

4's ANA

Guidelines for Getting Started When Investing with Diverse Media Companies

SEPTEMBER 2023



BACKGROUND

According to a [recent survey](#) among diverse suppliers:

- 56 percent believe interest from the marketing/advertising community in supporting diverse suppliers increased in the past year.
- Meanwhile, 38 percent feel investment from the marketing/advertising community increased in the past year.

So, there is a gap between interest and investment — between intent and action.

The gap exists as there are some companies (particularly large ones) which have started to support diverse suppliers but are not investing with them in any meaningful way. There are also some marketers still sitting on the sidelines who are not sure where to begin. These guidelines are specifically intended to help that latter group.

ACKNOWLEDGEMENTS

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ANA Members (A diverse team of ANA members participated in this initiative, from our Media & Measurement Leadership Growth Council and our procurement/sourcing and multicultural marketing practices.)

- Brianne Boles-Marshall, Diverse Media Strategy and Investment at General Motors
- Simona Rabsatt Butler, Senior Director Global Sourcing, Media, Events, and Sponsorship at Visa
- Lisa Figel, Senior Director, Global Media & Agencies Procurement at Kenvue
- Tracy-Ann Lim, Chief Media Officer at JPMorgan Chase
- Andre Marciano, Director, Global Media Strategy at Brown-Forman
- Nadine Karp McHugh, Managing Director Global Media at Goldman Sachs
- Heather Roff, AVP Media at L'Oréal
- Lisa Schoder, formerly Vice President, Integrated Media & Partnerships at Lowe's
- Dana Schwartz, Vice President Global Media Transformation at Goldman Sachs
- Gilbert Dávila, ANA's Alliance for Inclusive and Multicultural Marketing
- Bill Duggan, Group EVP, ANA
- Jason Trubowitz, SVP, ANA

4A's Members

- Anabela Bonuccelli, EVP, Multicultural Lead at HAVAS
- Karina Dobarro, EVP, Managing Partner, Multicultural at Horizon Media
- Elijah Harris, EVP, Global Digital Partnerships and Media Responsibility at MAGNA Global
- Mark Prince, SVP, Head of Economic Empowerment at dentsu Media
- Barry Wade, Managing Director — Cultural Partnerships & Identity at OMD USA
- Kevin Freemore, SVP, Media, Technology & Data at 4A's

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1. Measure your market share, not just overall but for each ethnic segment if possible — including White, Black or African American, American Indian or Alaska Native, Asian, Hawaiian or Other Pacific Islander, and Hispanic or Latino (Note: these are the categories used by the U.S. Census). Understanding present business performance among these audiences will help identify growth opportunities. For example, if the market share among Hispanics under-indexes against the national average of your overall business, consideration should be given to closing that market share gap (and Hispanic media could be part of the solution). Then, gauge the size of that opportunity to understand the revenue potential of increasing that share. If you are targeting a specific geographic region, make sure that the audiences you are reaching with your communication plans align with the demographic makeup of that area.
2. Know if your company is already investing with diverse suppliers for your advertising and marketing needs. If your company has a supplier diversity team (often part of the procurement function), that would be a great place to start to obtain that information regarding diverse suppliers. This is especially important for bigger companies with multiple divisions where one internal team may not know what other teams are doing.
3. Just get started with investing in diverse media suppliers that meet your company's strategic communications goals. Don't be overly concerned with the "appropriate" spend benchmark, as the industry is still figuring that out. Some actions taken by brands/agencies:
 - Procter & Gamble has gone on record to say that it has doubled its investment in Black-owned and -operated media in two years and intends to double that again and then again.
 - **General Motors** is on record as saying that it has more than doubled its investment in Black-owned media in the past two years, and has also worked to ensure year-over-year investment growth in Asian-, Hispanic-, Women-, and LGBTQ+-owned media as well.
 - **GroupM has pledged** to allocate at least 5 percent of its clients' ad budgets across Black-, Hispanic-, AAPI-, and LGBTQ+-owned and/or -focused media.
 - The ANA's AIMM (Alliance for Multicultural and Inclusive Marketing) estimates that total spending for diverse-owned and -targeted media companies comprises only 1.2 percent of total media spending and increases to 1.9 percent for diverse-targeted media companies. AIMM's goal is to increase investment from 1.2 to 4.5 percent and from 1.9 to 6.5 percent, respectively, by 2025.

Again, just get started, even modestly, and look to increase investment over time.

Think about allocating a percentage of your budget for diverse suppliers; otherwise, it's easy to cut such spending first. Consider also identifying the diverse targeting strategy to build into your media plan. You can institute guidelines that will encourage inclusion for diverse suppliers via mandatory RFP inclusion and annual partner summits.

4. The inventory supply of diverse media is still lagging behind demand. As stated by an agency exec at one industry event, "We can't find enough stuff to buy." However, there has been some pushback from diverse suppliers on statements like that. **A list from Maven** has over 4,000 minority media vendors. Buyers should be open to working with new content providers

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and “testing and learning” along the way. Buyers can help increase inventory by co-creating content with diverse media suppliers. When working with diverse media companies, buyers should look for opportunities beyond traditional media: sponsorship of events, experiential marketing, and product placement/integration, for example. But be aware that such opportunities may incur additional expenses for production and activation. Diverse influencers should also be considered. Most importantly, think beyond simply traditional media and consider the entire marketing ecosystem.

5. To be authentic, invest throughout the year (ideally) and not just during tentpole events like Black History Month, Hispanic Heritage Month, Asian New Year, and Pride Month. America is increasingly diverse, which means that your customers are increasingly diverse. Investment in diverse media should be a core element of a company's communication strategy to meet its diverse customer base.
6. Know the diversity make-up of your teams both internally and with your agencies. When marketing to an increasingly diverse America (42 percent as of the 2020 Census and growing), those teams should ideally reflect the diversity of the consumers they are serving. By identifying new sources for diverse talent and methods of supporting talent development, the industry can better reflect the communities, audiences, and partners we serve.
7. To help find diverse suppliers, industry resource lists have been developed by the 4A's, the ANA, and AIMM:
 - [The 4A's Diverse Owned Media Companies Resource List](#)
 - [The ANA/AIMM list of Certified Diverse Suppliers](#)
 - [The MAVEN MC&I Media Ownership for Marketers Report from AIMM and Media Framework](#)

In addition, many holding companies, individual agencies, and other industry associations have developed their own databases of diverse suppliers. Other resources for finding diverse suppliers are [Datalou](#) and [Certify](#).

8. Every marketer and agency must make their own decision on how they qualify “diverse suppliers” and be aware of the differences.
 - Diverse-owned¹ and diverse-targeted²
 - Diverse-owned but not diverse-targeted
 - Diverse-managed but not diverse-owned
 - Diverse-targeted but not diverse-owned
 - Certified or not

¹Per [NMSDC](#), minority group members are United States citizens who are Asian Indian, Asian Pacific, Black, Hispanic, and Native American. Ownership by minority individuals means the business is at least 51% owned by such individuals or, in the case of a publicly owned business, at least 51% of the stock is owned by one or more such individuals (i.e., the management and daily operations are controlled by those minority group members.)

²A broad definition of diverse-targeted is that at least 51% of the audience of a media property are members of minority groups as defined above. A diverse-targeted media property may or may not be diverse-owned.

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Foreign-owned is another new category. That is particularly the case with some Asian and Hispanic media.

Advertisers and their agencies need to be clearly aligned on the goals of their supplier diversity programs. For example, if the goal is about addressing equity barriers, investing in diverse-owned media should be employed. Meanwhile, using diverse-targeted media is often more about scale and broad reach. There is enough room for both. Aligning on goals helps determine how progress is measured and the specific KPIs used.

Consideration should be given to demand response investments such as paid search, retargeting, or affiliate marketing that tend to be audience-agnostic. And consideration should be given to actively supporting and tracking diverse-created content that runs on non-diverse-owned platforms.

9. Every marketer and agency must make their own decision on the importance/requirement of certification. Certification authenticates that a supplier is indeed a “diverse supplier” through an appropriate third-party vetting process. It removes the burden to confirm the ownership of a company from the buyer and is instead handled by the certification organization. But the requirement of certification also limits the consideration set. Major certification organizations are:

- [Disability:IN](#)
- [NaVOBA: National Veteran-Owned Business Association](#)
- [NGLCC: National LGBT Chamber of Commerce](#)
- [NMSDC: National Minority Supplier Development Council](#)
- [NVBDC: National Veterans Business Development Council](#)
- [WBENC: Women’s Business Enterprise National Council](#)

Note that the certification organizations can also be resources for finding diverse suppliers. If you work with these certification organizations, we encourage you to help them find additional ways to integrate into the media ecosystem, increase the number of certifications issued, and broadcast their diverse members to advertisers and agencies so that we can collectively increase our investment in their businesses.

10. Buyers should be open to alternative media metrics when evaluating diverse media suppliers and may need to consider metrics different from those used for traditional media. Standard metrics including CPM, reach, and traditional third-party measurement may need to be substituted with other metrics. Diverse media is likely to have higher CPMs and less scale, given that they often have more targeted audiences, but this shouldn’t be a basis for exclusion (although some diverse suppliers may indeed be just too small for consideration by some buyers). Messaging environment, connection with the community, and cultural connection may be more important. Use of brand lift studies tracking awareness, favorable opinion, and intent, as well as engagement measurements such as CTRs, video completion, and shares, are valuable expansions of measurement for diverse supplier programs.

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11. Relationship-building is important. Some diverse media suppliers have expressed a strong interest in having direct dialogue with marketers. While agencies absolutely have key roles to play, marketers should be open to relationship building with diverse suppliers. It's important for marketers to avoid tokenism and to provide diverse suppliers with appropriate access to key decision-makers and not delegate that down. Marketers should consider forums such as hosting supplier diversity fairs to brief and meet multiple suppliers as a good start to encourage direct dialogue, but the goal should be relationship-building on a more personal level. Finally, marketers must also take the time to properly bring diverse suppliers into their corporate ecosystems.
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ABOUT THE ANA

The mission of the [ANA \(Association of National Advertisers\)](#) is to drive growth for marketing professionals, brands and businesses, the industry, and humanity. The ANA serves the marketing needs of 20,000 brands by leveraging the 12-point ANA Growth Agenda, which has been endorsed by the Global CMO Growth Council. The ANA's membership consists of U.S. and international companies, including client-side marketers, nonprofits, fundraisers, and marketing solutions providers (data science and technology companies, ad agencies, publishers, media companies, suppliers, and vendors). The ANA creates Marketing Growth Champions by serving, educating, and advocating for more than 50,000 industry members that collectively invest more than \$400 billion in marketing and advertising annually.

ABOUT THE 4A'S

The 4A's was established in 1917 to promote, advance, and defend the interests of our member agencies, employees, and the advertising and marketing industries overall. We empower our members to drive commerce, spark connections, and shape culture through infinite creativity. With a focus on advocacy, talent and the value of creativity and technology to drive business growth and cultural change, the organization serves 600+ member agencies across 1,200 offices, which help direct more than 85% of total U.S. advertising spend. The 4A's includes the 4A's Benefits division, which insures more than 160,000 employees; the government relations team, who advocate for policies to support the industry; and the 4A's Foundation, which advocates for and connects multicultural talent to the marketing industry by fostering a culture of curiosity, creativity, and craft to fuel a more equitable future for the industry.



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