diverse image for our brand.
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree
Q32 Our marketing communications have been effective in helping us achieve our objectives.
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q33 Compared to major competitors, multicultural/diverse sales have been rapidly increasing.
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q34 Our diverse marketing initiatives generate more profitability relative to our major competitors.
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q35 Our return on investment (ROI) is higher than that of our major competition.
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q36 Sales of our products/services have been increasing.
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q37 Our brand equity has been increasing.
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q38 The financial performance of our brand has improved.
Q39 Our management possesses a great deal of multicultural marketing business experience.
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q40 Our organization has had a long history of multicultural marketing involvement.
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q41 To the best of your knowledge, how long has your organization done multicultural marketing?
- Less than 5 years
- 6-10 years
- 11-20 years
- 20-49 years
- 50 or more years

Q42 The diverse makeup of our marketing organization is reflective of America's diversity.
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q43 My organization uses outside consultants - outside of advertising agencies - for our multicultural marketing efforts.
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q44 My organization has no budget for multicultural marketing.
Q45 My organization does multicultural marketing but, if budgets are tight, we reduce or eliminate it.

Q46 My organization has no budget for multicultural marketing.

Q47 My organization does multicultural marketing but, if budgets are tight, we reduce or eliminate it.

Q48 What percentage of your total U.S. advertising budget is allocated to diverse/multicultural advertising?

Q49 My organization is effectively organized to handle multicultural marketing.

Q50 At my organization, a challenge facing multicultural marketing is a lack of funding.
Q51 My organization has created and run bilingual advertising.
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q52 My organization uses out-of-home advertising in multicultural neighborhoods to reach diverse segments.
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q53 My organization receives superior creativity from our diverse/multicultural agency(ies) when they develop multicultural marketing campaigns.
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q54 Our diverse/multicultural agency(ies) is more creative than our general market agency(ies) when developing multicultural marketing campaigns.
- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q55 The following section provides various approaches your organization takes towards marketing to diverse consumers. As before, please read each approach carefully and rank from "Strongly Disagree" to "Strongly Agree".
- Click here to continue

Q56 The following best defines our approach to marketing to diverse consumers: “Creating separate, targeted marketing communications for distinct market segments communicated in media that reaches diverse consumers.”
- Strongly Disagree
- Disagree
Q57 The following best defines our approach to marketing to diverse consumers:
“Populating the marketing communications for the general market with diverse consumers.”
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q58 The following best defines our approach to marketing to diverse consumers: “Our general market advertising is designed so that it appeals to general and multicultural markets.”
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q59 This following best defines our approach to marketing to diverse consumers: "We seek to develop a single strategy that begins with appeals to diverse segments but is applicable to the general market as well."
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q60 The following best defines our approach to marketing to diverse consumers: "Inclusive of Caucasian, Hispanic, African American, Asian American and LGBT. Use cultural cues and elements that come from the experiences of different ethnic groups. Use diverse talent that draw on universal truths that can span across segments which can lead to efficiencies and increased effectiveness."
- Neither Agree nor Disagree
- Agree
- Strongly Agree

Q61 The following best defines our approach to marketing to diverse consumers: “Integrating multicultural into every step of the business process and marketing execution to fully take advantage of the growth potential across multicultural and general market segments.”
Q62 The following best defines our approach to marketing to diverse consumers: “Less targeting to particular ethnic consumers. More leveraging broader strategies that appeal to everyone in the new multicultural marketplace.”

Q63 The following best defines our approach to marketing to diverse consumers: “Understanding upfront the market in totality as well as segment specifics to ensure that nuanced needs and opportunities are effectively addressed across all strategies and tactics.”

Q64 The following best defines our approach to marketing to diverse consumers: "Our organization, with our trusted internal and external partners, proactively integrates diverse segment considerations into our marketing communications. This is done from inception, through the entire strategic process and execution, with the goal of enhancing value and growth for our organization."

Q65 The following best defines our approach to marketing to diverse consumers: "Position our product(s) to reflect the new marketplace or the new General Market, when today’s minority segments become the majority segments. The term Minority can include race, ethnicity, gender, youth, religious preference and sexual orientation (LGBTQ segment)."
Q66 The following best defines our approach to marketing to diverse consumers:  "Active inclusion of multicultural consumers into the entire strategic process, from opportunity assessment, to insights development, to execution."
   - Strongly Disagree
   - Disagree
   - Neither Agree nor Disagree
   - Agree
   - Strongly Agree

Q67 This following best defines our approach to marketing to diverse consumers:  "We look at general and diverse markets as a single entity, with a view to seeking out universal truths that apply to everyone."
   - Strongly Disagree
   - Disagree
   - Neither Agree nor Disagree
   - Agree
   - Strongly Agree

Q68 Now, some demographic information about your company for categorization purposes.
   - Click here to continue

Q69 What is your organizations' total advertising budget?
   - Less than $5 million
   - $5 million - $14.9 million
   - $15 million - $29.9 million
   - $30 million-$49.9 million
   - $50 - $99.9 million
   - $100 million - $199.9 million
   - $200 million - $499.9 million
   - $500 million – or more
   - Don’t know

Q70 What is your total U.S. diverse/multicultural advertising/marketing budget?
   - Below $100,000
   - $100,000 - $499,999
   - $500,000 - $999,999
   - 1 million - $1.49 million
   - 1.5 million - $1.9 million
   - $2 million - $2.49 million
   - $2.5 million - $2.9 million
Q71 Whether through ROI, market research, sales trends, matched market tests or another metric, have you seen a business increase in your multicultural marketing initiatives over the last year?
- Yes
- No
- Don’t know

Q72 What is your position in your company? Check the closest description that fits your job title.
- EVP, Ethnic/Diverse/Multicultural Marketing
- SVP, Ethnic/Diverse/Multicultural Marketing
- VP, Ethnic/Diverse/Multicultural Marketing
- Director Ethnic/Diverse/Multicultural Marketing
- Brand Manager, Ethnic/Diverse/Multicultural Marketing
- Category Manager, Ethnic/Diverse/Multicultural Marketing
- Manager, Ethnic/Diverse/Multicultural Marketing
- Assistant/Associate Brand Manager, Ethnic/Diverse/Multicultural Marketing
- Other

Q73 To which multicultural consumer segments does your organization advertise/market? (CHECK ALL THAT APPLY)
- Hispanic
- African American
- Asian American
- Native American
- LGBTQ
- Other

Q74 Which of the following best represents the gross revenues of your company?
- Less than $25 million
- $25 million - $99 million
- $100-$499.9 million
- $500 million - $999.9 million
- $1 billion - $1.9 billion
- $2 billion - $4.9 billion
- $5 billion - $9.9 billion
- $10 billion or more
- Don’t know

Q75 Which of the following best represents your organization's industry?
- Personal Products
- Food
- Beverages
- Toys
- Tobacco and Alcohol
- Automotive
- Appliances
- Computers
- Homes
- Aerospace and Defense
- Food Services
- Data Processing
- Utilities
- Travel
- Telecommunications
- Banking/Financial Services
- Entertainment
- Distribution
- Pharmaceuticals and Health care
- Business-to-Business
- Office Equipment and Supplies
- Petroleum
- Apparel/Footwear
- Retail
- Quick Service Restaurant/QSR
- Hotel/Hospitality
- Publishing
- Insurance
- Nonprofit
- Education
- Other
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5. INTRODUCTION

Consumers view advertising as a way of relating to companies or brands through effective communications that speak to them, in order to garner their business and brand loyalty (Henderson & Rank-Christman, 2016; Holland & Gentry, 1999). Multicultural advertising aims to target minority audiences through the use of cultural representations: symbols, traditions, beliefs, values and attitudes that are conveyed through music, language and idioms of speech (Johnson, Elliot & Grier, 2010; Luna, Perrachio & Delores de Juan, 2003; Holland & Gentry, 1999; Gould, Sigband & Zoerner, 1970). These representations are leveraged to make marketing communications more similar—or accommodating—to a racial or ethnic group. The process of facilitating this accommodation is through the concept of a cultural script, a pattern of social interaction that represents the themes and values that are distinct to a particular social group (Sierra, Hyman & Heiser, 2012; Williams & Qualls, 1989; Triandis, Marin, Lisansky, & Betancourt, 1984). For example, the cultural script of racially or ethnically-targeted advertising may generalize aspects of socioeconomics, linguistics, the role of the family or the community (Burgos, 2008). Given this scenario, the cultural script must employ some level of stereotyping about a multicultural population, as it is an expeditious heuristic to coherently convey racially and ethnically targeted images and ideas (Taylor & Stern, 1997). When executed well, the cultural script facilitates a positive, yet realistic way of life of racial and ethnic groups, making them more responsive to the brand or product being advertised by reflecting their cultural values (Williams & Qualls, 1989).
While inclusive of religion, the disabled and the lesbian, gay, bisexual and transgendered (LGBT) and other white minority populations (e.g., polish community), traditional characteristics of multicultural advertising has tended to focus on imagery relative to one’s racial and ethnic identity (Cui 1997, 1998; Cui & Choudhury, 2001, 2000; Pires, 1999; Ouellet, 2007; Johnson, Elliot & Grier, 2010). Many exogenous characteristics of race and ethnicity are the result of social institutions and their related practices (Graves 2002). For instance, certain European immigrants in the 20th century were considered “White” only when it became ideologically necessary to redefine racial categories (Harrison, Thomas & Cross, 2015; Harrison & Thomas, 2014; Warren & Twine, 1997). In other words, racial and ethnic identity is generally impressed by external actors. The constructs of race, ethnicity and culture are composed of visage (race), thoughts and feelings (ethnicity), and behaviors (culture) (Harrison, Thomas & Cross, 2015; Dalal 2002; Smedley, 1999).

Due to the growth of the American minority population and the resulting market power it yields (Paulson & O’Guinn, 2016), there has been an on-going debate on multicultural advertising and the use of multicultural advertising agencies since the 1970’s. Specifically, whether organizations should invest in racial/ethnic-specific or standardized advertising to target minority consumers (Cooley, Brice, Becerra, Chapa, 2016; Becerra, Chapa & Delonia Cooley, 2016; Gould, Sigband & Zoerner, 1970). The debate has become more fervent in recent years as multicultural marketing, the practice of integrated marketing strategies that identify and tactically target potential consumers by diverse backgrounds (Johnson, Elliot & Grier, 2010; Friedman, Lopez-Pumarejo, & Friedman, 2006; Burton 2005; Chan, 1996), has become less niche and a more
mainstream marketing consideration, due to accelerated multicultural population growth (Franklin, 2014).

5.1.1 Multicultural and Standardized Approaches to Racial and Ethnic Marketing Communications

The Multicultural approach to ethnic marketing communications—the standard tactic since the 1950’s—initially began by first segmenting to African Americans, then U.S. Hispanics and Asian Americans throughout the 20th century (Bowman & Katz, 2015; Korzenny & Korzenny, 2011; Cui, 2001 & 1998; Davis, 2002). This process has involved the use of multicultural advertising agencies to develop, produce and place marketing communications targeting racial or ethnic populations (Franklin, 2014). Examples of multicultural advertising agencies are: Alma, Dieste and Lopez Negrete Communications (U.S. Hispanic), Burrell Communications Group, Carol H. Williams Advertising and Sanders/Wingo (African-American) and AdAsia Communications, IW Group and InterTrend Communications (Asian American) (Advertising Age, 2016). The process of multicultural advertising development is often times managed by Multicultural Marketers, corporate marketing department personnel who have direct, day-to-day responsibility marketing to any one or combination diverse racial and ethnic populations. The marketing communications strategy for the multicultural approach is standardized as heterogeneous demographic and socioeconomic segments of general market consumers—not diverse populations—are initially considered in the development of advertising (Burgos, 2015, 2014; Franklin, 2014, Pashupati, Ellis & Morse, 2016). General Market is conceptualized as the all-encompassing segment of a market, often used as an innocuous term for the non-Hispanic white, Caucasian or non-diverse segment (Korzenny & Korzenny 2011; Kumaki, Moran, & Bendinger 2010; Orlandi, 1998). The advertising
execution is adapted for cultural relevance by multicultural advertising agencies—often times with the help of outside consultants—who are tasked with targeting and promoting to racially and ethnically diverse segments of the population. Multicultural marketing communications have been shown to increase the targeted racial or ethnic group’s positive attitudes toward advertising (Choudhury & Cui, 2002; Forehand, Deshpande, and Reed 2002). For this reason, organizations targeting ethnic groups in the U.S., such as Coca-Cola, General Mills, McDonald’s and Wal-Mart employ a multicultural approach to advertising (Cooley, Brice, Becerra, Chapa, 2016; Choudhury & Cui, 2002).

Standardized marketing communications is advertising that is tailored to the general market—inclusive of multicultural segments—using the same spokespersons, cues, language, and/or vernacular for all populations (Gould, Sigband & Zoerner, 1970). Standardized advertising is posited to be effective to target the multicultural consumer and more cost efficient to the organization than racially and ethnic-specific advertising (Cui and Choudhury 2002). An argument in favor of standardization is that purchasing decisions are made—not on racial or ethnic basis—but on one’s economic situation (Gould, Sigband & Zoerner, 1970). Therefore, there is no need for multicultural marketing communications. As a result, an organization can promote its brands, products and/or services by leveraging common insights of all consumers—regardless of race or ethnicity—in advertising (Choudhury & Cui, 2002). In other words, cultural insight and its execution in advertising is race or ethnic neutral.

The Kimberly-Clark Corporation, heeding demographic data that half of new babies born will be from a multicultural background, is an example of a firm that is a strong advocate of the Standardized approach to racial and ethnic marketing relative to its
diaper business (Association of National Advertisers, 2016). Given the nature of the racial and ethnic strategic inclusion of the Standardized approach, the tactical executions are not necessarily dependent upon multicultural advertising agencies and could be executed by general market advertising agencies (e.g., Ogilvy & Mather’s Cross-Cultural Marketing Practice, *OgilvyCulture*) (Elliot, 2011). However, there is a historical lack of racial and ethnic diversity in the advertising industry—only 23% of employees are African-American, Asian American or U.S. Hispanic background (Miller, 2016, 2013; Appiah & Saewitz, 2016; Bureau of Labor Statistics, 2014; Ofori, 2001).

Synonymous with Standardization, the *Total Market Approach* to multicultural marketing is defined as an organization’s comprehension of the universal consumer insights of the general market consumer and integrating multiculturalism through cultural indicators in the execution of its marketing communications (Farfan & Beniflah, 2016, Pashupati, Ellis & Morse, 2016, Bowman & Katz, 2015; Burgos, 2016 & 2014, Farfan, 2014; Franklin, 2014; Louth, 1966, 1966a). *Cosmopolitanism* reflects an acceptance of other cultures, customs, and preferences in deference to one’s own (Cleveland, Laroche & Papadopoulos, 2009). A similar behavior, *Diversity-Seeking*, is one’s inclination to not only accept but proactively seek cultural diversity in experiences, products and services (Brumbaugh & Grier, 2013). As Americans are becoming more cosmopolitan, they are seeking diversity for reasons which include: liberal views on interracial and interethnic marriages, multicultural diversity in schools, neighborhoods and the workplace (Cleveland, Laroche & Papadopoulos, 2009; Becerra, Chapa & Cooley, 2016; Cooley, Brice, Becerra & Chapa, 2015). In recent years, brands such as Cherrios, Old Navy and State Farm Insurance have attempted to reflect the growing diversity in America by
featuring interracial couples and similar diverse situations in advertising (Bowser, 2017; Nudd, 2016; The Grio, 2016; Goyette, 2013). This inclusive tactic has been one characteristic of the Total Market approach in practice—where many racial and ethnic groups can be simultaneously reached by advertising stimuli (Pashupati, Ellis & Morse, 2016). As a result, there has been unanticipated backlash by some general market and multicultural consumers with an advertising execution featuring interracial actors in the context of a couple.

Holland & Gentry (1999) state that while appearing parsimonious, racial and ethnic marketing is rather complex as a variety of exogenous factors may impact the effectiveness of multicultural marketing communications among diverse and general market segments. Ethnically-targeted (multicultural) and ethnically-inclusive (standardized) approaches are not mutually exclusive as racial and ethnic populations are not homogeneous groups. The complexity of connecting with multicultural audiences, the burgeoning growth of multicultural consumers and the approximately $10 billion that organizations spend annually on racial and ethnic marketing makes multicultural marketing a top-ten issue of concern among senior-level American marketers (Tharpe 2013, Coffey, 2013; Korzenny & Korzenny, 2011; Sison, 2008).

There was a perceived view in literature from the 1990’s stating that marketing practitioners, and academics, view ethnic consumers as homogeneous groups that can be simply partitioned by their race or ethnicity where socioeconomics, demographics, psychographics and acculturation is unacknowledged (Cespedes & Wong, 2010; Cui, 1998; McKinley, Smith & Marshall, 1998; McKinley-Floyd, Smith, & Nwakanma, 1994). Earlier literature on race and ethnicity also suggested that once socioeconomic
variables—specifically income—are controlled, consumer differences by race and ethnicity became non-significant, thus limiting the literature on ethnic marketing (Cui, 1996; Sojka & Tansuhaj, 1995; Feldman & Starr, 1968). As a result, the paucity of multicultural marketing literature published is largely descriptive in nature with racial and ethnic groups presented as monolithic groups or categorical variables in research studies (McKinley, Smith & Marshall, 1998; Sojka & Tansuhaj, 1995; Desphande & Stayman, 1994; Hoch, et. al., 1995; Segal & Sosa, 1983). Research across racial and ethnic groups in the United States has historically focused on defining racial and ethnic differences as deficits from the general population, rather than identifying the role of culture to distinguish distinctiveness from deficiencies (Stevenson, 2000).

An argument supporting the standardized approach is that millennials—those born at the beginning of the 1980’s through the end of the 1990’s (Levenson, 2010)—are suggested to less identify by their race or ethnicity given today’s cosmopolitanism, as suggested by the present Association of National Advertisers’ (ANA) Multicultural & Diversity Committee Chairperson, “As millennials come of age, we are at a critical juncture in [defining] the Total Market Process” (Association of National Advertisers, 2014). Is the ANA correct to assume that multicultural marketing communications are less effective among millennials? As most millennials have experienced greater diversity than earlier age cohorts, it is understandable to see why the Total market approach to advertising is a norm. However, it would appear naive to propose a blanket statement that one’s racial or ethnic identity has little to no presence in the self-concept of multicultural or general market millennials. Instead of age cohort, the effectiveness of multicultural marketing communications may be explained by the numeric distinctiveness of racial and
ethnic consumers. As previously mentioned, there is a burgeoning cosmopolitan, diversity-seeking trend relative to diversity, due to more diverse imagery and interactions in society that may influence the perceptions of multicultural marketing (Cooley, Brice, Becerra & Chapa, 2015). Culture alone does not have an ubiquitous effect on consumer behavior, however situational variables—in tandem with culture—related to one’s race or ethnicity does influence behavior (Monga & Williams, 2016; Stayman & Desphande, 1989). In other words, multicultural and Total market approaches to racial and ethnic advertising may be fluid strategies where both may be effective depending upon acculturation, psychographic and cosmopolitan situational influences within the population.

Many marketing practitioners target multicultural consumers, *a priori*, using objective racial or ethnic identification. Phenotypic racial and ethnic identity does not take into account the *emic* differences ethnic consumers have with the general population. For example, Desphande & Stayman’s (1994) paper manipulated ethnicity by using Latino surnames. In this instance, a participant in this study could have had a Hispanic last name (objective identification) but may have received the surname by marriage or adoption and not be an ethnic Latino. Racial and ethnic culture is also much deeper, more complex and subjective than what is observed (Korzenny & Korzenny, 2011). Numerous advertisements targeting minority subcultures are based on cultural cues which contain objective stereotypes, defined as a population’s positive or negative generalized beliefs about another group (Burgos, 2008; Cui 1998; Taylor & Stern 1997). However, stereotypical conceptualization of multicultural populations discounts the fact that minorities have always had roles in society outside of the pejorative ones (Cui, 1996).
Thus, it is a challenge for multicultural marketers and their multicultural advertising agencies to manage within-group variations among race and ethnic groups. In other words, basing racial and ethnic identity on unidimensional visual perceptions without further knowledge of diverse groups can contribute to *faux pas* and Racial Microagressions in multicultural advertising (Sue, et. al. 2007; Cui, 1997; Ofori, 2001).

5.1.2 Multicultural Advertising: Genuine or Patronizing?

In tandem with the oft-debated strategic approaches to multicultural advertising, there can be polarizing perceptions of racially or ethnically-targeted marketing communications from multicultural consumer groups. Specifically, how do ethnic groups feel about having their race or ethnicity targeted in marketing communications? Some multicultural consumers feel racially or ethnically targeted advertising is everything from: appeasement and pandering, to a demonstration of genuine concern and interest from organizations to have diverse consumers as customers (Holland & Gentry, 1999).

Additional investigation of the antecedents and consequences of the cultural script in advertising among multicultural consumers is needed to lend additional theoretical insight into what is already known about Distinctiveness Theory. This may include combinations of psychographic and cultural variables (Aaker & Williams, 1998). These discoveries would contribute to an understanding of the processes underlying the responses to racially and ethnically-targeted marketing communications among both multicultural (racially and ethnically diverse) and general market (white) consumers.

Given this context, the following research question is proffered: for multicultural consumers, do racially and ethnically-congruent marketing communications have a positive or negative perception? If so, this would warrant an organization’s continued or
increased investment in the multicultural marketing. Second, is the targetedness of racially and ethnically-congruent advertising a positive mediator between the Strength of Ethnic Identification and advertising likeability among all consumers or only racial and ethnic consumers? Multicultural marketing communications serve as an identity prime to make one’s racial or ethnic identity more salient than a person’s many other multiple identities which impacts the processing of the cultural relevance of the message (Henderson, Rank-Christman, 2016; Stayman & Desphande, 1989). Therefore, Forehand & Desphande (2001) suggest investigating the potential interactions between situational difference variables, which can facilitate a better understanding of how to best execute racially and ethnically-targeted advertising. Thus, a related research question is: What psychological constructs of ethnic identity moderate the mediation of targetedness and the likeability of multicultural advertising among the multicultural population? What effect does the strength of ethnic identification have on the felt targetedness of advertising that reflects societal diversity? Does the level of one’s desire to embrace diversity—diversity-seeking cosmopolitanism—moderate this effect? Lastly, what is the role of acculturation relative to distinctiveness. This essay explains how multicultural and general market consumers decipher and process the cultural script of advertising. Over the course of 4 experiments the aforementioned research questions are addressed.

6. LITERATURE REVIEW

This review will involve an in-depth definition, discussion and description of distinctiveness theory. An overview of prior literature on racial and ethnic targeting through advertising has also referred to the felt targetedness of racially and ethnically-targeted advertising among those from a distinct (multicultural) heritage. Lastly, a
literature review from psychology defines and discusses, acculturation, ethnic identity and cosmopolitan diversity-seeking.

*Distinctiveness Theory* is the prevailing supposition to explain the preference of the culturally-relevant script and imagery in multicultural advertising among racial ethnic groups by increasing their identity salience (e.g. Sierra, Hyman & Heiser, 2012; Martin & Lee, 2004; Forehand et. al., 2002; Grier & Desphande, 2001; Aaker, Brumbaugh & Grier, 2000; Grier & Brumbaugh, 1999). Identity salience results from an individual’s perception of social or cultural group membership (Becerra, Chapa & Cooley, 2016; Zuniga, 2016). Relative to multicultural advertising, context-dependent racial and ethnic-targeted ads allow the target audience to distinguish themselves from other groups, using expected cultural references that enhance the viewer’s uniqueness and self-identity (Zuniga, 2016; Maldonado and Muehling 2006; Reed 2002).

Luna, Ringberg, Perachio (2008) introduce the concept of biculturalism; individuals who have internalized aspects of two cultures that can be activated, depending on sociocultural cues. Thus, scenarios in marketing communications where an identity is made salient has been shown to positively influence individual attitudes and behaviors (Henderson, Rank-Christman, 2016; Monga & Williams, 2016; Bhattacharjee, Berger & Menon, 2014). Prior literature has also demonstrated that the *strength of ethnic identification*, describes how much of an affinity an individual group member has with his or her own racial or ethnic group (Donthu & Cherian, 1994; Deshpande & Stayman, 1994; Despande, Hoyer & Donthu, 1986; Hirschman, 1981). It has been demonstrated that multicultural consumers who more strongly identify with their race or ethnicity respond more favorably to marketing communications that invoke this specific and
salient identity (Reed et. al., 2012; Green, 1999; Desphande & Stayman, 1994; Whittler, 1989; Williams & Qualls, 1989).

The central prediction of Distinctiveness Theory is that an individual’s distinctive characteristics—their race or ethnicity—in relation to other people will be more remarkable to the multicultural individual than more common characteristics, when the proportion of minorities from a specific group is lower in the overall population (Desphande & Stayman, 1994; McGuire, 1984). In addition to the cultural script, priming a multicultural consumer’s racial or ethnic identity through the use of racially or ethnically-congruent models have also been demonstrated to have a positive effect on advertising evaluation from the targeted race or ethnic group (Forehand & Desphande, 2001; Desphande & Stayman, 1994). Thus, the preference for an individual’s own racial or ethnic group in advertising is stronger for viewers who more strongly identify with their racial or ethnic group.

6.1.1 Felt Targetedness

Though American society is increasingly multicultural, many of its subcultures remain ideologically and socially segregated. Multicultural consumers, who are members of less dominant out-groups, find it distinctive when their race or ethnic group is targeted in marketing communications and are likely to have a positive interpretation of the embedded cultural references in the advertising (Grier & Brumbaugh, 1999). Diverse consumers are also able to decipher the cultural cues that are not recognized by the general population (Grier & Brumbaugh, 1999). Thus, the interpreted meanings in the racially or ethnically-targeted advertisement is consistent with the marketer’s intended message.
As suggested by prior research, members of multicultural out-groups appreciate the Felt Targetedness associated with ethnic and racial targeting in marketing communications (Peñaloza 1996; Grier & Brumbaugh, 1999) and respond more favorably to ads targeting them than do the general market (Aaker, Brumbaugh, and Grier 1997; Deshpande and Stayman 1994). Positive sentiments of racially or ethnically felt targetedness for multicultural populations occur because of higher feeling of similarity with the source of the communications (Grier & Brumbaugh, 1999). In other words, the effects of felt targetedness in advertising are stronger for members of multicultural versus the general market population.

6.1.2 Acculturation

Would the cultural script of targeted advertising for a specific ethnic group—e.g., U.S. Hispanics—be relevant all to all Latinos living in the United States (e.g., Burgos, 2008)? The overarching themes of the cultural script are relevant but certain concepts may not be relevant due to the intracultural diversity that resides within multicultural segments (Burgos, 2008). Acculturation is an important variable that provides a framework for understanding and explaining between and within differences among multicultural groups (Stevenson, 2000). Stevenson (2000) posits that one can assimilate and immerse themselves into dominant society (dominant society immersion) or separate themselves from dominant society and fully immerse in ethnic society (ethnic society immersion); a process that may be self or socially imposed. Individuals may also be integrated into both ethnic and dominant societies or marginalized, which is a lack of meaningful immersion into either dominant or ethnic societies (Stevenson, 2000). The process of acculturation assumes racial majority individuals are assimilated, whereas
racially and ethnic minority individuals are un-acculturated (Stevenson, 2000). Acculturation in the dominant society is not a process relevant only to racial and ethnic minority individuals in the United States. In other words, white individuals—the dominant in-group in the United States—may also acculturate into dominant society. The attitudes of the dominant society toward particular groups will determine, in part, the acculturation experience, process, and ultimate adaptation of the dominant groups (Stevenson, 2000; Berry, 1980). In each racial and ethnic group, there exists a wide array of within-group differences that result from differing experiences in dominant American society (Stevenson, 2000). The fact that an individual appears to be of a particular ethnic or racial group does not mean that the individual is integrated in one society versus another (Stevenson, 2000; Dana, 1993). For example, a racial minority individual maybe more assimilated in dominant American society than a first-generation White European immigrant. The level of one’s acculturation can impact distinctiveness. For example, a racial or ethnic minority that is highly acculturated into dominant society will be more distinctive as there will be fewer minorities who similarly acculturated. The acculturation experience may also explain how an individual comes to terms with and have an understanding of their racial or ethnic identity.

6.1.3 Ethnic Identity

Minor-Cooley & Brice (2007) and Holland & Gentry (1999) argue the need for a robust scalable measure of ethnic identity, which is difficult construct to measure (Cokley, 2007; Minor-Cooley & Brice, 2007). Brumbaugh, Grier & Aaker (2006) stated that an experiment failed due to an inadequate construct of ethnicity and that issues in defining a subjective construct of race and ethnicity have yet to be in resolved in the
marketing domain. Some researchers (Bennett, 1975; Berry, 1980; Keefe and Padilla, 1987; Webster, 1994) defined ethnic identity in more objective terms; consistent behavior that expresses itself across different situations e.g. *Latent Trait Theory* (Levin, 1994). Ethnic identity is viewed as the characteristics of language, customs, values, national traits, and religion in the marketing literature (Minor-Cooley & Brice, 2007). In Hirschman’s (1981) study, respondents were queried about their strength of ethnic identification based on the respondent’s objective identity. There was further refinement of this measure by Webster (1992), Donthu and Cherian (1992) and Deshpande, et. al. (1986). While *emic*, two of the five questions are objective trait measures that ask about language preferences and ethnic group identification (Minor-Cooley & Brice, 2007). This leaves three questions, resulting in one latent construct defining ethnic identity that asks about: strength of ethnic identification, assimilation into the dominant Anglo culture and importance of cultural identification (Minor-Cooley & Brice, 2007), suggesting that subjective ethnic identity is a formative construct of these items. The work and contributions of previous marketing scholars on the above-mentioned ethnic identity measures is respected, as it has furthered the knowledge and role of ethnic identity in consumer behavior beyond monolithic ethnic and racial classifications. However, it is inconclusive that these three items; strength of ethnic identification, assimilation into the dominant Anglo culture and importance of cultural identification are theoretically accurate in defining and measuring one’s racial or ethnic identity. These are affinity questions about race and ethnicity and address the understanding of ethnic identity. To address this ethnic identity gap in the marketing literature, a review of the literature from counseling psychology presents a more theoretically commensurate construct of ethnic
identity that is universally acceptable for all races and ethnicities is proposed as a moderator for further analysis in this essay.

Social Identity Theory (Tajfel, 1981) posits that one’s identity develops from both an individual’s sense of belonging to a particular group and the affect accompanying that group membership. If society does not place value on a particular ethnic group and individuals experience discrimination or prejudice, they may display lower self-esteem than members of groups who do not have these experiences (Umana-Taylor et al., 2004). Erikson’s (1968) Identity Formation Theory postulates that an individual’s identity development occurs through a process of exploration of identity issues and commitment in relevant identity domains (Marcia, 1980). In other words, it is only through the process of exploration that individuals can come to a resolution regarding a particular identity. Resolution is defined as realizing an achieved ethnic identity derived by one’s opportunities afforded to them by exploring and committing to an ethnic self-concept (Phinney & Ong, 2007). Therefore, ethnic identity is influenced from the knowledge of one’s social group and the value of the meaning attached to this identity, suggesting a multifaceted construct (Phinney & Ong, 2007; Ponterotto & Park-Taylor, 2007; Tajfel, 1981; Marcia, 1980). Thus, ethnic identity is comprised of three distinct components: the level to which an individual has explored their race or ethnicity, the degree they have resolved what their racial or ethnic identity means to them, and the commitment (positive or negative) the individual associates with that resolution (Umana-Taylor, et. al., 2004).

For Example:

“Two Filipino women have both explored their ethnicity by attending cultural events, reading books about the history of the Philippines, and talking to their families about Filipino culture (i.e., exploration). In addition, they both feel confident about what being Filipino means to them (i.e., resolution). However,
one of the women feels very positively about her Filipino background while the other woman feels negatively because of the history of colonization of the Philippines by multiple countries, which she feels has resulted in a lack of a unique Filipino culture *(i.e., commitment).*” (Umana-Taylor, Yazedjian & Bamaca-Gomez, 2004 P. 14)

The Multigroup Ethnic Identity Measure (MEIM) (Phinney, 1992) and its 2007 revision, MEIM-R—R for revision (Phinney & Ong, 2007)—have been used as a proxy measure of ethnic identity in the marketing literature (e.g. Ferguson & Burkhalter, 2014, Mich & Keilor, 2011; Meyers, 2011; Johnson & Grier, 2012, 2011; Chattaraman, Rudd & Lennon, 2009). In the aforementioned studies, ethnic identity is assessed as a single continuous measure combining the exploration and commitment/affirmation constructs of the MEIM. Umana-Taylor et al. (2004) suggest that the MEIM’s assessment of ethnic identity development in the aforementioned fashion is not entirely consistent with Erikson’s (1968), Tajfel’s (1981) and Marcia’s (1980) postulation of the process of exploration, resolution and commitment.

It is can be argued that the more one has achieved resolution with their ethnic identity, the greater the likeability of racially-congruent targeted advertising. A person’s level of acculturation into either dominant or ethnic multicultural society may interact with the resolution of their ethnic identity. Given what is known about Distinctiveness Theory, racial and ethnic minorities who are more assimilated into dominant society or more separated from their racial or ethnic society will notice cues and the intended message of multicultural advertising more than those of lower levels of assimilation into the dominant society and lower levels of separation from their ethnic society. The more acculturated a multicultural group is into dominant society or the less acculturated into ethnic society, the more they become distinctive due to their being fewer numbers of
dominant or ethnically-acculturated multicultural groups. It is this numeric distinction of being a racial or ethnic minority in a predominantly white society that could facilitate the exploration of and commitment to their racial or ethnic identity, thus providing different levels of resolution as to what being a racial or ethnic minority means to these individuals. In other words, a racial or ethnic group’s level of acculturation will interact with the level of ethnic resolution, moderating the mediation of Felt Targetedness between strength of ethnic identification and multicultural advertising likeability.

6.1.4 Diversity-Seeking and Cosmopolitanism

Diversity-seeking is defined as a person’s propensity to seek out cultural diversity in products, services, and experiences (Brumbaugh & Grier, 2013). Diversity-seeking can be conceptualized as the proactive action taking by someone who has cosmopolitan tendencies. Advertising and other marketing messages with an inclusive appeal may resonate more with Diversity-Seekers than non-Diversity-Seekers (Brumbaugh & Grier, 2013; Brumbaugh, Grier & Aaker, 2006). When this active-cosmopolitanism is taken into account, diverse ads exert a greater influence on intentions toward purchasing the advertised brand (Cooley, Brice, Becerra & Chapa, 2015.) In other words, if diversity-seeking behaviors are not taken into account, advertisers may only utilize racial or ethnic-specific ads as the best option to advertise to multicultural groups. Individuals differ in how interested they are in diverse cultural representations and how they seek out opportunities for engaging with cultures other than their own (Brumbaugh & Grier, 2013). In Grier & Brumbaugh’s paper (1999) it can be suggested that diversity-seeking, cosmopolitan people are in the minority and do not represent mainstream perspectives as many racial and ethnic subcultures are socially segregated.
It is suggested that diversity-seeking behaviors can moderate the effect of Strength of Ethnic Identity on the Felt Targetedness of diversity-inclusive advertising among all individuals, which can be polarizing in its nature. This moderation will depend on the level of acculturation into dominant society.

With this background, the following hypotheses are proffered:

**H1:** The Felt Targetedness of advertising will mediate the level of strength of ethnic identification and advertising likeability when individuals are from multicultural heritage.

**H2a:** The level of Ethnic Resolution will moderate the indirect effect of Strength of Ethnic Identity on Ad Likeability through Felt Targetedness.

**H2b:** The relationships in H2a will differ by the level of Ethnic Society Immersion.

**H3a:** The level of Diversity Seeking will moderate the direct relationship of Strength of Ethnic Identity and Felt Targetedness of diversity-inclusive advertising.

**H3b:** The relationship in H3 is moderated by the level of acculturation into dominant society

We next present a series of four studies. Study 1 tests hypothesis 1 by testing the moderated mediation of strength of ethnic identity and racially and ethnically-congruent ad likeability, through Felt Targetedness, moderated by general market or multicultural consumers. Study 2 is a pretest of the likeability of photographs to eliminate preference bias for the ads used as stimulus in study 3. Study 3 tests support for hypothesis 2a and 2b by testing the moderated moderated mediation of strength of ethnic identity and ad likeability through felt targetedness, moderated by ethnic resolution and ethnic society acculturation. Lastly, study 4 test hypothesis 3a and 3b by testing a moderated
moderation (three-way interaction) of strength of ethnic identity on felt targetedness, moderated by diversity-seeking behavior and acculturation into dominant society.

7. METHODOLOGY

7.1 STUDY 1: MODERATED MEDIATION: STRENGTH OF ETHNIC IDENTITY ON ADVERTISING LIKEABILITY, THROUGH FELT TARGETEDNESS, MODERATED BY RACE AND ETHNICITY

The first lab study examined whether the likeability of racially and ethnically congruent advertising differ by the dominant white and minority racial and ethnic groups. Lab participants were administered an online survey via Qualtrics. After a series of demographic questions, respondents answered a question about how they racially or ethnically self-identify. Based on this response, participants were shown an actual racially-congruent television commercial for a financial services company. These real ads were created by the respective general market and multicultural advertising agencies for the financial service company. After viewing and evaluating the commercials, the survey concluded. Participants received extra credit for their participation in the lab. Measures for this study include: Attitude Towards the Ad (Likeability) (Holbrook & Batra, 1987): α=.89, Felt Targetedness (Aaker, Brumbaugh & Grier, 2000): α=.82 and Strength of Ethnic Identity measure modified from (Donthu & Cherian, 1994). For this paper and the subsequent studies, a two-item measure of strength of ethnic identity (“How strongly do you identify with your race or ethnic group?” and “How important is it for you to maintain the identity of your racial or ethnic culture?”) was utilized. As the Donthu & Cherian (1994) scale was developed using U.S. Hispanic consumers only, the reliability of the strength of ethnic identity scale did not replicate across other race and ethnicities. Per Eisinga, Grotenhuis, & Pelzer (2013), the most appropriate reliability coefficient for a
two-item scale is the Spearman-Brown coefficient. The two-item scale has an acceptable Spearman-Brown coefficient of .75. Please see the appendix for a detail and language of the other items administered in this study.

7.1.2 Participants and Design

A total of 129 participants at a northeastern university completed a study with a 2 (Strength of Ethnic Identity: low vs. high) X 2 (Felt Targetedness: low vs. high) between-subjects design, with strength of ethnic identity and Felt Targetedness measured continuously. The ethnic and racial breakdown of the participants were: 24.8% White, 32.6% Hispanic, 15.5% African American, 27.2% Asian (22.5% Indian, 3.1% Filipino, 1.6% Chinese). $M_{age}= 21.79$, $SD=4.7$. Participants were 51.2% female.

*Manipulation Check.* In order to provide evidence that responses are free from both social desirability bias, The Balanced Inventory of Desirable Responding Short Form (BIDR-16) (Hart, et. al. 2015) was administered. The BIDR-16 was chosen as it is a shorter version or the original 40 question BIDR. Although internal consistency of the BIDR-16 does not always exceed .70, they are comparable with those of the original scale of the BIDR-40 (Hart, et. al., 2007).

7.1.3 Procedure

*Manipulation Check.* If the responses to the Strength of Ethnic identity, advertising likeability and the Felt Targetedness measures are subject to social desirability bias and would expect a positive correlation with the BIDR-16 measure. Pearson correlations demonstrate that there are no significant correlations between Strength of Ethnic Identity ($r=-.052$, $p=.553$), Felt Targetedness ($r=-.055$, $p=.539$) and advertising likeability ($r=.117$, $p=.186$) and the BIDR-16.
Moderated Mediation Analysis. To examine whether the interaction of race and ethnicity affects the relationship of advertising likeability and strength of ethnic identification through Felt Targetedness, we conducted a bootstrapping analysis for moderated mediation using a dummy-coded variable to denote the multicultural vs. white participants in the sample, 0=white, 1=multicultural. Using Process Model 8 (Hayes 2013), the indirect effect of strength of ethnic identity on Felt Targetedness had significant interaction with multiculturalism, (t(125) = 2.36, p=.02). Thus, the mediated effect of strength of ethnic identity on ad likeability through felt targetedness is significant among the multicultural population where the confidence interval did not cross zero at 95% CI (β=.0840, LLCI=.0116 ULCI=.1677). The interaction between multiculturalism and the direct effect of Strength of Ethnic Identity on ad likeability is not significant t(124) = .23, p=.81. Therefore, there is not enough evidence to demonstrate that multiculturalism moderates the direct relationship between the strength of ethnic identity and ad likeability. The index of moderated mediation =.12, where the confidence interval does not cross zero (LLCI=.01, ULCI=.24). This pattern supports hypothesis 1. See Figure 1.
7.1.4 Results and Discussion

Previous literature (e.g., Deshpande & Stayman, 1994; Desphande, Hoyer & Donthu, 1986) has shown that the strength of ethnic identity is a key predictor of advertising likeability among multicultural consumers when race or ethnicity is targeted. However, there was no evidence in this study to demonstrate that strength of ethnic identification directly predicts racially or ethnically congruent ad likeability. However, Felt Targetedness is a positive mediator, explaining the relationship of strength of ethnic identification to advertising likeability only among multicultural consumers. In other words, the feeling of being targeted by racially or ethnically specific cultural cues (felt targetedness) in advertising has a significant, positive influence on advertising likeability only for the multicultural audience and not the white audience. This result is expected as
specifically targeting the dominant, white population through racial heuristics is difficult to accomplish and is not the goal of general market advertising. The intended outcome of multicultural advertising is to target an individual’s racial or ethnic identity. Therefore, being targeted by one’s race or ethnicity, indirectly increases ad likeability in this study.

This initial study has its limitations. The stimulus used in this study were actual racially and ethnically-congruent television commercials that did not control for elements of the cultural script such as music, advertising scenarios, etc. Only the brand and product offering was held constant in the stimulus with the scenarios controlled as best as possible. In the real world, it is rare to see advertising that is an exact duplicate between general and multicultural markets. Thus, it is necessary to better control the elements of the cultural script and rule out alternative explanations for ad likeability before replicating the mediation model in another laboratory setting. As a result, we want to address hypothesis 2 and 2a with stimulus that better controls the elements cultural script, where situational variables such as ethnic identity resolution and acculturation moderate the mediated effect of racially and ethnically congruent ad likeability and strength of ethnic identity through felt targetedness. In an effort to generalize these findings, conceptual print ads were developed for a fictitious company in a different industry. Study 2 tests the selected photographs that will be used in the development of the fictitious ads.

7.2 STUDY 2: CONTROLLING THE CULTURAL SCRIPT: A TEST FOR DIFFERENCES IN PHOTOGRAPH STIMULUS

Deshpandé and Stayman (1994) states that spokespersons and models who are racially or ethnically congruent to a distinctive target group have been shown to have a
positive impact on advertising evaluation and likeability. It is also intuitive that bias can result from imagery that is similar in lifestyle, age and gender of the participants. With this in mind, stimulus was sourced from an actual American home improvement retailer that created print ads for African-Americans, Asian Americans and U.S. Hispanics through the assistance of its multicultural advertising agency. A majority of these ads featured a mother and daughter in a kitchen with a call to action to upgrade a kitchen. In an effort to rule out the alternative of photography preference, visuals for each ethnicity was searched to be as similar as possible, placing a racially or ethnically-congruent photo of a mother and daughter in a commensurate scenario in a kitchen. The goal of this study was to see if the photographs for the ads were statistically different from each other in terms of likeability. If they are differences, the influence of the photography could bias advertising likeability. Thus, the goal of this study is to ensure that there are no statistically significant differences with the selected photography so the effect of the cultural script can be examined in subsequent studies.

**7.2.1 Participants and Design**

A total of 50 people (54 men and 32 women) were recruited from an Internet panel (MTurk) and paid a monetary compensation of $1.00. Participants ages ranged from 22 to 60 years (M<sub>age</sub>=36.7, SD=10.7). Participants were asked to evaluate photographs for new advertising for an unnamed home improvement retailer. Six photos were evaluated featuring a mother and daughter of white, African-American, Hispanic/Indian, and Filipino heritage, similarly interacting with each other in a kitchen. See the appendix to view the pictures. Each picture was shown in random order to each participant to reduce order bias via Qualtrics. The pictures were evaluated using a
modified measure of Holbrook & Batra’s (1987) Attitude Towards the Ad. The language of the scale was updated, substituting the word “ad” with “photo”. The resulting Cronbach’s alpha = .95. Thus, the scale was averaged together to develop a scaled called *Attitude Towards the Photo*. See appendix for reworded items.

**7.2.2 Results and Discussion.**

If there was no perceived difference among the photographs in terms of likeability, there should not be any significance in how the different photos are evaluated. A one-way ANOVA for each photo was used to test this supposition. The results of the ANOVA show that there are no significant differences between the likeability of the photographs $F(2, 294)=1.27, p=.276$. The mean, standard deviation for each photograph with confidence intervals is provided in table 1.

**Table 1 – Descriptives of Attitude Towards the Photo**

<table>
<thead>
<tr>
<th>Photograph</th>
<th>N</th>
<th>Mean</th>
<th>SD</th>
<th>95% Confidence Interval for Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Lower Bound</td>
</tr>
<tr>
<td>Hispanic/Indian</td>
<td>50</td>
<td>5.10</td>
<td>0.54</td>
<td>4.94</td>
</tr>
<tr>
<td>General Market (White)</td>
<td>50</td>
<td>4.81</td>
<td>0.56</td>
<td>4.65</td>
</tr>
<tr>
<td>African-American</td>
<td>50</td>
<td>5.05</td>
<td>0.54</td>
<td>4.90</td>
</tr>
<tr>
<td>Filipino</td>
<td>50</td>
<td>4.88</td>
<td>0.61</td>
<td>4.71</td>
</tr>
<tr>
<td>Chinese</td>
<td>50</td>
<td>5.02</td>
<td>0.81</td>
<td>4.79</td>
</tr>
</tbody>
</table>

$F(5, 294)=1.27, p=.276$.

Given that there were no significant different in preferences for the images, we continued with study 3, free of any bias towards photography preference.

**7.3 STUDY 3: MODERATED MODERATED MEDIATION: STRENGTH OF ETHNIC IDENTITY ON ADVERTISING LIKEABILITY, THROUGH FELT TARGETEDNESS MODERATED BY ETHNIC RESOLUTION AND ACCULTURATION**
Moderated moderated mediation is where $X$’s indirect effect on $Y$ through $M$ is moderated by one variable when a second proposed moderator is dependent on a second variable (Hayes, 2017). To test hypothesis 2a and 2b, a third experiment was run to replicate the mediation model of felt targetedness of strength of ethnic identity and racially and ethnically-congruent ad likeability. Additionally, this study examines the moderating effect of ethnic identity resolution and acculturation as situational moderators. Study 1 established that the felt targetedness of the cultural script positively mediates the strength of ethnic identification and advertising likeability for only multicultural segments. Thus, the sample of this experiment will only consist of racial and ethnic minorities. In addition to the previously used measures of strength of ethnic identity, felt targetedness and ad likeability the following new scales were used: The EIS: Ethnic Resolution Scale (Umana-Taylor, Yazedjian, Bamaca-Gomez, 2004): $\alpha=.80$, and the Ethnic Society Immersion Scale (Stevenson, 2000) $\alpha=.85$. The BIDR-16 was again administered to rule out social desirability bias in the scales. See appendix for full scale.

7.3.1 Participants and Design.

A total of 115 undergraduate students from a northeastern university were participants in this study which was incentivized with course credit. After completion of the study, responses from students, who self-identified as White or Caucasian, were removed from the study. Participants who did not self-identify as African-American, Chinese Filipino, Indian or Hispanic were also removed from the study as they would have viewed stimulus that is racially or ethnically-incongruent. This resulted in a total of 99 participants (51.3% female, $M_{age} = 21.68$, $SD=4.11$). The final ethnic and racial breakdown of the participants was: Hispanic, 49% African American, 6.1% and Asian,
44.9% (35.7% Indian, 4.1% Filipino, 5.1% Chinese). The study design was similar to that of study 1, a 2 (Strength of Ethnic Identity: low vs. high) X 2 (Felt targetedness: low vs. high) between-subjects design, with strength of ethnic identity and felt targetedness measured as continuous variables. The cover story for the experiment was that a fictional, overseas home improvement company is launching operations in the U.S. market, branded as *Top Choice Home Improvement*. The survey asks participants to evaluate conceptual print advertising for their American launch. The photos used in the concept ads are the same ones evaluated in study 2. The cultural script (headlines and body copy) in the print ads is adapted from actual multicultural advertising developed by an American-based home improvement company that targets African-Americans, U.S. Hispanics Asian Americans (Chinese, Filipino and Indian) as well as the general market through advertising. After evaluating the ads using the Attitude Towards the Ad and the Felt Targetedness Scale, participants were administered the EIS Resolution, strength of ethnic identity and the Ethnic Society Immersion scales, with items presented in random order.

*Manipulation Check.* Pearson correlations demonstrate that there are no significant correlations between Strength of Ethnic Identity ($r=.077$, $p=.446$), Felt Targetedness ($r=-.132$, $p=.188$), advertising likeability ($r=.136$, $p=.173$) ethnic society immersion ($r=.030$, $p=.768$), ethnic resolution ($r=.062$, $p=.538$) and the BIDR-16.

### 7.3.2 Procedure

To test our hypothesis, a conditional process model by using the Hayes Process Model 18 (2013) was conducted. In this model, Strength of Ethnic Identification was
entered as predictor, the level of acculturation into dominant society and ethnic resolution as moderators, felt targetedness as the mediator, and ad likeability as the outcome variable. It was predicted that the level of acculturation into one’s ethnic society would moderate the level of ethnic resolution. Considering the moderated c-path from Felt Targetedness to ad likeability, analysis revealed that Felt Targetedness (β=-24.9, t(97) = -2.31. p=.023), Ethnic Resolution (β=-22.5, t(97) = -2.34. p=.021) and Ethnic Society Immersion (β=-19.84, t(97) = -2.11. p=.038) are significant, whereas the strength of ethnic identity (β=.1997, t(97) = .9769. p=.331) is not significant. The two-way interactions between: ethnic resolution and ethnic society immersion (β=5.06, t(97) = 2.25. p=.027), Felt Targetedness and Ethnic Resolution (β=6.20, t(97) = 2.43. p=.016) and Felt Targetedness and Ethnic Society Immersion (β=5.60, t(97) = 2.21. p=.030) are all significant. Crucially, all of the effects on ad likeability were qualified by the significant three-way interaction between felt targetedness, ethnic resolution and ethnic society immersion (β=-1.38, t(97) = -2.34. p=.022). See Figure 2.
As first support of our moderated moderated mediational hypothesis, we found a significant indirect effect of the strength of ethnic identity via felt targetedness for low-to-average levels of ethnic society acculturation but not high ethnic acculturation. Additionally, the mediation was found to be only significant at average-to-high levels of ethnic resolution. See table 2. These results suggest racially-congruent ad likeability of the cultural script is significantly moderated by those less immersed into their ethnic culture yet have an average to high level of resolve as to what their racial and ethnic identity means to them, thus supporting H2a and H2b.
Table 2 – Conditional Indirect effects of Ethnic Society Immersion and Ethnic Resolution on Racially-Congruent Ad likeability predicted by Strength of Ethnic Identity via Felt Targetedness

<table>
<thead>
<tr>
<th>Ethnic Society Immersion (Acculturation)</th>
<th>Ethnic Resolution</th>
<th>$\beta$</th>
<th>(95% CI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>Low</td>
<td>-.0047</td>
<td>(-.1552 to .1753)</td>
</tr>
<tr>
<td>Low</td>
<td>Average</td>
<td>.2520</td>
<td>(.0345 to .5262)</td>
</tr>
<tr>
<td>Low</td>
<td>High</td>
<td>.5087</td>
<td>(.0747 to 1.0447)</td>
</tr>
<tr>
<td>Average</td>
<td>Low</td>
<td>.0518</td>
<td>(-.0804 to .2578)</td>
</tr>
<tr>
<td>Average</td>
<td>Average</td>
<td>.1591</td>
<td>(.0224 to .3411)</td>
</tr>
<tr>
<td>Average</td>
<td>High</td>
<td>.2664</td>
<td>(.0416 to .5303)</td>
</tr>
<tr>
<td>High</td>
<td>Low</td>
<td>.1083</td>
<td>(-.1194 to .4583)</td>
</tr>
<tr>
<td>High</td>
<td>Average</td>
<td>.0241</td>
<td>(-.0644 to .2653)</td>
</tr>
</tbody>
</table>

7.3.3 Results and Discussion

It was unexpected to discover that being less acculturated into one’s ethnicity moderates the likeability of multicultural advertising. The prevailing logic is that the cultural script of multicultural advertising is most effective among those racial and ethnic groups that are more separated from dominant society. However, as noted by Distinctiveness theory, being less acculturated into one’s ethnic group results in being numerically less in the dominant population, thus making the cultural cues more salient among the multicultural population. It was more expected to discover that having come to terms about what one’s race or ethnicity means, has a moderating effect as an average to high level of ethnic resolution makes the targeted advertising more likeable. Given this
finding, this study has significantly added to our understanding of how multicultural consumers process racially or ethnically-targeted advertising and to Distinctiveness Theory. This finding also provides support for implementing a Total market approach to multicultural marketing. The findings from this study further demonstrate that multicultural advertising does have a positive effect on advertising likeability. The situational variables related to acculturation and ethnic identity provide for better context in its evaluation.

With an understanding of how racial and ethnic consumers process multicultural advertising, the final study answers the question of the processing of diversity in advertising among the entire population. With the burgeoning diversity in the United States, what is the effect of diversity-seeking/cosmopolitan-type of behaviors on the felt targetedness of diverse, multiracial images and references in advertising? Specifically, what is the moderating effect of cosmopolitan behaviors and acculturation in the overall evaluation of diversity in advertising, regardless of race or ethnicity? This is the question to answer in the final study to address hypothesis 3a and 3b.

7.4 STUDY 4: MODERATED MODERATION OF STRENGTH OF ETHNIC IDENTITY ON FELT TARGETEDNESS, MODERATED DIVERSITY-SEEKING BEHAVIORS AND DOMINANT SOCIETY IMMERSION

Given that we better understand the evaluation process of multicultural consumers relative racially and ethnically-congruent advertising, what is the process of all consumers being targeted with multiracial diversity in advertising? The United States is increasingly becoming more multicultural. Interracial couples in the America—particularly African American men and Caucasian women—are historically rooted in taboo beliefs. The intermarriage of African Americans and whites was forbidden and
illegal in many parts of the United States until the 1960’s (Harrison, Thomas, Cross, 2015; Harrison & Thomas, 2014). Second to South Africa, where interracial dating and marriage is still rare given that Apartheid was abolished in 1991 (Moodley & Adam, 2000), the black and white races in the United States maintain social separation—whether real or perceived—and maintain covert prohibitions against interracial marriage (Harrison & Thomas, 2014). In an attempt to maximize the stimulus impact of this study, we focus our attention on the racial combination with the most dramatic social juxtaposition in the United States that reflects present-day diversity: Black male and white female miscegenation.

7.4.1 Participants and Design

Sixty-six students from a northeastern university participated in a study with a 2 (Strength of Ethnic Identity: low vs. high) X 2 (Diversity-Seeking: low vs. high) between-subjects design, with strength of ethnic identity and diversity seeking measured continuously. With the taboos around black-white relationships being most prominent in the United States, individuals who have not lived their entire lives in America were eliminated from the sample. The resulting sample consisted of 57 participants who were: 54% white, 36.9% Asian (22.2% Indian, 12.7% Chinese, 1.6%, Korean 1.8%), 7.9% African American, 3.5% Hispanic and 1.8% Other race or ethnicity. M age = 19.79, SD = .995.

7.4.2 Procedure

An ad for a fictitious insurance company, Legacy Insurance, was created featuring an African-American man proposing marriage to a Caucasian woman. This particular ad was based on advertising done by a real insurance company, that had a real-
life polarizing effect on those who saw it. The ad is a call to action to insure valuable items including a new wedding ring. See the appendix to view the ad stimulus. Most importantly, the picture in the ad very clearly shows an African-American man proposing marriage to a Caucasian woman. Participants were instructed to evaluate the ad using the felt targetedness measure (Aaker, Brumbaugh & Grier, 2000): \( \alpha = .84 \). Subsequently, the sample was administered the strength of ethnic identity (Donthu & Cherian, 1994): \( \alpha = .79 \) and the dominant society immersion scale (Stevenson, 2000) \( \alpha = .94 \) and the BIDR-16 to ensure the responses did not contain social desirability bias. A new measure for this study is the Diversity Seeking measure (Brumbaugh & Grier, 2013): \( \alpha = .79 \). Items for this measure are in the appendix.

*Manipulation Check.* Per the procedure of the previous studies, we want to ensure that there is no social desirability bias with any of the measures. The Dominant Society Immersion Acculturation (\( r = .105, p = .44 \)), Diversity Seeking (\( r = .071, p = .60 \)) are not significant correlated with the BIDR-16. However, there is marginal significance with the correlations between the Strength of Ethnic Identity (\( r = .254, p = .057 \)), Felt Targetedness (\( r = .259, p = .052 \)) and the BIDR-16 measures. With all of the correlations with the BIDR-16 being non-statistically significant, we were comfortable to continue with the moderated moderation analysis.

**7.4.3 Results and Discussion**

*Moderated Moderation Analysis.* To directly test our proposed moderation model, Model 3 in PROCESS (Hayes, 2013) was employed to analyze a three-way interaction model of Strength of Ethnic Identity, Diversity Seeking and Dominant Society
Immersion. A significant model F(7, 49) = p=.04 was found among all predictor variables. Strength of Ethnic Identity t(49) = 3.12, p<.01, Diversity Seeking t(49) = 2.69, p<.01, and Dominant Society Immersion t(49) = 2.84, p<.01 were all significant predictors of the dependent variable, felt targetedness. The two-way interactions of: (strength of ethnic identity x diversity-seeking, t(49) = -3.06, p<.01), (strength of ethnic identity x dominant society immersion, t(49) = 3.14, p<.01) and (diversity-seeking x dominant society immersion, t(49) = -2.70, p<.01) were all significant. Lastly, the three-way interaction of (strength of ethnic identity x diversity seeking x dominant society immersion, t(49) = 3.08, p<.01) is also significant.

Given the significant interactions, we were able to use the Johnson–Neyman technique to determine the regions of significance for the relationship of Strength of Ethnic Identity on Felt Targetedness. There were 2 zones of significance in the Johnson-Neyman output. At low-to-average levels of dominant society immersion, strength of ethnic identification has a negative effect on Felt Targetedness, t(49) = -2.01, p=.05, β = -.27. As the level of dominant society immersion decreases, the effect of strength of ethnic identity on Felt Targetedness significantly decreases, to the lowest level of dominant society immersion, t(49) = -.298, p < .01, β = -1.85. The second zone of significance occurs at higher levels of dominant society immersion where the relationship between strength of ethnic identification and felt targetedness is positive, t(49) = 2.01, p = .05, β = .21. As the level of dominant society immersion increases from this point, the effect of strength of ethnic identity on felt targetedness increases to the maximum level of dominant society immersion, t(49) = 2.91, p < .01, β = .52. In other words, as individuals are less acculturated into dominant society, the more strength of ethnicity identity has a
negative influence on feeling targeted by advertising featuring interracial actors and situations. Conversely, in higher levels of dominant society acculturation, the strength of ethnic identity has a positive influence on feeling targeted by interracial actors. The level of Felt Targetedness is also dependent on the level of diversity-seeking behavior, supporting H3a and H3b. See Figure 3.

**Figure 3 - Three-way Interaction Model to Examine How Strength of Ethnic Identification Affects Felt Targetedness.**

In this model, the levels of diversity-seeking behavior and dominant society immersion moderate the relationship between Strength of Ethnic Identification and Felt Targetedness, p<.01, N=57.

**Discussion.** Similar as to what was discovered in study 3 among the multicultural population, the level of assimilation into dominant society has an overall moderating effect on the relationship of strength of ethnic identification and the Felt Targetedness of advertising featuring multiracial themes. Felt Targeteness is strongest among individuals at lower levels of dominant society immersion, low diversity seeking behaviors and a high strength of ethnic identity. High levels of strength of ethnic identity and high diversity-seeking behaviors at low levels of dominant society immersion has a negative
effect on felt targetedness. This effect is expected. However, being more acculturated into dominant society, coupled with a higher-level of diversity-seeking cosmopolitan behavior and strength of ethnic identity makes diversity in advertising more exclusive, thus more targeted; an unexpected finding. It is noteworthy to see that diversity-seeking traits only has a positive effect on the relationship of Strength of Ethnic Identification Felt Targetedness of diversity in advertising among those who are highly acculturated into dominant society. In low-to-average levels of acculturation into dominant culture, it has a negative influence.

Given the nature of the stimulus, there appears to be more social desirability bias in this study. While not significant, the responses given for the strength of ethnic identity and the felt targetedness are marginally significant, more than in the previous studies. Lastly, as diversity-seeking is the active behavior of cosmopolitanism, it would be interesting to see how the effect of spatial living proximity would moderate the perceptions of diversity in advertising. In other words, does living in a multi-ethnic vs. a mono-ethnic neighborhood moderate the felt targetability of advertising. Lastly, for those individuals who are in a multiethnic family or are biracial what effect does diversity in advertising have versus those who live in monoethnic families or are monoracial?

8. GENERAL DISCUSSION

This essay provides evidence that the cultural script of multicultural advertising is effective in targeting racially and ethnically diverse consumers, but not all members of a racial or ethnic group. Given that the Total market approach aims to be inclusive of diversity in consumer insights, this paper suggests that the execution of multicultural
marketing evolves to address multicultural consumers who are more acculturally separated from their ethnic groups.

These studies in this essay have provided enlightenment on 3 facts: a monolithic approach to multicultural advertising is not effective. Situational variables better explain the processing of racially and ethnically targeted advertising. The less acculturated a multicultural individual is to their given racial or ethnic group, the more effective racially or ethnically-targeted marketing communications. This finding runs opposite to how multicultural marketing is presently executed among marketing practitioners.

Second, being targeted by the cultural heuristics of one’s race or ethnicity does not have a negative effect on the likeability of targeted advertising. In fact, felt targetedness works as a mediator to better explain the likeability of multicultural advertising predicted by one’s strength of ethnic identity. Felt targetedness is only a significant moderator within the multicultural population. It can be argued that general market advertising evokes an identity more salient among whites explaining why they may like a general market ad. There is no evidence that race or ethnicity moderates the direct relationship of strength of ethnic identity and advertising likeability.

Lastly, feeling targeted by diversity in advertising, that is reflective of modern American society, is expectedly salient among those who are less acculturated into dominant society with low levels of diversity-seeking behavior and unexpectedly more targeted among those who are more acculturated into dominant society with higher proactive, cosmopolitan behaviors and stronger strength of ethnic identity. The last study provides evidence of a post-racial consumer segment (e.g., Mukherjee, 2016) in America (high strength of ethnic identity, low diversity-seeking behavior and low acculturation
and high strength of ethnic identity, high diversity-seeking behavior and high acculturation) that can be targeted via multiracial and multiethnic diversity advertising.

Market segmentation has been considered one of the most fundamental concepts of marketing (Wind 1978). This paper demonstrates that multicultural consumers can be segmented based on their acculturation and the relationship with their racial or ethnic identity. This suggests that the multicultural and Total market approach to racially and ethnically targeted marketing are indeed fluid strategies. Monolithic, \textit{a priori} segmentation design (Wind 1978), decided on by an organization’s management is an obsolete pattern of targeting multicultural consumers. Across these studies, it has been demonstrated that racially-congruent ad likeability—through felt targetedness—increased, the less a multicultural consumer is assimilated into their ethnic culture and have come to resolution with their ethnic identity. This finding is consistent with the definition of the Total Market approach. Subsequent research can investigate whether general market or total market approaches among more ethnically acculturated and less ethnically resolute multicultural consumers is most effective.

Advertising that is reflective of the diversity in the United States can have a polarizing effect its felt targetability, which depends on one’s level of active diversity-seeking cosmopolitan behavior and the level of acculturation into dominant society. Individuals of all races and ethnicities who are more closely assimilated into dominant culture and have active, cosmopolitan tendencies are more distinctive in present-day society. Further research can investigate the effect among other executions of diversity such as: other interracial (e.g., black and Asian, Asian and white) or interethnic (e.g., black and Hispanic, Hispanic and Asian, Hispanic and white) coupling. Examining other
facets of diversity (disability, religion, sexuality, age, etc.) can also be examined to better understand the effect of diversity-seeking behaviors on being targeted by diversity in advertising.

While this essay has added to our knowledge about the processing of multicultural advertising, there are still many areas for further research in this area. For example, cues of the cultural script are heuristics to invoke felt targetability. However, some multicultural and general market consumers may begin to see the cultural script as stereotypical or offensive, which would have a negative effect on racially or ethnically-congruent ad likeability. A question for further study is when do these heuristics of cultural cues begin to have a negative effect on racially-congruent ad likeability and are perceived as microagressions?

For instance, some years ago Toyota ran an advertisement in a magazine with a predominantly African-American readership featuring the headline, “Unlike your last boyfriend, [Toyota Corolla] goes to work in the morning” (Henderson & Rank-Christman, 2016; Henderson & Williams, 2013). Toyota indicated it was attempting to make a claim about the reliability of the Corolla, however the African-American readers of the magazine questioned if that is how black consumers are viewed by Toyota Motor Sales, U.S.A.—implying a negative stereotype that African Americans are lazy or unemployed (Henderson & Williams, 2013; Henderson & Rank-Christman, 2016).

The growing ethnic diversity in Australia, Canada as well as the United Kingdom presents another research steam in this area. Like the United States, these countries are three of many nations that have ethnic groups that are substantial in population and are economically viable consumer segments. The Australian ethnic consumer comprises
approximately one and a half million households, where the fastest-growing minority populations in Australia are people with lineage from Singapore, Indonesia and China (Marketing 2013; Pires 1999). The Black, Minority, Ethnic (BME) groups, consisting of individuals of Asian and African descent, account for up to 14% of the British population (DeNapoli, 2013). Lastly, in Canada, one in five individuals are immigrants (Daniels, 2012). Further research can examine the situational variables that effect the relationship of strength of ethnic identity on advertising likeability, mediated through felt targetedness in these or other countries with a distinctive minority population.

Ethnic groups are many times viewed as monolithic audiences in a media-planning, the practice of placement of advertising content. As we now understand from the findings of this paper, multicultural groups can be segmented in terms of the effectiveness of the cultural script. It would be interesting to better understand the likeability of the cultural script in a context of racially or ethnically congruent media. For example, African-American, U.S. Hispanic and Asian Indian-targeted broadcast advertising can be evaluated in the context of BET, Univision and Zee TV, with a second condition in general market media to determine likeability differences. Further research can investigate whether ad placement moderates racially or ethnically-congruent ad likeability.

Lastly, as the advertising stimulus for paper was derived from actual general market and multicultural advertising agencies, the likeability of racially and ethnically-congruent advertising demonstrates that the use of a multicultural advertising agency to achieve a total market approach to multicultural advertising is feasible. There is a burgeoning infrastructure of LGBT-targeted marketing communications agencies that are
employed by marketers to specifically target this population (Advertising Age, 2016; Gianatasio, 2015). Further researching in this area can explore how the LGBT population processes advertising that targets their sexual identity.

It is the hope that this essay spawns further research into this highly understudied area of multicultural advertising to further add to our knowledge about distinctiveness and self-identity theory.
9. SUPPLEMENTARY MATERIALS

9.1.1 Appendix

Scales and Measures

Study 1

Strength of Ethnic Identification: Two-item measure, modified from (Donthu & Cherian, 1994): Spearman-Brown coefficient = .75. Items include:

- How important is it for you to maintain the identity of your racial or ethnic culture?
- How strongly do you identify with your race or ethnic group?

Felt Targetedness (Aaker, Brumbaugh & Grier, 2000): $\alpha$=.90, evaluated on 7-point scale of 1 (disagree completely) to 7 (agree completely). Items include:

- I feel the advertisement was intended for people like me.
- I don't believe I was in the target market the company created the advertisement for.
- The advertiser made that advertisement to appeal to people like me.

Attitude Towards the Ad (Likeability) (Holbrook & Batra, 1987): $\alpha$=.87. Items Include:

- 1 (dislike the ad) to 7 (like the ad)
- 1 (react favorably to the ad) to 7 (react unfavorably to the ad)
- 1 (react positive towards the ad) to 7 (react negative toward the ad)
- 1 (the ad is bad) to 7 (the ad is good)

The Balanced Inventory of Desirable Responding Short Form (BIDR-16) (Hart, et. al., 2007).

- I have not always been honest with myself.
- I always know why like things.
- It is hard to shut off a disturbing thought.
- I never regret decisions.
- I cannot make up my mind.
- I am completely rational.
- I am confident in judgements.
- I doubted ability as a lover.
- I sometimes tell lies.
- I never cover up mistakes.
- I have taken advantage of someone.
- I sometimes try to get even.
- I have said something bad about a friend.
• When I hear people talking privately, I avoid listening.
• I never take things that don’t belong to me.
• I don’t gossip about other people’s business.

Study 2

Attitude Towards the Photo (Likeability): Modified from (Holbrook & Batra, 1987): \( \alpha = .87 \). Items Include:
• 1 (dislike the photo) to 7 (like the photo)
• 1 (react favorably to the photo) to 7 (react unfavorably to the photo)
• 1 (react positively towards the photo) to 7 (react negatively toward the photo)
• 1 (the photo is bad) to 7 (the photo is good)

Study 3

Multigroup Acculturation Ethnic Society Immersion Scale (Stevenson, 2000): \( \alpha = .86 \), evaluated on a 4-point scale of (1) False, (2) Partly false, (3) Partly true and (4) True. Items include:
• I know how to speak my native language.
• I like to speak my native language.
• I speak my native language with my friends and acquaintances from my country of origin.
• I know how to read and write in my native language.
• I feel comfortable speaking my native language.
• I speak my native language at home.
• I like to listen to music of my ethnic group.
• I speak my native language with my spouse, partner or significant other.
• When I pray, I use my native language.
• I have never learned to speak the language of my native country.
• I am informed about current affairs in my native country.
• I attend social functions with people from my native country.
• I am familiar with the history of my native country.
• I think in my native language.
• I stay in close contact with family members and relatives in my native country.
• I regularly read magazines, newspapers, social media or web pages of my ethnic group.
• I eat traditional foods from my native culture.

Ethnic Resolution Scale: (Umaña-Taylor, Yazedjian, & Bámaca-Gómez, 2004): \( \alpha = .86 \). Evaluated on a 4-point scale: (1) Does not describe me at all, (2) Describes me a little, (3) Describes me well and (4) Describes me very well. Items include:
• I am clear about what my ethnicity means to me.
• I understand how I feel about my ethnicity.
• I know what my ethnicity means to me.
• I have a clear sense of what my ethnicity means to me.

Strength of Ethnic Identification: Two-item measure, modified from (Donthu & Cherian, 1994)

Felt Targetedness (Aaker, Brumbaugh & Grier, 2000)

Attitude Towards the Ad (Likeability) (Holbrook & Batra, 1987)

The Balanced Inventory of Desirable Responding Short Form (BIDR-16) (Hart, et. al., 2007).

Study 4

Multigroup Acculturation Dominant Society Immersion Scale (Stevenson, 2000) α=.90, evaluated on 4-point scale of (1) False, (2) Partly false, (3) Partly true and (4) True. Items include:

• I attend social functions with (Anglo) American people
• I have many (Anglo) American acquaintances.
• I speak English at home.
• I know how to prepare (Anglo) American foods.
• I am familiar with important people in American history.
• I think in English.
• I know how to prepare (Anglo) American foods.
• I am familiar with important people in American history.
• I think in English.
• I speak English with my spouse or partner.
• I feel totally comfortable with (Anglo) American people.
• I understand English but I am not fluent in English.
• I am informed about current affairs in the United States.
• I like to eat American foods.
• I regularly read an American newspaper, magazine or website.
• I feel comfortable speaking English.
• I feel at home in the United States.
• I feel accepted by (Anglo) Americans.

Diversity-Seeking: (Brumbaugh & Grier, 2013): measured on 1 (Strongly Disagree) to 7 (Strongly Agree). Items from the Living and Learning scales were averaged together for a single measure of diversity seeking: α=.90

• It is important to me to live in a neighborhood that is racially diverse.
• High ethnic diversity is an attractive quality of a neighborhood I would consider moving to.
• I would like to live in a neighborhood where people of different religious groups are represented.
• It is very important to me to live in a neighborhood with people from different ethnic groups.
• Learning about other cultures is something I enjoy.
• I enjoy talking to people of other ethnic groups to learn the stories of their heritage.
• I view travel as an opportunity to learn about different cultures.

Strength of Ethnic Identification: Two-item measure, modified from (Donthu & Cherian, 1994)

Felt Targetedness (Aaker, Brumbaugh & Grier, 2000)

The Balanced Inventory of Desirable Responding Short Form (BIDR-16) (Hart, et. al., 2007).

**Stimulus**

**Study 1**

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<td>African-American TV:</td>
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<td>Chinese American TV:</td>
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U.S. Hispanic TV:  
[https://www.youtube.com/watch?v=GtDBmPP9UqI](https://www.youtube.com/watch?v=GtDBmPP9UqI)

**Study 2**

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<td>Chinese-American Photograph</td>
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<tr>
<td>Filipino-American Photograph</td>
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<tr>
<td>Indian-American and U.S. Hispanic Photograph</td>
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Study 3

African-American Ad

General Market Photograph

Chinese-American Ad
Filipino American Ad

Create a food oasis para sa inyong family get-togethers.

Indian-American Ad

Create the perfect setting, when she's ready to perfect her rolls.
General Market Ad

Let's open up the other family room.

U.S. Hispanic Ad

Casa de lujo para todos, nuevos y viejos productos en la familia.

Tanto en el baño como en la cocina, todo para nuevistas, todo para viejitos.
Study 4

Interracial Ad

She Said Yes!

Cheers to the newly engaged! Be sure to #ProtectTheRing with Legacy Insurance, your insurer for everything valuable. Please visit LegacyInsuranceUS.com or find us on social media to find policies to help protect your cherished belongings.
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