

# Walmart's shift away from DEI signals broader marketing trend

Article

**The news:** Walmart is scaling back its diversity, equity, and inclusion (DEI) initiatives, including eliminating key partnerships and rebranding efforts, marking a significant shift in corporate diversity strategy among major retailers.

- The retailer is ending its **\$100 million** commitment to the Racial Equity Center, a program launched in 2020.
- Walmart, a **\$1 trillion** company and one of America's largest employers, joins other major corporations like **Ford, Lowe's, and John Deere** in reducing DEI programs.
- The company's policy changes affect multiple business areas, from supplier relationships (which will remove race and gender considerations) to marketplace oversight (with stricter controls on products targeting minors).
- Pride event sponsorships will continue but with new “family-friendly” requirements.
- Corporate language will shift from "DEI" to "belonging" in company communications.

The shift comes at a time when corporate values are significantly influencing advertising decisions, with [DEI ranking as the top priority for marketers](#), according to Advertiser Perceptions, highlighting the potential business implications of Walmart's strategy change.

**Zooming out:** In August, [Lowe's walked back](#) some DEI initiatives, following a growing list of companies, including **Harley-Davidson, Brown-Forman, and Tractor Supply**, doing the same.

**Why it matters:** The retreat from DEI initiatives by America's largest retailer signals a shift in response to changing political and social pressures.

- Corporate diversity programs face increasing scrutiny from conservative activists and shareholders, forcing companies to reassess their approaches.
- The move reflects a broader corporate retreat from DEI messaging, with mentions of DEI or diversity and inclusion in S&P 500 companies' earnings calls [plummeting from 34 companies](#) in Q4 2020 to **just four** in Q4 2023.
- At the same time, 3 in 4 consumers will [pay more for brands that share their values](#), while 77% of consumers say they would abandon brands that reverse diversity support.
- The move could trigger similar changes across retail and other sectors, as Walmart's decisions often set industry precedents.

**Our take:** Walmart's DEI rollback represents a pivotal moment in corporate America's approach to diversity initiatives. While the company frames these changes as natural evolution, they likely herald a broader industry shift toward more conservative corporate policies.

Companies will increasingly seek middle ground between inclusion goals and stakeholder pressures, potentially creating new frameworks for workplace diversity that emphasize broader concepts of belonging over specific demographic targets.

### Areas Related to DEI US CEOs Are Prioritizing Most Over the Next 12 Months, June 2024

% of respondents



Note: top 3 responses

Source: Deloitte and Fortune, "Summer 2024: Fortune/Deloitte CEO Survey," July 31, 2024

287066



*This article is part of EMARKETER's client-only subscription Briefings—daily newsletters authored by industry analysts who are experts in marketing, advertising, media, and tech trends. To help you finish 2024 strong, and start 2025 off on the right foot, articles like this one—delivering the latest news and insights—are completely free through January 31, 2025. If you want to learn how to get insights like these delivered to your inbox every day, and get access to our data-driven forecasts, reports, and industry benchmarks, [schedule a demo with our sales team](#).*