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# Diversity efforts lose ground in soft economy

Article

**The trend:** Companies are backing away from the diversity, equity, and inclusion (DEI) pledges they made in the wake of US racial justice protests after the death of George Floyd in May 2020 as a softer US economy forces marketers to tighten their belts.

- Black creators reported a marked decrease in brand partnerships for Black History Month, reports Ad Age.
- Diversity representation in video advertising waned in 2022 after notable gains in 2020 and 2021: Black, Asian, and Hispanic consumers became less visible, per an analysis by video ad

server Extreme Reach.

But it wasn't all bad news: The nonwhite makeup of the advertising and marketing industry improved to 32.3% in 2022 from 30.8% the prior year, per Association of National Advertisers data.

**DEI jobs plummet:** Layoffs across technology and other industries have pummeled DEI staff—a sharp reversal from the hiring burst just a few years ago.

- From May to September 2020, **postings for diversity, equity, and belonging jobs rose 123%**, Indeed reported.
- That tide turned in 2022 as **DEI listings fell 19%**, according to **Textio** data from Bloomberg. Job cuts at **Twitter** whittled its DEI team down to just two people from 30.

**Our take:** Cutting resources and investments tied to DEI sends a message that diversity and inclusion are not corporate necessities, which is a bad look. Brands run the risk of hurting their ability to attract and keep diverse talent.

- Companies paring back their DEI efforts could also inadvertently hurt their revenues—nearly 70% of US consumers 18 and older view diversity and inclusion as "very important" or "somewhat important" in determining brand purchases, per a 2022 R.R. Donnelley report.