CHALLENGING THE ‘ONE & DONE’ APPROACH
CONNECTING CULTURALLY THROUGH DIGITAL AUDIO
MULTICULTURAL AUDIENCES MAKE UP MORE THAN 1/3rd OF THE US POPULATION

US POPULATION BREAKDOWN - 2020

- White: 58%
- Hispanic/Latino: 19%
- Black / AA: 12%
- Asian American Pacific Islander: 6%
- American Indian/Alaska Native: 0.8%
- Native Hawaiian/Other Pacific Islander: 0.2%
- Other: 4%

Source Note: U.S. Census 2020 Decennial Survey
MANY MARKETERS LEVERAGE A “ONE AND DONE” CREATIVE APPROACH FOR ALL AUDIENCES, WITHOUT BEING MINDFUL OF RACE/ETHNICITY
OUR GOAL

DETERMINE THE MOST IMPACTFUL DIGITAL AUDIO AD STRATEGY FOR MULTICULTURAL AUDIENCES
HOW WE DID IT

**STEPS**

1. Recruited digital audio listeners from a representative online panel

2. Listeners answered standard demographic and media consumption questions. They were then randomized to listen to one digital audio ad

3. Survey focused on brand metrics, custom creative questions, and consumer POV questions on ad preference

**TWO VERTICALS**

- **Clothing**
- **Casual Dining**

**TOTAL, n=2,300**

- **Gen Pop** — n=500
- **Black/AA** — n=600
- **AAPI** — n=600
- **Hispanic/Latino** — n=600

AAPI: Asian American and Pacific Islander
Gen pop: Sample representative of the U.S. population
TYPES OF DIGITAL AUDIO ADS TESTED

GENERAL MARKET
Ads with a one and done generic advertising approach aimed at targeting both mainstream and cultural audience

BLANKET MULTICULTURAL
All-encompassing cultural ads that target all cultural groups by referencing relevant themes

CULTURE-SPECIFIC
Ads that are customized for a specific cultural group by referencing specific food, dialect, themes, etc. pertaining to that group

The multicultural versions of scripts and spots for this study were crafted by the multicultural creative team at Studio Resonate, an audio agency that creates campaigns for advertisers within the SXM Media portfolio.
WHY IS CONNECTING CULTURALLY CRITICAL?
GENERAL MARKET ADS DON’T RESONATE AS STRONGLY WITH MULTICULTURAL AUDIENCES

How People Feel About General Market Ads
Indexed

<table>
<thead>
<tr>
<th>Response of Multicultural Audiences</th>
<th>Indexed to Gen Pop (100)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ad was relevant to me and my interests</td>
<td>87</td>
</tr>
<tr>
<td>Ad likeability</td>
<td>91</td>
</tr>
</tbody>
</table>
WITH GENERAL MARKET ADS, BRAND KPIS TAKE A HIT AMONG MULTICULTURAL AUDIENCES

The Branding Impact of General Market Ads
Delta (Exposed – Control)
- Gen pop
- Multicultural Audiences

<table>
<thead>
<tr>
<th>Metric</th>
<th>Gen pop</th>
<th>Multicultural Audiences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand favorability</td>
<td>+13%↑</td>
<td>+11%↑</td>
</tr>
<tr>
<td>Brand preference</td>
<td>+4%</td>
<td>+5%</td>
</tr>
<tr>
<td>Is a brand I respect</td>
<td>+1%</td>
<td></td>
</tr>
</tbody>
</table>

General Market Ad Only
Gen pop, Exposed n= 101, Control n= 101; Multicultural Audiences, Exposed n= 620, Control n= 620
↑ = Statistical significance between exposed and control groups at >=90% confidence level
CULTURAL ADS, ON THE OTHER HAND, DRIVE EMOTION AMONG MULTICULTURAL AUDIENCES

How Multicultural Audiences Feel About Ads
Indexed

Response to Cultural Ads
Indexed to General Market Ads (100)

Ad is entertaining

I felt happy

I felt excited

117
50
100

113
50
100

112
50
100

Multicultural Audiences
All Cultural Ads, Exposed n= 1249; General Market Ads, Exposed n= 620
ULTIMATELY, BRANDS BENEFIT DIRECTLY FROM CULTURAL ADS

The Branding Impact of Ads Among Multicultural Audiences
Delta (Exposed – Control)

<table>
<thead>
<tr>
<th>Brand is relevant to me</th>
<th>+6%↑</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand knows how to connect with me</td>
<td>+5%↑</td>
</tr>
<tr>
<td>Brand favorability</td>
<td>+8%↑</td>
</tr>
</tbody>
</table>

All Cultural Ads
All General Market Ads

↑ = Statistical significance between exposed and control groups at >=90% confidence level
SHOULD BRANDS USE A BLANKET APPROACH OR A CULTURE-SPECIFIC APPROACH FOR MULTICULTURAL AUDIENCES?

Creative Strategies Tested

**BLANKET MULTICULTURAL ADS**
All-encompassing cultural ad that targets all cultural groups by referencing relevant themes

**CULTURE-SPECIFIC ADS**
Ads that are customized for a specific ethnic group by referencing specific food, dialect, themes, etc. pertaining to that group

AAPI: Asian American Pacific Islander
The multicultural versions of scripts and spots for this study were crafted by the multicultural creative team at Studio Resonate, an audio agency that creates campaigns for advertisers within the SXM Media portfolio.
Cultural references resonate most when ads are customized with the racial/ethnic group in mind.

How Multicultural Audiences Feel About Ads

Indexed

“Cultural references in the ad resonated with me”

<table>
<thead>
<tr>
<th>General Market Ads (A)</th>
<th>72</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blanket Multicultural Ads (B)</td>
<td>72</td>
</tr>
<tr>
<td>Culture-Specific Ads (C)</td>
<td>156</td>
</tr>
</tbody>
</table>

Indexed to Average (100)
CULTURE-SPECIFIC ADS
POSITION BRANDS AS MORE CULTURALLY-CONSCIOUS AND RELEVANT

The Branding Impact of Ads Among Multicultural Audiences
Delta (Exposed – Control)

- General Market Ads
- Blanket Multicultural Ads
- Culture-Specific Ads

Brand is relevant to me
- +3%
- +3%
- +8%↑

Brand is culturally-conscious
- +2%
- 0%
- +8%↑
The more people identify with their race/ethnicity, the more they like culture-specific ads.

**How Much People Like Culture-Specific Ads**

% Love/Like Ad

<table>
<thead>
<tr>
<th>Attachment To Race/Ethnicity</th>
<th>All Multicultural Audiences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stronger Attachment</td>
<td>83%</td>
</tr>
<tr>
<td>Weaker Attachment</td>
<td>63%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Hispanic/Latino</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Stronger Attachment</td>
<td>91%↑</td>
</tr>
<tr>
<td>Weaker Attachment</td>
<td>57%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Black/AA</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Stronger Attachment</td>
<td>82%↑↑</td>
</tr>
<tr>
<td>Weaker Attachment</td>
<td>72%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>AAPI</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Stronger Attachment</td>
<td>77%↑</td>
</tr>
<tr>
<td>Weaker Attachment</td>
<td>64%</td>
</tr>
</tbody>
</table>

Stronger, Hispanic/Latino n= 116; Black/AA n= 136; AAPI n= 115; Weaker, Hispanic/Latino n= 102; Black/AA n= 68; AAPI n= 94

Stronger: 4, 5 = I very strongly identify with people from this group; Weaker: 3, 2, 1 = I don’t identify with people from this group at all

Survey Q: How strong would you say your attachment is to the following groups? = Race/Ethnicity

↑ = Statistical significance between groups at >=90% confidence level

↑↑ = Statistical significance between groups at >=85% confidence level
CULTURE-SPECIFIC ADS WORK HARDER AT DRIVING PURCHASE INTENT AMONG THOSE MORE STRONGLY ATTACHED TO THEIR OWN RACE/ETHNICITY

The Branding Impact of Ads Among Multicultural Audiences Strongly Attached to their Race/Ethnicity

Delta (Exposed – Control)

- Blanket Multicultural Ads
- Culture-Specific Ads

Blanket Multicultural Ads vs. Culture-Specific Ads:

+6% ↑

+1% ↑

Multicultural Audiences Strongly Attached to Race/Ethnicity

Culture-Specific Ads, Exposed n= 367, Control n= 367; Blanket Multicultural Ads, Exposed n= 357, Control n= 357

↑ = Statistical significance between exposed and control groups at >90% confidence level
WHAT SHOULD BRANDS HAVE IN MIND WHEN CREATING CULTURE-SPECIFIC ADS?
MULTICULTURAL AUDIENCES EXPECT AUTHENTIC REPRESENTATION FROM BRANDS

Consistent trend across all three multicultural groups included in test – AAPI, Black/AA, Hispanic/Latino (not shown on slide)

Importance of Brand Involvement According to Multicultural Audiences
% Very/Somewhat Important

ENSURE AN AUTHENTIC IMAGE IS PORTRAYED ABOUT PEOPLE FROM DIVERSE BACKGROUNDS 76%

AVOID STEREOTYPES ABOUT PEOPLE FROM DIVERSE BACKGROUNDS 75%

TAKE A PERSONALIZED APPROACH TO CONNECTING WITH PEOPLE FROM DIFFERENT CULTURES THROUGH THEIR COMMUNICATION 75%
RELATABILITY IS A KEY DRIVER FOR AD LIKEABILITY

WHY MULTICULTURAL AUDIENCES LIKED CULTURE-SPECIFIC ADS

Open-ended Responses

AAPI: I liked how the little boy at the cookout said something about lumpia.

AAPI: I like that the ad was clear and easy to understand. It was informative and I also heard it says “the famous lumpia” which is very relevant to me since I am Filipino.

Black/AA: The ad was culturally relevant to me because it incorporated activities that my family participates in.

Black/AA: I like [restaurant] and the ad was relatable.

Hispanic/Latino: It was engaging and relevant to my culture because of the asada words the commentator used overall it was great.

Hispanic/Latino: It adheres to my culture (Hispanics) while also making known that they have clothing for chilly weather.

Hispanic/Latino: I like how it incorporated inclusivity and showed people of Hispanic/Latino culture.
BUT RELATABILITY BECOMES COMPLEX AS YOU GET SPECIFIC

Creative pre-testing is a must when creating culture-specific ads

✓ “Don’t just add some something about my culture to make me like it”
✓ “They were inclusive in the ad although it was forced”

ASIAN/PACIFIC ISLANDER

✓ “It tried too hard to be culturally relevant”
✓ “Lose the thick accents”
✓ “Don’t talk about Spanish food assuming we all just eat asada”
✓ “Not everyone speaks Spanish. Just keep it in English”

HISPANIC/LATINO
Brands benefit most when references in culture-specific ads are directly relevant.

The Asian culture-specific ads had references to Southeast Asian foods.

**Branding Impact of Culture-Specific Ads Among AAPI**
% Strongly Agree

- **Brand preference**
  - AAPI who identify as Southeast Asian: 25%↑
  - AAPI who do not identify as Southeast Asian: 17%

The Hispanic culture-specific ads were in English but had Spanish insertions.

**Ad Opinion of Culture-Specific Ads Among Hispanic/Latino**
% Strongly Agree

- **Ad felt relevant to me**
  - Hispanic/Latino who speak English and/or other language(s): 20%↑
  - Hispanic/Latino who speak only English: 9%
OVERALL, ADDING SURFACE LEVEL CULTURAL REFERENCES DON’T CUT IT

Feedback for Culture-Specific ads by Multicultural Audiences Attached to Race/Ethnicity
Open-ended Responses

All Multicultural Audiences Strongly Attached to Their Race/Ethnicity

83% Love/Like Ad

17% Dislike/Hate Ad

“I feel like they are trying too hard to be diverse”

“Have the cultural relevant part be more authentic”

“Don’t just add some something about my culture to make me like it”

“The voice actors don’t sound natural in their delivery”
IMPLICATIONS

1. It’s critical for brands to invest in creative aimed at connecting culturally for digital audio to drive growth among multicultural audiences.

2. Drive authenticity by avoiding surface level references, such as exaggerated accents, and limited language insertions.

3. Consider creative pre-testing when creating culture-specific ads for diverse cultural groups to ensure specific cues are relevant.
THANK YOU