HOW TO PROMOTE BOUT AND INCLUSION IN THE CREATOR ECONOMY

An Ipsos Point of View

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GAME CHANGERS



KEY FINDINGS:

- Studies show that online content creators are not well represented for race/ethnicity compared to the demographics of the general population.
- Younger generations intersecting with Black and Hispanic consumers are most influenced by creators in social commerce.
- Black and Hispanic creators experience more negative experiences on platforms, indicating the need for support and equitable opportunities within the creator economy.

As society becomes increasingly aware of the importance of authentic representation and inclusivity, it is crucial to examine not only the changing composition of our population but also how online creators and audiences identify with the world around them.

In today's uncertain world, one thing is certain: The creator economy is real and growing. In the U.S. alone, the creator economy grew by 34 million new creators since 2020 (40%). Alongside this trend, the importance of diversity, equity, and inclusion is increasing across the United States. The U.S. Census reveals that as the Hispanic and Black American populations continue to grow, the white population is declining. <u>Over 33.8</u> million people identified as multiracial in the 2020 U.S. Census. This is a 276% increase from the 2010 Census.

The increased recognition and appreciation of cross-cultural and multiracial identities have contributed to the shift in consumer expectations regarding authentic representation in the content they consume on social and video platforms.

Representation disparity

Despite the changing demographics and consumer expectations, there is still much to learn about the profile of content creators and the representation of creators from marginalized groups may still lag. A study of online content creator jobs in the U.S. reveals a significant underrepresentation of racial and ethnic minorities when compared to the U.S. Census. Hispanic and Black creators represented only 13.3% and 7.2% of creator jobs, respectively, compared to 18.7% and 12.1% composition within the U.S. Census. This disparity raises concerns about the visibility and opportunities available to creators from marginalized communities.





Role of intersectionality

The concept of intersectionality, which considers the interconnected nature of social identities such as race, gender, sexuality, class, and ability, plays a crucial role in the creator economy. It affects the opportunities, experiences, and barriers faced by individuals. Creators from marginalized groups may encounter additional challenges in building and growing their brands and audiences.

For instance, a Black woman creator may face difficulties related to both her race and gender, making it harder for her to gain visibility and recognition in a predominately white, male industry.

Intersectionality also influences the types of content created and consumed. Creators from different perspectives and experiences shape the content they produce and the audiences they attract. Recognizing and valuing the diversity of creators and their audiences is vital for platforms and brands. Equitable opportunities should be provided to all creators regardless of their identities.



Influence on commerce and consumer behavior

Creators play a substantial role in shaping consumer behavior and driving commerce. In a recent study conducted by Ipsos, half of consumers have searched for a product or service in the past month after seeing it from a creator or influencer; half of Gen Z respondents also said they did so within the past week.

Intersecting with Gen Z are Black and Hispanic consumers, who are more likely to shop directly from creators and share or save content from creators about products or services. With Gen Z and younger generations making up the most diverse cohorts in the U.S., these findings highlight the importance of diverse creators in representing and reflecting the consumer audience.

Creators have even more influence among Gen Z and Underrepresented Groups

Gen Z is also the most racially diverse group

The Power of Gen Z

The Power of Race/Ethnicity

50%

of Gen Z (18–30) consumers have searched for a product/ service online after seeing it from a creator or influencer in the past week.

28%

of Gen Z (18–30) have participated in a livestream shopping event hosted by a creator or influencer in the past month.

39%

of Black consumers and 36% of Hispanics shopped from the direct feed of a social platform creator or influencer in the past month compared to 26% of White consumers.

Black and Hispanic consumers

are more than 2X more likely to take a DAILY screenshot of a post or video from a creator or influencer to remember or share a website/product/service.

Source: Ipsos survey conducted February 24-March 3, 2023, among 1,901 respondents.

Challenges and negative experiences

Ipsos data reveals disparities in experiences and opportunities for creators related to race and ethnicity. Hispanic and Black creators report a higher propensity for negative experiences, such as bullying or harassment based on their identity, or having their content removed due to copyright violations. Black and Hispanic creators are also more hesitant to post content that may affect platform algorithms, limiting their visibility, as well as experience higher levels of burnout.



Creators in the traditionally underrepresented groups have more negative experiences on Platforms

Source: Ipsos survey conducted February 24-March 3, 2023, among 1,901 respondents.

These findings indicate the need to focus on equity rather than equality when considering creators. Going beyond the average and reaching marginalized communities can lead to new trends and innovations. Equity involves expanding opportunities and ensuring representation.

Creators from the Ipsos Influencer Lens Community recently shared their experiences regarding their influencer-led marketing efforts to underrepresented groups.



Underrepresented audiences are looking for someone who represents them. That's where I come in, because I gain their trust and then they actually are influenced by what I promote." –VLOGGER AND MUSICIAN, 500K+ SOCIAL CONNECTIONS



LGBTQ+ has a lot of spending power but they are not that well represented. My audiences on influencer platforms are buyers. They have money to spend."

-DIGITAL LIFESTYLE & TRAVEL INFLUENCER, 400K+ SOCIAL CONNECTIONS

Promoting equity in the creator economy

Platforms play a crucial role in fostering inclusivity. Creators highlight engaging in ongoing conversations with users and other creators as the most critical way platforms can create a greater sense of inclusivity. Diversifying content moderation teams to include a wide range of perspectives is also essential, especially for Black creators who have experienced content removal based on copyright violations at a higher rate than their white counterparts. By embracing ongoing conversations and fostering inclusivity, platforms can encourage a more representative and supportive environment for all creators.

Promoting DEI on social platforms requires active listening and diversification How platforms can create a more diverse and inclusive environment





Source: Ipsos survey conducted February 24-March 3, 2023, among 1,901 respondents.



CALL TO ACTION:

The lack of diversity among creators compared to their diverse audiences is a disparity that brands and platforms cannot ignore, given the buying power of these diverse consumer groups and the rise of influencer marketing. Black and Hispanic creators, as well as Gen Z, report more negative experiences on platforms, potentially hindering creativity and innovation.

Platforms must promote inclusivity and positive experiences for underrepresented groups by listening to their feedback and diversifying their content moderation teams. Brands can also foster relatability and connection with consumers by seeking partnerships with diverse creators.

For additional discussion, watch a recording of our recent webinar.

To gain further firsthand perspectives from creators, <u>tap into the Ipsos Influencer Lens</u> <u>Community</u>.

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