



UNDERSTANDING CONSUMER PERCEPTIONS OF TOKENISM IN DIVERSITY MARKETING: IMPLICATIONS FOR BRAND LOYALTY

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ABSTRACT

In today's marketplace, diversity and inclusion are essential for shaping a brand's identity and fostering connections with consumers. As companies strive to reflect a broader range of identities in their marketing efforts, they must navigate the delicate balance between authentic representation and avoiding the pitfalls of tokenism. To build meaningful relationships with consumers, brands must embed genuine diversity and inclusion into their core values. However, many companies face the challenge of balancing real representation with the risk of tokenism—making superficial or symbolic gestures towards diversity that can damage consumer trust and harm the brand's reputation if seen as insincere. Consumers, particularly Millennials and Gen Z, are increasingly discerning and expect brands to genuinely reflect the diversity of the world around them. This study aimed to explore consumer perceptions of diversity marketing and assess the positive and negative impacts of tokenism on brand trust and loyalty. An exploratory study was conducted in Chennai with a sample size of 221 respondents. Data was analyzed using statistical tools such as percentage analysis, One way ANOVA and Kruskal Wallis H test.

Key words: Marketing decisions, Consumer perception, Consumer behaviour.

INTRODUCTION:

In today's business environment, diversity and inclusion play a vital role in shaping a brand's identity and its relationship with consumers. As companies aim to represent a wider range of identities in their marketing efforts, they face the challenge of balancing authentic representation with the risk of tokenism. Tokenism refers to superficial or symbolic gestures towards diversity, which can damage consumer trust and tarnish a brand's reputation if perceived as insincere.

Understanding consumer perceptions of tokenism is crucial for brands seeking to develop effective diversity marketing strategies. Successful strategies go beyond mere appearances and truly integrate diversity into the brand's core values and operations. They focus on genuine, meaningful representation and engagement rather than just ticking boxes. In contrast, ineffective strategies often



involve minimal or stereotypical representations, fail to deliver on diversity promises, or concentrate on only one aspect of diversity while neglecting others.

This analysis will explore how consumers perceive tokenism and identify the factors that make diversity marketing strategies successful or problematic. By examining these aspects, brands can better navigate the challenges of diversity marketing, build authentic connections with their audiences, and avoid the pitfalls of tokenism.

DEFINITION:

Defined consumer perception as a customer's impression, awareness, or consciousness about a company or its products . -F.G.Crane and T.K. Klarke .

CONSUMER PERCEPTION

Consumer Perception refers to how individuals view and interpret the products, brands, and companies they interact with. It is shaped by a variety of factors, including personal experiences, marketing, social influences, and psychological processes. Perception can influence a consumer's decision-making process, including their purchasing behavior, brand loyalty, and overall satisfaction.

Key Factors Influencing Consumer Perception





DIVERSITY MARKETING

Diversity marketing is the practice of joining a group of target peoples and due to the group being engaged by different cultures. It will increase brand awareness between consumers. Collaborate with diverse organizations and advocates.

The diversity and people involves many things including language, culture, sex, education, class, belief, etc. Diversity allows everyone to provide their knowledge towards the concept. So, everyone felt there given the opportunity to grow. Diversity is the chance to understand the people who are different from our lifestyle and different from others. Diversity brings many ideas from various people who think differently from others.

TOKENISM

Tokenism in marketing refers to superficial or symbolic efforts to include diversity in campaigns without meaningful representation or commitment. It often involves featuring individuals from underrepresented groups in a way that appears insincere or as a quick fix to appear inclusive.

- ✓ **Superficial Inclusion**
- ✓ **Lack of Authenticity**
- ✓ **Exclusionary Practices**
- ✓ **Power Dynamics**
- ✓ **Performative Nature**
- ✓ **Ignoring Systemic Issues**

Common Examples in Marketing:

- Featuring one person of color, LGBTQ+ individual, or person with a disability in ads as a token to appear diverse, without a genuine commitment to inclusivity.
- Seasonal or trend-based campaigns that focus on diversity only during certain events (e.g., Pride Month or Black History Month), with little or no engagement outside these times.
- Diversity that is portrayed in a stereotypical or overly simplistic manner, failing to capture the richness of the group's experiences.



SCOPE OF THE STUDY:

This study explores the impact of tokenism in diversity marketing and its implications for brand loyalty.

OBJECTIVES OF THE STUDY:

- To investigate how consumers perceive diversity marketing..
- To examine the impact of tokenism on Brand Trust and Loyalty.
- To explore the demographic Variations in perceptions of Tokenism

RESEARCH METHODOLOGY:

- Research design: Exploratory research
- Sample design: Simple random sampling
- Sample size: 221 respondents
- Data collection
 1. Primary data - A structured questionnaire
 2. Secondary data- Books, Journals, Government reports, Census data etc.,

TOOLS FOR ANALYSIS

- Percentage analysis
- One way ANOVA
- Kruskal Wallis H test

LIMITATIONS:

1. Time constraints are a significant limitation, as only a limited population could be included in the study due to the restricted timeframe.
2. There is a possibility of response misrepresentation.
3. Respondent bias is another factor contributing to the study's limitations.

REVIEW OF LITERATURE:

1. **Burgess, A., Wilkie, D.C.H. and Dolan, R. (2024)** in response to the growing significance of diversity advertising, this study aims to investigate its impact on audience connectedness. This is an emerging metric crucial for gauging diversity advertising success. The study



explores two paths via self-identification and belief congruence to understand how diversity advertisements resonate with individuals. A quantitative study using partial least squares with survey data from 505 respondents was conducted. Self-identification and belief congruence mediate the relationship between perceived diversity and audience connectedness. Belief congruence exhibits a stronger influence. Further, brand engagement reduces the relationship between belief congruence and connectedness. However, it strengthens the relationship between self-identity and connectedness.

2. **Generoso Branca et. al (2024)** Embracing diversity and promoting inclusion is a critical challenge for marketers to meet the diverse consumers' needs and have a positive social impact. Despite increasing attention to diversity and inclusion, and calls to address inequalities, there appears to be a lack of a thorough understanding of diversity and inclusion in consumer research, and how marketing can effectively contribute to an inclusive and equity-oriented society. Previous reviews and conceptual articles often focus on specific types of diversity or contexts. This study aims to provide a comprehensive examination of diversity and inclusion in consumer research through a systematic literature review of 52 articles combined with the theory, context, characteristics, and methodology (TCCM) framework. Our findings highlight that companies can actively foster inclusion and enhance equity through their policies, also by addressing stigmatization and marginalization. A conceptual framework outlines the impacts of these policies on individuals, society, and company performances, followed by a detailed research agenda for future studies. This article emphasizes the role of marketing in fostering inclusion but also stimulates practitioners to contribute through policies beyond representation and advertising, such as service and product design, and ensuring vulnerable consumers access to resources.
3. **Carla Ferraro et. al (2023)** Diversity, equity, and inclusion (DEI) is ubiquitous in today's public discourse, underpinned by societal recognition of inequality and demands for less discrimination. Further, DEI increasingly serves as a resource for brands to express their identity and align with consumer values. However, implementing DEI as a brand management strategy requires more than lip service and poses risks if not properly embraced. For instance, consumers can perceive DEI initiatives as inauthentic, or initiatives can miss the



mark with target consumer groups when poorly executed. Because brands are now more inclined to take responsibility and a public stance on socio political issues, we take a step back and discuss key considerations and opportunities for brands to embrace DEI. We first document the case for DEI in brand management. Next, we present the consumer and brand perspectives of DEI before unpacking the considerations and opportunities of embracing DEI for brand management. Overall, our manuscript provides guidance for brands, marketers, regulators, and policy makers to better understand the role of DEI for brand management.

4. **Cateriano-Arévalo, E., Alrakhayes, S., Foote, L., Hussain, T., Lai, K. and Nyundo, L. (2022)** aimed to mark the 50th anniversary of social marketing as an innovative social change discipline; this viewpoint reviews “epistemological diversity” within social marketing and calls for its incorporation in the expansion of the discipline. Cognisant of the visible (e.g., gender, age, race) and invisible (e.g., epistemology, experience, socioeconomic status) dimensions of diversity, this viewpoint focuses on one invisible dimension of diversity – epistemology. Using secondary data, an epistemological review of social marketing is undertaken by selecting five aspects that serve as potential indicators: professional associations, global conferences, education and training, research and publication and practice. Several recommendations are made to expand epistemological diversity in social marketing. The epistemological review of diversity within social marketing reveals disparities between the Global North and South. These disparities are due to varying opportunities for participation in associations, conferences, education and training, and research and publication. In addition, there exist “hidden” social change practitioners who implement programmes in the Global South that are consistent with social marketing practice, but continue to be unchronicled and unheralded.
5. **Li, H., Wang, M. and Zhang, R. (2022)** examined the effect of cross-border network ties of returnee entrepreneurs on the foreign market diversity of their ventures. The study further investigates how two cross-cultural competencies (global mindset and cultural intelligence) moderate this effect. A sample of 135 returnee entrepreneurial ventures from China was used to test the hypotheses. This study finds that returnee entrepreneurs tend to enter into a wide range of culturally different country groups when returnee entrepreneurs have strong cross-



border network ties. Moreover, global mindset and cultural intelligence function as complements in strengthening the effect of the cross-border network ties on foreign market diversity.

DATA ANALYSIS

Table 1- Gender

GENDER	FREQUENCY	PERCENTAGE
Female	105	47.5%
Male	116	52.5%
TOTAL	221	100%

Inference: Percentage analysis revealed that 47.5% (25) of the respondents were female, while 52.5% (116) were male.

Table 2- Age group

AGE GROUP	FREQUENCY	PERCENTAGE
Under 18	25	11.3%
18-24	132	59.7%
24-34	32	14.5%
35-44	22	10%
45-55	6	2.7%
55-64	1	0.5%
65+	3	1.4%
TOTAL	221	100%

Inference: Percentage analysis revealed that 11.3% (25) of respondents were under 18, 59.7% (132) were aged 18 to 24, 14.5% (32) were aged 25 to 34, 10% (22) were aged 35 to 44, 2.7% (6) were aged 45 to 55, 0.5% (1) were aged 55 to 64, and 1.4% (3) were aged 65 and above.



Table 3- Educational Qualification

QUALIFICATION	FREQUENCY	PERCENTAGE
High school	25	11.3%
Diploma	10	4.5%
Undergraduate	122	55.2%
Post graduate	35	15.8%
Professional	17	7.7%
others	12	5.4%
TOTAL	221	100%

Inference: Percentage analysis revealed that 11.3% (25) of the respondents had a high school education, 4.5% (10) held a diploma, 55.2% (122) were postgraduates, 15.8% (35) were professionals, 7.7% (17) were also professionals, and 5.4% (12) fell into the "others" category.

Table 4- Occupation

OCCUPATION	FREQUENCY	PERCENTAGE
Students	127	57.5%
Public sector employee	3	1.4%
Private sector employee	57	25.8%
Business	18	8.1%
Home maker	16	7.2%
TOTAL	221	100%

Inference: Percentage analysis revealed that 57.5% (127) of the respondents were students, 1.4% (3) was public sector employees, 25.8% (57) were private sector employees, 8.1% (18) were business owners, and 7.2% (16) were homemakers.



Table 5- Area of residence

LOCATION	FREQUENCY	PERCENTAGE
Urban	129	58.4%
Suburban	45	20.4%
Rural	47	21.3%
TOTAL	221	100%

Inference: Percentage analysis showed that 58.4% (129) of the respondents were from urban areas, 20.4% (45) were from suburban areas, and 21.3% (47) were from rural areas.

TOKENISM IN DIVERSITY MARKETING

Table 6 – Diversity in advertisement

DIVERSITY IN ADVERTISEMENT	FREQUENCY	PERCENTAGE
Very often	61	27.6%
Sometimes	104	47.1%
Rarely	35	15.8%
Never	21	9.5%
TOTAL	221	100%

Inference: Percentage analysis revealed that 27.6% (61) of the respondents observed diversity in advertisements very often, 47.1% (104) noticed it sometimes, 15.8% (35) rarely saw it, and 9.5% (21) never noticed diversity in advertisements.

Table 7- Tokenism

TERM TOKENISM	FREQUENCY	PERCENTAGE
YES	128	57.9%
NO	93	42.1%
TOTAL	221	100%



Inference: Percentage analysis showed that 57.9% (128) of the respondents had heard the term "tokenism," while 42.1% (93) had not.

Table 8- Superficial Diversity in Marketing

SUPERFICIAL DIVERSITY IN MARKETING	FREQUENCY	PERCENTAGE
Very often	34	15.4%
Sometimes	106	48%
Rarely	54	24.4%
Never	27	12.2%
TOTAL	221	100%

Inference: Percentage analysis revealed that 15.4% (34) of the respondents observed superficial diversity in marketing very often, 48% (106) saw it sometimes, 24.4% (54) rarely noticed it, and 12.2% (27) never observed it.

Table 9- Diversity builds connection

DIVERSITY BUILDS CONNECTION	FREQUENCY	PERCENTAGE
Yes, a lot	30	13.6%
Yes, somewhat	112	50.7%
No, not really	57	25.8%
No, not at all	22	10%
TOTAL	221	100%

Inference: Percentage analysis showed that 13.6% (30) of respondents agreed that diversity builds connection "a lot," 50.7% (112) agreed "somewhat," 25.8% (57) responded with "not really," and 10% (22) said "not at all."



DIVERSITY POSITIVE FOR BRANDS	FREQUENCY	PERCENTAGE
Strongly agree	24	10.9%
Agree	63	28.5%
Neutral	100	45.2%
Disagree	28	12.7%
Strongly disagree	6	2.7%
TOTAL	221	100%

Inference: Percentage analysis revealed that 10.9% (24) of respondents strongly agreed that diversity positively affects their opinion of a brand, 28.5% (63) agreed, 45.2% (100) remained neutral, 12.7% (28) disagreed, and 2.7% (6) strongly disagreed.

KRUSKAL WALLIS H TEST

H₀: There is no significant difference in perceptions of tokenism in diversity marketing between different genders.

H₁: There is a significant difference in perceptions of tokenism in diversity marketing between different genders.

Ranks						
Gender		N	Mean Rank	Chi-Square	df	Asymp. Sig.
It is important is it for companies to represent diverse groups (e.g., race, gender, age, sexual orientation) in their marketing campaigns.	Male	116	109.15	.228	1.000	.633
	Female	105	113.05			
	Total	221				
Brand's diversity efforts go beyond marketing to include actions like diverse hiring practices, inclusive product development, and community outreach.	Male	116	102.18	5.405	1.000	.020
	Female	105	120.75			
	Total	221				
I have decided to stop purchasing from a brand because, I felt their marketing lacked diversity.	Male	116	109.10	.240	1.000	.624
	Female	105	113.10			
	Total	221				
Brands that focus on diversity are more likely to treat all customers equally, regardless of race, gender, or background.	Male	116	105.85	1.751	1.000	.186
	Female	105	116.69			
	Total	221				
Tokenism in marketing affects your decision to purchase from a brand.	Male	116	107.18	.973	1.000	.324
	Female	105	115.22			
	Total	221				



Tokenism in marketing is often used as a quick fix to avoid criticism rather than addressing deeper issues related to diversity.	Male	116	104.93	2.477	1.000	.116
	Female	105	117.70			
	Total	221				
Diversity marketing impacts your view of a brand's overall ethics and values.	Male	116	108.31	.486	1.000	.486
	Female	105	113.97			
	Total	221				
I would be more loyal to a brand that actively engages in diversity and inclusion initiatives beyond marketing (e.g., hiring practices, product development)	Male	116	100.75	7.019	1.000	.008
	Female	105	122.33			
	Total	221				
More brands should focus on genuine diversity and inclusion rather than relying on tokenism in their advertising campaigns.	Male	116	109.32	.191	1.000	.662
	Female	105	112.86			
	Total	221				
If a brand were to show true diversity in their marketing (e.g., representing various races, genders, abilities, and backgrounds in a non-stereotypical way), I would more likely to support them.	Male	116	110.00	.071	1.000	.790
	Female	105	112.10			
	Total	221				

INFERENCE:

Since the asymptotic values are **less** than the table value **0.05**, **H₀** is **rejected** and **H₁** is **accepted**. Hence, there is no significant difference in perceptions of tokenism in diversity marketing between different genders for the following aspects:

- *Brand's diversity efforts go beyond marketing to include actions like diverse hiring practices, inclusive product development, and community outreach.*
- *I would be more loyal to a brand that actively engages in diversity and inclusion initiatives beyond marketing (e.g., hiring practices, product development)*

Since the asymptotic values are **more** than the table value **0.05**, **H₀** is **accepted** and **H₁** is **rejected**. Hence, there is no significant difference in perceptions of tokenism in diversity marketing between different genders for the following aspects:

- It is important is it for companies to represent diverse groups (e.g., race, gender, age, sexual orientation) in their marketing campaigns.
- I have decided to stop purchasing from a brand because, I felt their marketing lacked diversity.
- Brands that focus on diversity are more likely to treat all customers equally, regardless of race, gender, or background.



- Tokenism in marketing affects your decision to purchase from a brand.
- Tokenism in marketing is often used as a quick fix to avoid criticism rather than addressing deeper issues related to diversity.
- Diversity marketing impacts your view of a brand's overall ethics and values.
- More brands should focus on genuine diversity and inclusion rather than relying on tokenism in their advertising campaigns.
- If a brand were to show true diversity in their marketing (e.g., representing various races, genders, abilities, and backgrounds in a non-stereotypical way), I would more likely to support them.

ONE WAY ANOVA

H_0 : There is no significant variation between demographic profile and perceptions of Tokenism

H_1 : There is a significant variation between demographic profile and perceptions of Tokenism.

ANOVA				
	Mean Square	F	Sig.	Result
Age group	2.065	2.071	0.086	Insignificant
	0.997			
Gender	0.702	2.795	0.027	Significant
	0.251			
Educational qualification	0.937	0.65	0.628	Insignificant
	1.442			
Occupation	2.743	1.529	0.195	Insignificant
	1.794			
Area of residence	0.668	1.012	0.402	Insignificant
	0.66			



INFERENCES:

- Since the asymptotic value (**0.027**) is **less** than the table value 0.05, **H₀ is rejected** and **H₁ is accepted**. Hence, *there is a significant variation between the gender and perceptions of Tokenism*
- Since the asymptotic values are **more** than the table value **0.05**, **H₀ is accepted** and **H₁ is rejected**. Hence, there is *no significant variation between the other demographic variables and perceptions of Tokenism*

SUGGESTIONS

- To ensure that marketing campaigns and brand messaging authentically represent the intersectionality of race, gender, sexuality, disability, and other dimensions of diversity.
- By continuous engagement with diverse consumer groups help to understand customer needs and expectations from a brand.
- Brands should aim for meaningful and authentic representation rather than simply ticking boxes.
- Brands should continuously monitor and improve their marketing strategies to ensure they are genuinely inclusive and resonating with their target audience.
- Brands should provide alternative text for images, closed captions for videos, and design websites and apps with accessibility features to ensure inclusivity.

CONCLUSION:

This study on understanding consumer perceptions of tokenism in diversity marketing and its implications for brand loyalty highlights the growing importance of authenticity in brand communications. Key findings of the study reveal that consumers are highly attuned to diversity marketing tactics that feel inauthentic or shallow, especially when diversity is presented as a marketing tool without substantive change in the brand's practices. In conclusion, while diversity marketing can be a powerful tool for building consumer loyalty, it must be handled with authenticity and integrity. Brands that succeed in aligning their diversity messaging with genuine, meaningful actions are better positioned to strengthen their relationships with consumers and cultivate long-lasting brand loyalty.



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