

Marketing the Rainbow consumer



On September 6, 2018, in a landmark ruling the Supreme Court of India decriminalised homosexuality. In a deeply traditional society such as ours, this was a very bold step. It was welcomed in a celebratory manner by the long-oppressed LGBTQ community and made fun of by homophobic groups. The mocking however was low key. “Just because the Supreme Court is progressive does not mean “real” India is going to accept homosexuals as normal”, I was told. Maybe. Maybe not. India is full of surprises.

From a marketing perspective what does this path breaking judgment mean? According to a 2018 estimation put out by HongKong based LGBT Foundation, the world LGBT community is worth approximately USD 4.6 trillion. In the US, the “pink” market by 2014 was worth USD 600-900 billion. In China it was worth USD 300-400 billion. What is the size of the “Pink Economy” in India? In a 2009 study done by Forbes India, the number of LGBTQ community was at four per cent of the total population (approximately 30 million). In a research conducted by Out Now Consulting, a global consulting firm, it was estimated that this number by 2014 had grown significantly to about six per cent of the adult population, translating into approximately USD 200 billion market potential (about 6 per cent of the GDP). With the “coming out” of many more after decriminalisation, new estimates would have to be made post-2018. Many in this segment are “Double Income No Kids” (a.k.a. DINKs) and free of traditional family structures that required the looking after of the elderly and kids. Resultant bait for marketers: higher disposable incomes.

It is evident that money is turning pink for some progressive and bold marketing companies going forward. MNCs such as Barclays and Nomura have been sponsoring Kashish Mumbai International Queer Film Festival for some years now. Other MNCs such as IBM, CISCO, Google, Levi's and Microsoft are known to be gay friendly organisations and have supported the gay community with sponsorships and product offerings.

In India, shortly after the decriminalisation ruling, Uber came up with a rainbow coloured route map. Tokenism? Even so, it was another MNC. What about Indian companies? Is there something in the pipeline in terms of advertisements, segmentation-targeting, product development, and experiential marketing that are gay-friendly? The Adi Godrej Group and DTK India (manufacturers of condoms) were early marketing pioneers in India which saw this segment as a lucrative business opportunity just as much as a cause worth supporting in broader human rights, diversity and CSR perspectives. Fast Track had gay themes in their edgy "Come out of the Closet" campaign, Amul had the polka dotted mascot girl offering bread with butter to two girls with the caption "Out of the closet, out of the fridge", IndjapInk, and Backpack Travels - boutique gay travel agencies, have been offering their customized "Life is a Beach" Goa/Konkan tour packages for the last half decade or so and so on.

Certain industries have been quick to grab the opportunity the pink economy offers. Prominent among them are the hospitality industry – gay and lesbian-friendly Kitty Su night club of the The Lalit Hotel chain, cafes, bars and restaurants such as Chez Jerome – Q Café, PDA, and Depot48; health industry for gender reassignment surgery as India comes to the fore as a preferred destination after Thailand; fashion industry with designers such as Wendell Rodricks and brands that cater to the LGBTQ community with its huge spends on fashion and accessories; and the finance industry – everything from mutual funds to insurance and pension funds.

Given the fact that the LGBTQ community has been at the receiving end of discrimination and humiliation in society, family and the workplace for decades, any brand which connects with and markets to the community is likely to benefit immensely from this "waiting to exhale" segment. Brands which genuinely care for the community will see their bottom line benefiting. Marketing efforts to this segment should be not a once-in-a-month activity but inclusivity needs to be incorporated into marketing plans as de-facto action. Companies need to learn from the first movers and shift the focus from "aesthetics" to "impact". In other words, tokenism should be jettisoned in favour of substance. It might safely be predicted that as Indian society becomes gradually more open, mature and inclusive, marketers will contribute not only by obtaining revenues from this segment but also by attracting talented workforce as sensitized and high quality people get attracted to companies which care for diversity and openness. That is the long term view. Companies which merely made the right kind of noises only around the first week of September and nothing after will surely not benefit. Rather they would be considered opportunistic by the community which is now, for the first time, coming into its own.

Marketers should be seriously considering engaging influencers within this new rainbow. There are high profile personalities from the creative arts, education, and technology spheres who have a huge say in the LGBTQ world. It is time to reach out and leverage their strength. Advertising needs to gradually move the gay narrative from the

humorous/condescending periphery to center stage. Product managers across industries would do well to explore opportunities to satiate the segment's unique needs. Brand managers need to check the relevance of their brand associations and mental maps to the pink world. Conversely, all of them should also monitor how to manage possible consumer migration from their brands for being gay-friendly in a traditional India.

Low hanging fruits would surely be found in the urban arena for marketers due to easy access to the segment via deep penetration of social media and active opportunities for voices of the LGBTQ community to be heard. Social listening should be invested in by marketers interested in this slice of the total market pie. Events and causes dear to the segment need to be actively sought out and acquired by proactive brands. Market research companies ought to delve into this segment with vigour in order to flesh out consumer insights unique to the LGBTQ customer. All in all, striking down of Section 377 could be the marketing opportunity of the decade.

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The article can be read online [here](#).