(White) Marketing Professionals Make Racially Biased Decisions

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Abstract

We investigate whether business professionals, on average, exhibit racial bias in strategic marketing decisions involving Black consumers. Across nine studies and four replications with current and aspiring business professionals in the United States, France, and Brazil, we find evidence that commonly held lay theories linking Blackness with economic hardship are associated with racialized interpretations of income. Specifically, professionals tend to perceive Black consumers as lower income than equally earning White consumers. These perceptions, in turn, are associated with consumption-specific stereotypes that characterize Black consumers as more price sensitive and less attuned to quality, innovation, and customization. As a result, professionals are less likely to prioritize predominantly Black consumer markets in core marketing decisions, such as market entry and product portfolio selection, even in contexts where these markets offer greater objective economic potential (i.e., higher individual and aggregate income). Importantly, we show that both diversity training and deliberation-based interventions reduce the likelihood of such biases. We discuss implications for marketing practice and marketplace equity.

Keywords: Black consumers, Biased decisions, Racial bias, Lay theories, Stereotyping.

Black consumer markets are systematically underserved across multiple domains. From restricted access to goods and services in predominantly Black neighborhoods to lower quality and limited availability of products designed for Black customers, these markets consistently experience disparities compared to predominantly White markets (see Table WA1 in the Web Appendix (WA) for a summary of disparities across the marketing mix). However, the underlying drivers of this persistent gap remain largely unexplored. This research systematically investigates one potential explanation: whether business professionals exhibit racial bias in key marketing decisions that disadvantage Black consumer markets. Addressing this question and identifying strategies to reduce potential biases is critical given the racial disconnect between those making marketing decisions and the increasingly diverse populations they aim to serve.

On the consumer side, markets are undergoing profound demographic shifts. In the US, racial minorities, particularly Black consumers, have experienced substantial growth, and projections indicate that, by 2045, they will collectively outnumber White Americans (U.S. Census Bureau Population Division 2018). Similar demographic trends are unfolding in both Europe and the developing world. In France, immigration has arguably increased the proportion of non-White populations (Fromentin 2023) [1], while in Brazil, Black individuals now comprise the majority of the population (Silva et al. 2023) [2]. These shifts underscore the growing importance of marketing strategies that engage an increasingly diverse consumer base.

In contrast, there is a low representation of Black professionals in business environments, which continues to be overwhelmingly White. Diversity in the field has advanced slowly (Nwoga 2023), with recent data showing little to no improvement. Kantar's Inclusion Index, which tracks management diversity across 33 countries, reports stagnation over the past two years (Stephan Loerke 2023). In the US, only eight of the 500 CEOs of top companies are Black, and just 5% of senior marketing roles are held by Black professionals, well below their share of the population (Association of National Advertisers 2022). Less than 5% of professionals in charge of elaborating consumer market research in US specialized firms are Black, a percentage that has not increased over the past twelve years (Zippia 2025). Similarly, in Brazil, only nearly 10% of Black residents occupy executive positions (Instituto Ethos 2024), while they represent more than half of the country's population (IBGE 2024). In France, existing work also suggests the existence of relevant racial imbalances in the job market (Beaman 2022; Govind, Santini, and Derenoncourt 2025). This demographic disconnect raises questions about how well business professionals understand and serve the increasingly diverse consumer groups they aim to reach.

In this research, we argue that lay theories linking Black consumers with economic hardship may often give rise to consumer-specific stereotypes that, in turn, lead to racial bias strategic marketing decisions. Specifically, we propose that business professionals tend to (a) underestimate the economic conditions of Black consumers relative to equally earning White counterparts, (b) view Black consumers as uniformly price-sensitive and less interested in quality, customization, and innovation, and as a result, (c) avoid targeting predominantly Black consumer markets—reflected in market-entry choices and product portfolio decisions—even when they present stronger economic potential. It is important to note that racial categories such as "Black" and "White" are social constructs that encompass substantial heterogeneity in lived experiences, perceptions of the social world, and ways of navigating decision contexts (Penner

[1] In France, official racial statistics are constrained by cultural and legal aspects (Beaman and Fredette 2022; des Neiges Léonard 2022).

[2] Following the official classification from the Brazilian Institute of Geography and Statistics (IBGE), Black refers to individuals categorized as *preto* (Black in US terminology) and *pardo* (Mixed-race in US terminology).

and Saperstein 2013; Rizzo et al. 2021; Rizzo, Roberts, and Rhodes 2023). We nevertheless treat these categories as analytically discrete and report average group-level patterns based on self-identified race. Accordingly, the effects documented in this research should be interpreted as average differences rather than as deterministic evidence of monolithic group tendencies.

Race can thus function as a cue that overrides or reshapes interpretation of objective financial data. As a result, a Black consumer with high income may still be perceived as more financially constrained than a White consumer with identical income because the Black racial identity activates associations incongruent with wealth. In such cases, racial cues may lead business professionals to discount or overlook income information in favor of culturally shared assumptions. Formally:

> H1: Business professionals underestimate the income rank of Black (vs. equally earning White) consumers, even when presented with objective information about their income.

General lay theories involving group characteristics can give rise to context-specific stereotypes (Crandall, Eshleman, and O'Brien 2002; Kunda and Oleson 1995), taking the form of overgeneralized beliefs about traits, behaviors, or preferences of social groups within particular domains (Greenwald and Banaji 1995). We argue that lay theories linking Blackness with economic hardship crystallize into consumer-specific stereotypes held by business professionals, shaping how market segments are construed, interpreted, and targeted. In consumption contexts, race-income associations may lead business professionals to infer that Black consumers are primarily price-driven and less responsive to attributes such as quality and innovation. In other words, these individuals may assume Black consumers, by virtue of their economic association, prioritize price over quality. Affordability thus becomes a defining feature of the Black consumer segment. Such associations solidify into stereotypes portraying Black consumers as uniformly price-sensitive and less sophisticated. Formally:

> H2: Business professionals hold stereotypical views of Black consumers, associating them with lower sophistication (e.g., weaker quality and innovation standards) and greater price sensitivity than White consumers.

Biased Decisions Against Black Consumers and How to Counteract Them

Stereotypical views of racial minorities' consumption habits can profoundly distort marketing decisions. In this research, we argue that racialized interpretations of income—and the resulting stereotypes portraying Black consumers as more price-sensitive and less sophisticated—limit how firms engage with this segment, reinforcing marketplace exclusion. Even when faced with contradictory evidence, such as data on affluent Black consumers, professionals may discount or misinterpret this information, continuing to assume that these consumers belong to a lower social echelon and prioritize price over quality, an interpretation that more closely aligns with deeply ingrained lay theories linking Blackness with economic hardship. We propose that these theories and the stereotypes they fuel may lead White marketing professionals to actively avoid markets that predominantly serve Black consumers. More specifically, if Black consumers are seen as having lower economic power (H1) and less sophisticated tastes (H2), professionals may skip market research, avoid opening high-end stores in Black neighborhoods, refrain from launching premium products, or limit assortments—assuming that their preferences are simplistic and price-driven. Therefore, we predict that:

> H3: Business professionals avoid investing in markets predominantly composed of Black (vs. White) consumers, even when they exhibit a higher income.

If racially biased decisions are driven by lay theories associated with Blackness that promote racialized interpretations of income and group-based stereotyping, then interventions that attenuate reliance on these overgeneralizations should reduce bias. Accordingly, we examine two complementary interventions that target the use of group-based lay theories in judgment and decision-making: diversity training and deliberation.

Diversity training seeks to increase awareness of commonly held beliefs about social groups and to confront these overgeneralizations (Devine and Ash 2022; Dobbin and Kalev 2018). Although these types of training are most often used to promote more inclusive work environments (Devine and Ash 2022) and to help frontline employees better serve diverse consumer groups (Gruber 2011), we argue that it can also help debias strategic marketing decision-making. At its core, diversity training aims to reduce reliance on generalized group-based beliefs by encouraging individuals to recognize, question, and replace stereotypical inferences (Devine and Ash 2022). For example, research suggests that structured diversity training may reduce bias by weakening the application of both consciously endorsed stereotypes and more implicit group-based judgements (Möller et al. 2023; Nalty 2016), while reinforcing motivation to act in a non-prejudiced manner (Devine and Ash 2022). Consistent with this logic, we argue that diversity training programs designed to raise awareness about overgeneralizations and clarify how they shape judgement will reduce racially biased decision-making.

H4a: Exposure to diversity training designed to increase awareness of lay theories and stereotypical associations reduces racially biased decisions that disfavor Black (vs. White) consumers.

Deliberation-based strategies operate in a more targeted manner. Rather than explicitly confronting generalized beliefs about social groups, as diversity training does, these interventions prompt decision-makers to reflect more carefully on the judgment at hand (Baron et al. 2025; Karimi, Brazier, and Paisley 2019). Deliberation involves encouraging individuals to attend to the basis of their decisions, either by considering the relevance of specific criteria or by highlighting features of the choice that may invite biased reasoning. By prompting such reflection, deliberation can disrupt reliance on group-based stereotypes and promote more equitable judgments (MacKenzie 2018).

Prior research shows that even brief deliberative prompts can reduce biased decision-making by fostering greater self-monitoring and encouraging individuals to justify their choices in light of relevant information (Morewedge et al. 2015). For example, in hiring contexts, evaluators asked to articulate explicit justifications for their decisions were less likely to favor White over equally qualified Black candidates, suggesting that deliberation can curb reliance on racial heuristics (Kang et al. 2016). Building on this work, we examine two deliberation-based interventions. One encourages decision-makers to focus on the most diagnostically relevant criteria, while the other explicitly flags types of decision that are known to be susceptible to bias. Although these approaches differ in form, both are designed to prompt purposeful reflection on how judgments are formed, thereby shifting attention away from automatic group-based inferences and toward more individuated, decision-relevant considerations. As a result, both interventions should reduce the influence of race-based lay theories and their associated stereotypes on strategic judgments. Formally:

H4b: Prompting deliberation—such as by encouraging consideration of the most relevant decision criteria or by flagging the potential for bias—reduces racially biased decisions that disfavor Black (vs. White) consumers.

Overview of Studies

We tested our hypotheses, pictorially represented in Figure 1, across ten studies, which are described in detail in Table 1 (data and code are available at OSF: https://osf.io/5wgt9/?view_only=9282622f965b4a0393314572e296674e). In our empirical package, we took steps to ensure both broad relevance and rigorous testing of the proposed predictions. First, we conducted studies across three countries—the US, France, and Brazil—to assess the generalizability of our findings across contexts with distinct cultural backgrounds, demographic compositions, and histories of racial inequality. Second, we recruited both current business professionals (i.e., individuals working in business roles) and aspiring professionals (i.e., master's students at leading business schools) for two key reasons. This approach allowed us to provide a more comprehensive view of racial biases in strategic marketing decisions by capturing both the current state of business decision-making and the perspectives of future decision-makers. Additionally, this approach provided a conservative test of our hypotheses, as younger individuals tend to exhibit weaker implicit racial associations (Gonsalkorale and Sherman 2008) and are less prone to stereotype-based judgments (Fiske 1993; Radvansky, Copeland, and Hippel 2010). Third, we examined business professionals broadly rather than limiting our sample to those in marketing-specific roles. This decision reflects the reality that many individuals involved in marketing-related decisions—such as entrepreneurs and CEOs—may not formally identify as marketers, and that such decisions are often made collaboratively across departments. Narrowing our focus could therefore "prevent us from understanding the full impact and potential of marketing activities" (Chandy et al. 2021).

It is true that non-Black business professionals may also be vulnerable to the decision biases put forth in the current research. However, in our studies we focus specifically on White professionals because, as noted earlier, they represent the majority of decision-makers in the countries where our studies are conducted (but we also provide separate analyses with non-White professionals across studies, which are summarized in WA11). Finally, in our analyses we treat racial labels as analytically discrete to facilitate procedural replication and comparability within and across countries. At the same time, we recognize that substantial heterogeneity may exist across individuals. Examining such heterogeneities represents an important direction for future research but lies beyond the scope of the present investigation.

Figure 1: Conceptual Model

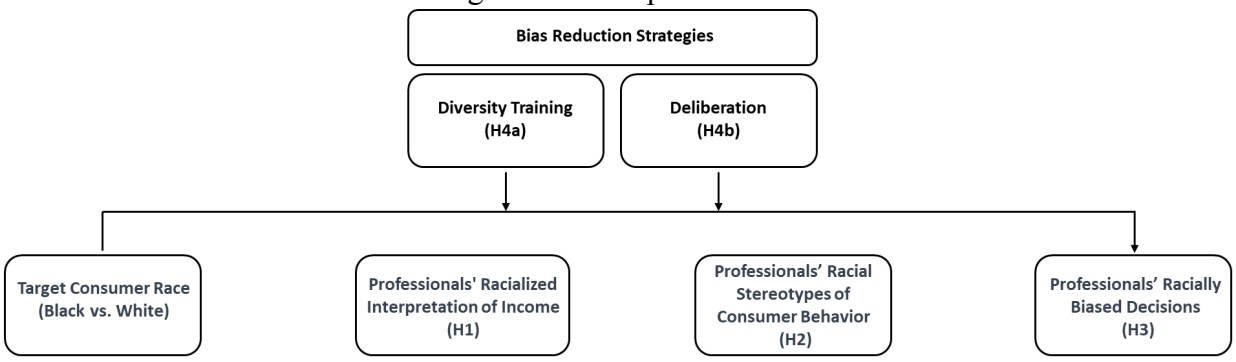

Table 2: Overview of the Studies

Study	Design	Sample	Sample characteristics	Dependent Variable	Main Findings

1A	Target consumer race: Black vs.White	630 France	Business master's students most of them in entry-level or entrepreneurial roles.	Perception about target-consumer's income-rank position.	Black (vs. equally-earning White) consumers were perceived as pertaining to a lower income-rank position.
1B	Survey	75 U.S.	Business professionals and/or graduates (screened via Prolific).	Perception about which group (White or Black consumers) prioritize innovation, quality, service customization, and price the most.	Black (vs. White) consumers were perceived as less attached to innovation, quality, and customization, but more price-sensitive.
1C	Target consumer race: Black vs. White	317 France	Business master's students most of them in entry-level or entrepreneurial roles.	*DV:* Consumers' segment classification: the extent to which *they* classify them as low-price, low-quality segment. *Mediator*: Perception about target-consumer's income-rank position.	Black (vs. equally-earning White) consumers were classified in a greater extent as a low-price, low-quality segment, mediated by perceptions of these consumers' income-rank
2A	Target consumer race: Black vs. White	213 France	Business master's students most of them in entry-level or entrepreneurial roles.	Choice of product-price strategy for [Black/White] consumers: high quality and high price or mid/low quality and low price.	Marketers chose the mid/low-quality and low-price products more often when the target consumers were Black versus White.
2B	Target consumer race: Black vs. White	237 U.S.	Business professionals and/or graduates (screened via Prolific).	Confidence that opening a new store in a region composed mostly of [Black/White] consumers is profitable.	Marketers were less confident about opening a new store in a region mostly composed of Black versus White residents.
3	Target consumer race Black vs. White	93 France	Senior-level marketing professionals working in leading B2C firms (recruited via Selvitys).	Recommendation of consumer market to prioritize: predominantly Black or White consumers.	Participants were more likely to recommend the less affluent but predominantly White consumer segment when the wealthier segment had a majority of Black (vs. White equally-earning) consumers.
4	Diversity training: present vs. absent	424 France	Business master's students most of them in entry-level or entrepreneurial roles.	Recommendation of region to open a new store: predominantly Black or White neighborhood.	Marketers selected a wealthier, mostly Black (vs. White) neighborhood more often when exposed to diversity training (vs. no training).

5A	Conditions: same race, no prompt vs. different race, no prompt vs. different race with prompt	167 France	Business master's students most of them in entry-level or entrepreneurial roles.	Recommendation of consumer market to prioritize: predominantly Black or White consumers.	Participants were more likely to recommend the less affluent but predominantly White segment when the wealthier segment was mostly Black. However, prompting reflection reduced this bias.
5B	Conditions: same race, no prompt vs. different race, no prompt vs. different race with prompt	272 Brazil	Mid-, senior-, and executive-level marketing professionals recruited in person.	Recommendation of consumer market to prioritize: predominantly Black or White consumers.	Participants were more likely to recommend the less affluent but predominantly White segment when the wealthier segment was mostly Black. Bias-detection tool mitigated this bias.

General Discussion

Although consumer markets have become increasingly racially diverse, the professionals responsible for strategic marketing decisions remain overwhelmingly White. In this research, we propose that this demographic disparity may unintentionally contribute to systematic racial bias in marketing decisions, with meaningful consequences for both consumers and organizations. Across nine main studies and four supplementary conceptual replications conducted in the United States, France, and Brazil, we show that business professionals' lay theories involving race and the stereotypes they engender consistently induce avoidance of markets predominantly composed by Black consumers, even when they are objectively more economically attractive.

Our studies show that professionals tend to associate Black consumers with lower economic status compared to equally earning White consumers (Study 1A), and to view them as exhibiting lower quality-related preferences and greater price sensitivity (Study 1B), which help inform consumer specific stereotypes in a serial pathway (Study 1C). These perceptions may translate into biased decision-making such that some professionals can become more likely to adopt lower-price, lower-quality portfolio strategies when targeting Black consumers (Study 2A), show reduced confidence in investing in predominantly Black markets (Study 2B), and avoid entering such markets, even when they are economically more attractive (Study 3). Collectively, these findings suggest that racial bias can lead to financially suboptimal marketing strategies. Encouragingly, racial bias can be mitigated through targeted interventions, including diversity training (Study 4) and decision prompts that encourage deliberation, either by directing attention to relevant decision attributes (Study 5A) or by making the potential for bias salient in strategic contexts (Study 5B).