

Exploring the Importance of Gay-friendliness and its Socialization Influences

TRACY L. TUTEN

Virginia Commonwealth University, USA

ABSTRACT *Gay men and lesbian consumers are increasingly representing a desired target audience for brands seeking to build brand loyalty in an under-tapped market. The existing literature on marketing to gay men and lesbians suggests that brands targeting this market should position themselves as gay-friendly. Nevertheless, little is known about consumer perceptions of gay-friendliness, its antecedents or the socialization processes relevant to establishing a brand's gay-friendly claim. This paper attempts to fill this void by reporting the results of a survey of gay men and lesbian consumers. The survey assessed the factors involved in perceptions of gay-friendliness, socialization sources and the relationship between gay-friendly brand claims and attitudes towards the brand.*

KEY WORDS: Gay-friendliness, scale development, gay marketing, socialization influences

Introduction

Developing brand loyalty among the gay men and lesbian market offers the potential for profitability in a market believed to be under-tapped and underdeveloped (Penaloza, 1996; Kates, 1998; Gardyn, 2001). Some refer to the gay and lesbian market within the USA as a goldmine and dream market, particularly for luxury goods. Indeed, even the book titles about the gay and lesbian market reflect this phenomenon (e.g. *Twenty Million New Customers: Understanding Gay Men's Consumer Behavior* and *Untold Millions*). Frequent suggestions for reaching this market include advertising in the gay press (e.g. Kates, 1999; Smith and Malone, 2003; Yin, 2003) and supporting gay causes (Kates, 2000; Gardyn, 2001). Most available information is anecdotal (Koss-Feder, 1998; Smith and Malone, 2003) and a verifiable relationship (positive or negative) between such actions (cause-related marketing and advertising in gay media) and perceptions of gay-friendliness by the target audience has yet to be established. This paper presents a study that sought to:

Correspondence Address: Tracy L. Tuten, Virginia Commonwealth University, PO Box 2034, Richmond, VA 23284-2034, USA. Fax: +1 804 828 9175; Tel: +1 804 827 3780. Email: ttryan@vcu.edu

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(1) investigate the importance of and antecedent variables to the gay-friendly construct; (2) identify the primary influence agents used in the socialization process for gay-friendly brands and; (3) assess preferences for gay-friendly brands relative to price.

Is Gay-friendliness Important to Gay and Lesbian Consumers? What Antecedents Influence Perceptions of Gay-friendliness?

The term gay-friendly is widely used in discussions of marketing brands to gay and lesbian consumers. Generally, it can be thought of much like other 'friendly' terms such as environment-friendly, family-friendly and pet-friendly. Taken in that context, to suggest that a brand and/or company is gay-friendly would imply that the brand/company is proactive in addressing the needs of gays, just as suggesting that a brand is environment-friendly implies that the brand is proactive in taking steps to protect the environment. Kates (2000, p. 509) recognized the similarity between gay-friendliness and environment-friendliness when he pointed out that both contexts, viewed from the perspective of consumer brand preferences, exhibit characteristics of enmities and alliances. Several authors have noted the brand allegiance pledged by various subcultures to brands with which they perceive shared meaning and values beyond any functional benefit proffered by the brand in question (e.g. Fox, 1987; Schouten and McAlexander, 1995). Thus, brands affiliated with 'friendliness' to a subculture, in this case gay-friendliness, take on a social utility (Granovetter, 1985) and even a political utility given the target market in question (Kates, 2000). As brands communicate gay-friendliness, they also indirectly affect the subcultures standing in the larger community context and related public policy issues.

There appears to be no question that a company seeking to develop loyalty from the gay and lesbian market must be perceived as gay-friendly. A survey by GL Census Partners (2004–2005) showed that nearly half of its respondents agreed that, when deciding whether or not to buy a product or service, they try to find out whether or not the company is gay-friendly. More than eight out of ten respondents in the GL Census Partners (2004–2005) survey agreed that they were more likely to buy products from companies they knew were gay-friendly. Similar conclusions were reported in the book *Twenty Million New Consumers: Understanding Gay Men's Consumer Behavior* (Kates, 1998), which presents the results of an ethnographic study of gay men in Toronto. A content analysis of message board discussion (www.gay.com) on gay-friendly brands (Tuten and Neidermeyer, 2003) further mirrored the importance of perceptions of gay-friendliness in developing brand patronage among gay and lesbian consumers. In the research by Kates (2000, p. 500) informants in an ethnographic study likened loyalty to gay-positive brands and the boycotting of anti-gay brands to a form of gay market power.

The development of website features ranking and identifying gay-friendly companies also suggests the legitimacy of the gay-friendliness construct. Rankings of gay-friendly companies now appear on websites for gay consumers such as the 'gfn.com 50'. The website (www.gfn.com) describes the gfn.com 50 as a comprehensive list of the most powerful and gay-friendly public companies in corporate USA. Another website, the Human Rights Campaign at www.hrc.org, provides an index of corporate equality for consumers seeking information about gay-friendly brands.

As ever-greater numbers of brands and companies seek to attract gay and lesbian consumers it becomes increasingly important to understand the true meaning of gay-friendliness and how companies can best communicate a position of gay-friendliness. Large mainstream corporations, including Kodak, IBM, Ikea, Subaru, Levi's, Absolut Vodka and Ford (Atkinson, 2003; Seckler, 2005), have all targeted gay and lesbian consumers in recent years with varying degrees of success. Articles and books about marketing to gay consumers have suggested a few key steps organizations/businesses can take in order to be identified as a gay-friendly company (e.g. Kates, 1998; Seckler, 2005), for example advertise in gay media, include gay themes in advertising, support gay causes and provide progressive employee policies such as domestic partner benefits.

Badgett (2001) responded to these tactics by stating that

It is not clear that gay consumers would have a positive response to gay-positive employment practices nor is it obvious that readers of gay press would even know about the employment policies of the many advertisers (p. 124).

She went on to question the claim that companies can build brand loyalty in the market by executing such tactics.

While it is true that internal corporate policies and politics are often 'invisible' to consumers, Kates (2004) explains how corporate policies regarding gay and lesbian couples' right to same-sex domestic partner benefits developed as an attribute of a brand's image. Using the concept of legitimacy and institutional theory as a base, Kates (2004) noted that brand meaning changes over time as the context of consumers' lives changes. As this occurs, new meaning may be connected to brands. For the gay community the relationship between a company's support or lack thereof of domestic partner benefits became bridged with consumer perceptions of that brand as an ally or enemy when the government first considered whether to grant gay and lesbian couples the family rights of heterosexuals in the early to mid-1990s. What was once 'invisible' to the outer world has become visible, particularly via word-of-mouth communications, public relations activity and publicity generated through news media.

Based on the existing information described above, several antecedents may influence perceptions of gay-friendliness. Does the brand/corporation offer domestic partner benefits to its employees? Does the brand advertise in gay media? Does the brand include gay themes or images in its advertising (both in gay media and in mainstream media)? Has the brand been identified by various sources (self-proclaimed, third-party endorser or word of mouth from friends) as being gay-friendly? In addition, the tactics commonly recommended will be assessed for their individual level of importance in influencing perceptions of gay-friendliness.

What Socialization Sources are Relevant to the Spread and Reinforcement of Gay-friendly Perceptions Among Gay and Lesbian Consumers?

Social learning (see Moschis and Churchill, 1978, p. 600) emphasizes the relevance of sources of influence or socialization agents as transmitters of norms, attitudes,

motivations and behaviours to the learner. These influence agents are thought to directly affect the learner's attitudes and resulting behaviours towards an object. Moschis and Churchill (1978) note that the socialization agent may be any person or organization with contact, primacy and reinforcement opportunities with the target audience. For many the primary influence agents affecting consumer behaviour are likely to be family, friends and mass media. Social groups have been known to construct meanings around brands that may or may not be consistent with a brand's marketing communications (Muniz and O'Guinn, 2001). Marketing communications, in particular advertising, sponsorship and public relations, will certainly be one form of influence, but brand meaning is also affected by past history, current social events and interpretations of the brand by personal and third-party sources.

There are examples in the literature of the effects of socialization on gay and lesbian consumers' perceptions of the relative gay-friendliness of a brand. For instance, Levi's gay-friendly status was enhanced considerably when it cancelled its contract to make uniforms for the Boy Scouts of America after the Boy Scouts dismissed an openly gay scout leader (Kates, 2000). The incident itself illustrated Levi's commitment to the gay community, but the knowledge and perceived importance of the act was influenced by the publicity surrounding it and the subsequent word-of-mouth communication within the gay community (Kates, 2000).

Philip Morris has also targeted the gay and lesbian community, albeit less successfully. In the campaign launch for a brand extension of the Benson & Hedges brand, Philip Morris made a media buy in *Genre* magazine (Smith and Malone, 2003). The gay community recognized the presence of the advertising itself as a source of public support. Subsequent newspaper articles covering the launch and, in particular, the choice of media vehicle further influenced this perception. Some newspaper articles hyped the story as another example of Philip Morris's attempts to exploit a vulnerable market, but editors for gay publications (sources of authority in the gay community), including the publications *Genre* and *Advocate*, generally indicated that the media buy was about inclusion and the fight against discrimination.

The literature suggests that the gay market communicates through a strong cultural network that includes gay media (publications and advertising as noted in Kates (1999)) and word-of-mouth communication, both physically and virtually, using chat rooms on websites such as www.gay.com. Message boards examined on www.gay.com included postings asking others for information on the gay-friendliness of a brand as part of the consumer's information search (Tuten and Neidermeyer, 2003). Indeed, studies have illustrated that gays are online to a greater extent than heterosexuals (e.g. Yin, 2003) attesting to the potential for the Internet to serve as a socialization medium. Websites for the Gay Financial Network, the Gay and Lesbian Alliance Against Defamation (GLAAD) and the Human Rights Campaign are widely cited as sources of support and information for the gay community (Smith and Malone, 2003). Consequently, the role of peers, websites and advertising (mass media) are considered as possible influence agents that might affect consumer recognition and awareness of a brand as 'gay-friendly'.

Do Gay and Lesbian Consumers Report Price Sensitivity for Gay-friendly Brands?

Finally, this paper explores gay and lesbian consumer preferences for gay-friendly brands, price sensitivity and the relationships between these variables and information sources. The informants described in Kates (2000, p. 500) reported paying a little more for products affiliated with the gay community, at least in part because of the perceived social utility associated with the purchases. Likewise, the respondents in that study indicated that they had also accepted products of lesser quality in order to support a brand with connections to the gay community. However, some suggested being suspicious of corporations that might be exploitive or anti-gay.

Methods

Subjects and Procedure

The research questions described were investigated using an online questionnaire for collecting data from a judgement sample of gay and lesbian consumers. The respondents were recruited by announcing the survey uniform resource locator (URL) at chat rooms and message boards on www.gay.com, distributing the survey URL on invitations in gay bars and establishments and encouraging respondents to pass the URL onto others representing the desired audience (snowball sampling). This method of recruitment, while not ideal, was necessary in order to accommodate the difficulty in identifying a list of gays and lesbians from which to draw a random sample. The sample recruitment was similar to that used for other studies of gays and lesbians (Burnett, 2000).

Participation in the World Wide Web (WWW) survey was voluntary and no incentives were offered. In total, 29% of the 97 respondents to the WWW-based survey were female, 64% were male and 7% declined to respond. The age distributions indicated that 34% were 18–34 years, 38% were 35–49 years and 19% were between the ages of 50 and 64 years. Income appeared to be well distributed among the sample with 23% in the \$50 000–74 999 range and all categories were represented. Most of the respondents had completed four years of post-secondary education and were living with a partner, but had no children. Table 1 provides a complete description of the demographic characteristics.

Measurement

The survey instrument included measures of the possible criteria for gay-friendliness, influence agents, attitudes towards gay-friendly brands, purchase intentions and price sensitivity, sexual orientation and demographics.

The antecedents of gay-friendliness were measured using an eight-item, five-point Likert-type scale (1 representing not at all important and 5 representing extremely important). The items were introduced by the following text: ‘Thinking of what the term gay-friendly means to you, please indicate how important each item is for a company or brand making a claim of “gay-friendly”.’ Table 2 provides the individual items in the scale. They include offering domestic partner benefits, advertising in gay media, using gay themes in advertising, using gay imagery or icons

Table 1. Demographic description of the participants

Demographics	%
Age distribution (years)	
18–34.1	34.0
35–39.1	38.0
50–64.1	19.0
Not reported	9.0
Gender distribution	
Male	64.0
Female	29.0
Not reported	7.0
Education	
High school	20.0
Two years of post-secondary education	13.0
Four years of post-secondary education	35.0
Postgraduate degree	25.0
Not reported	7.0
Income	
Less than \$24 999	11.3
\$25 000–49 999	15.5
\$50 000–74 999	22.7
\$75 000–99 999	17.5
\$100 000–124 999	9.3
\$125 000–149 999	4.1
\$150 000–174 999	7.2
\$175 000 and over	5.2
Remaining	
Not reported	7.0

in advertising, supporting gay causes and identification by non-marketer sources as gay-friendly.

The individual items in the gay-friendly scale were identified based on the existing literature on marketing to gays and lesbians. Previous research, books on gay and lesbian consumers and qualities considered by organizations including the Human Rights Campaign, were evaluated as possible items for the gay-friendly scale. Characteristics that could be linked to the construct of gay-friendliness were identified and questions for measuring the importance of those characteristics to an image of gay-friendliness were developed and ultimately included in the survey instrument. The reliability for these items, as measured by Cronbach's α coefficient, was 0.83. A global item used for measuring the overall importance of a gay-friendly image followed on after this scale.

Socialization sources were measured with a thirteen-item, five-point scale (1 representing never and 5 representing very often) following Moschis and Churchill (1978) and included the use of websites, peers and advertising. The items were introduced by the following text: 'The following questions ask how you gather brand information.' The reliability for these items, as measured by Cronbach's α coefficient, was 0.86. Specific items are provided in Table 2.

Table 2. Items and Cronbach’s α for gay-friendliness and the influence agents

Items	Cronbach’s α
Gay-friendly scale	0.83
Offering domestic partner benefits	
Placing advertisements in gay media	
Including gay themes or images in advertisements in gay media	
Including gay themes or images in advertisements in mainstream media	
Identifying itself as ‘gay-friendly’ in its marketing communications	
Providing financial support to gay causes	
Identified by friends as a gay-friendly brand	
Identified by independent sources as gay-friendly	
Influence agents	0.86
Visit websites to find out about a company’s domestic partner benefits policy	
Visit websites to find out if a company is considered ‘gay-friendly’	
Visit websites to find out if a company supports gay causes	
Visit websites to find out if a company is anti-gay	
Visit websites to find out if a company donates money to anti-gay causes	
Use company advertising to determine gay-friendliness	
Look for icons on company communications to determine gay-friendliness	
Talk with friends about preferred brands	
Talk with friends about brands that are gay-friendly	
Talk with friends about brands that are anti-gay	
Talk with friends about websites that provide information on gay-friendly companies	
Talk with friends about brands they recommend	
Choose brands my friends prefer	

Attitudes towards gay-friendly brands were measured using a six-item, five-point semantic differential scale (following Mackensie *et al.*, 1986). The items were introduced by the following text: ‘Considering the pairs of adjectives listed below, what best captures your opinion of “gay-friendly” brands.’ The following pairs were included: biased/unbiased, convincing/unconvincing, believable/unbelievable, unfavourable/favourable, bad/good and unpleasant/pleasant. The reliability for these attitude items, as measured by Cronbach’s α coefficient, was 0.85.

Purchase intention was measured with a single item: ‘How likely are you to buy a brand that is gay-friendly rather than a brand without a similar claim (assuming price and quality are the same for both brands)?’ Willingness to pay a price premium for gay-friendly brands was also measured with a single item: ‘How likely are you to buy a brand that is gay-friendly rather than a brand without a similar claim when the price is *higher* for the gay-friendly brand?’ The response format used for both was a five-point scale (1 representing not at all likely to and 5 representing very likely).

The scale values for the constructs of gay-friendliness, socialization sources, attitudes towards gay-friendly brands and sexual orientation were obtained by averaging the responses for the respective item sets (mean score). The higher the gay-friendly score, the more positive the evaluation of brands using those techniques for

establishing gay-friendly perceptions in the marketplace. By the same token, the higher the mean score for influence from socialization agents, the higher the perceived influence from those influence sources. Higher scores on the attitudes towards gay-friendly brands scale indicated positive attitudes towards such claims. Finally, higher scores on the strength of identity with one's sexual orientation indicated a strong role of sexual orientation in a respondent's personal identity.

Results

Research Question 1: Is Gay-friendliness Important to Gay and Lesbian Consumers? What Antecedents Influence Perceptions of Gay-friendliness?

The mean scores, standard deviations and bivariate correlations for the determinants of gay-friendliness are provided in Table 3. No single intercorrelation is conspicuously high enough to indicate redundancies, irrespective of a possible collinearity problem. The mean scores indicate that the provision of domestic partner benefits, inclusion of gay themes in mainstream advertising and support of gay causes are particularly relevant when considering gay-friendliness. All items were positively related to the global measure of the importance of gay-friendliness indicating that brands can increase perceptions of gay-friendliness by using these techniques in their internal policy development and marketing communications.

Table 3. Descriptives and intercorrelations for the gay-friendly items ($n=97$)

Items in the scale	Mean	SD	Correlations							
			1	2	3	4	5	6	7	
1. Domestic partner benefits	4.60	0.65	–	–	–	–	–	–	–	–
2. Advertisements in gay media	3.98	0.93	0.07	–	–	–	–	–	–	–
3. Gay themes in gay media	3.94	0.85	0.06	0.52 ^a	–	–	–	–	–	–
4. Gay themes in mainstream media	4.03	0.84	0.25	0.41 ^a	0.63 ^a	–	–	–	–	–
5. Gay iconography in advertising	3.45	1.07	0.26	0.45 ^a	0.29 ^a	0.44 ^a	–	–	–	–
6. Financial support to gay causes	4.25	0.75	0.14	0.20	0.28 ^a	0.32 ^a	0.32 ^a	–	–	–
7. Non-marketer identification as gay-friendly	3.65	0.96	0.08	0.44 ^a	0.32 ^a	0.36 ^a	0.44 ^a	0.32 ^a	–	–
8. Independent identification as gay-friendly	3.81	0.91	0.06	0.47 ^a	0.27 ^a	0.32 ^a	0.28 ^a	0.22	0.50 ^a	–
9. Global measure of gay-friendly importance	3.70	0.95	0.23	0.47 ^a	0.38 ^a	0.49 ^a	0.50 ^a	0.37 ^a	0.50 ^a	0.59 ^a

^aIndicates significance at $p<0.01$.

A factor analysis identified the structure within the set of independent variables and assessed the reasonableness of the groupings of variables based on theoretical supposition. A varimax rotation produced two uncorrelated factors with eigenvalues greater than unity. These factors explain 55.3% of the variation in the eight independent variables considered in the meaning of ‘gay-friendly’ (see Table 4). Based on the factor loadings, the factors can be referred to as internal (factor 1) and external (factor 2) demonstrations of gay friendliness.

Research Question 2: What Socialization Sources are Relevant to the Spread and Reinforcement of Gay-friendly Perceptions Among Gay and Lesbian Consumers?

The mean scores, standard deviations and bivariate correlations for the sources of influence regarding gay-friendly brands are provided in Table 5.

The factor analysis yielded three factors for research question 2 (see Table 6). These factor components were identified as factor 1 (third-party sources of gay-friendly information), factor 2 (friends or personal agents) and factor 3 (corporate sources of information such as advertising).

Research Question 3: Do Gay and Lesbian Consumers Report Price Sensitivity for Gay-friendly Brands?

A mean score of 4.41 (standard deviation 0.80) was reported for the single-item measure on preferences for gay-friendly brands. Indeed, 56% of the respondents said they were very likely and 22% were likely to choose a gay-friendly brand over a brand that was not identified as gay-friendly (when price and quality were held equal among the two brands). When asked to respond to the statement concerning whether they would be willing to pay a higher price for a gay-friendly brand (quality held equal between the brands considered) this single item scored a mean score of 3.62 and 16% reported being very likely and an additional 44% somewhat likely to pay more for the gay-friendly brand.

Table 4. Determinants of gay-friendliness expression: a factor analysis

	Factor 1: external	Factor 2: internal
Eigenvalue	3.88	1.09
Percentage	43.10	12.16
Cumulative percentage	–	55.26
Consideration 1	0.284	0.819 ^a
Consideration 2	0.720 ^a	–0.271
Consideration 3	0.661 ^a	–0.097
Consideration 4	0.733 ^a	0.189
Consideration 5	0.686 ^a	0.248
Consideration 6	0.520 ^a	0.236
Consideration 7	0.701 ^a	–0.218
Consideration 8	0.660 ^a	–0.375

^aIndicates factor loadings.

Table 5. Descriptives and intercorrelations for the influence agents construct items ($n=97$)

Items in the scale	Mean	SD	Correlations											
			1	2	3	4	5	6	7	8	9	10	11	12
1. Website usage_1	2.43	1.08	–	–	–	–	–	–	–	–	–	–	–	–
2. Website usage_2	2.90	1.24	0.78 ^a	–	–	–	–	–	–	–	–	–	–	–
3. Website usage_3	3.04	1.21	0.74 ^a	0.77 ^a	–	–	–	–	–	–	–	–	–	–
4. Website usage_4	3.30	1.25	0.71 ^a	0.71 ^a	0.76 ^a	–	–	–	–	–	–	–	–	–
5. Website usage_5	3.12	1.21	0.63 ^a	0.68 ^a	0.74 ^a	0.74 ^a	–	–	–	–	–	–	–	–
6. Advertising_1	3.32	1.07	0.24	0.37 ^a	0.32 ^a	0.31 ^a	0.24	–	–	–	–	–	–	–
7. Advertising_2	3.03	1.00	0.41 ^a	0.46 ^a	0.47 ^a	0.42 ^a	0.37 ^a	0.56 ^a	–	–	–	–	–	–
8. Peers_1	3.43	0.97	0.33 ^a	0.47 ^a	0.49 ^a	0.45 ^a	0.43 ^a	0.35 ^a	0.41 ^a	–	–	–	–	–
9. Peers_2	3.19	1.08	0.56 ^a	0.65 ^a	0.63 ^a	0.59 ^a	0.55 ^a	0.47 ^a	0.59 ^a	0.66 ^a	–	–	–	–
10. Peers_3	3.59	1.09	0.55 ^a	0.62 ^a	0.53 ^a	0.66 ^a	0.64 ^a	0.34 ^a	0.44 ^a	0.54 ^a	0.72 ^a	–	–	–
11. Peers_4	2.69	1.05	0.65 ^a	0.67 ^a	0.59 ^a	0.51 ^a	0.48 ^a	0.21	0.42 ^a	0.41 ^a	0.57 ^a	0.48 ^a	–	–
12. Peers_5	3.35	1.06	0.30 ^a	0.32 ^a	0.27	0.40 ^a	0.31 ^a	0.12	0.28 ^a	0.48 ^a	0.50 ^a	0.44 ^a	0.40 ^a	–
13. Peers_6	2.89	0.85	0.27 ^a	0.24 ^a	0.26	0.34 ^a	0.34 ^a	0.30 ^a	0.38 ^a	0.44 ^a	0.51 ^a	0.38 ^a	0.38 ^a	0.70 ^a

^aIndicates significance at $p<0.01$.

Table 6. Socialization agents influencing gay-friendly brand information: a factor analysis

	Factor 1	Factor 2	Factor 3
Eigenvalue	6.93	1.50	1.12
Percentage	53.27	11.46	8.60
Cumulative percentage	53.27	64.73	73.33
Consideration 1	0.86 ^a	0.11	0.11
Consideration 2	0.86 ^a	0.10	0.26
Consideration 3	0.86 ^a	0.12	0.24
Consideration 4	0.82 ^a	0.23	0.16
Consideration 5	0.80 ^a	0.19	0.12
Consideration 6	0.12	0.06	0.90 ^a
Consideration 7	0.31	0.22	0.75 ^a
Consideration 8	0.35 ^a	0.54	0.38
Consideration 9	0.55 ^a	0.48	0.49
Consideration 10	0.62 ^a	0.39	0.29
Consideration 11	0.66 ^a	0.33	0.12
Consideration 12	0.11	0.85 ^a	0.20
Consideration 13	0.20	0.89 ^a	-0.01

^aIndicates factor loadings.

A correlation analysis is presented in Table 7. There are correlations noted between the gay-friendly scale and information sources scale indicating that individuals who find aspects of gay-friendly claims important will seek out information for documenting those claims. Based on the correlations between willingness to pay a price premium for gay-friendly brands and virtually all other items, consumers who prefer gay friendly brands are price insensitive, with the exception of education and overall attitudes towards gay-friendly claims where there were no correlations between demographic variables and the current sample. In addition, individuals who seek out information on gay-friendly claims do so through all investigated methods (personal sources, third-party sources and corporate sources).

Discussion

The results of this study suggest that gay and lesbian consumers consider several outcomes in assessing the gay-friendliness of a brand. All of the variables studied were described as important, but the offering of domestic partner benefits, using gay themes in mainstream advertising and providing financial support to gay causes received the highest importance scores. A factor analysis of the variables identified two factors important in the concept of gay friendliness and these factors represent the internal and external dimensions of perceived gay-friendly corporate behaviour and marketing communications. The internal dimensions loaded heavily on the variable of offering domestic partner benefits. The provision of this benefit has been discussed in the media as being important for gay rights (e.g. Elswick, 2006), but there may also be other internal policies that promote the concept of gay-friendliness.

Table 7. Descriptives and intercorrelations for the major variables ($n=97$)

Variables	Mean	SD	Correlations				
			1	2	3	4	5
1. Gay-friendliness	3.94	0.58	–	–	–	–	–
2. Influence agents	3.08	0.78	0.62 ^a	–	–	–	–
3. Education	–	–	0.07	0.03	–	–	–
4. Attitude towards gay-friendly brands	3.76	0.63	0.17	0.24	0.43 ^a	–	–
5. Preference for gay-friendly brands	4.41	0.81	0.35 ^a	0.27 ^a	0.35 ^a	0.18	–
6. Willingness to pay a price premium	3.62	1.01	0.40 ^a	0.58 ^a	0.13	0.19	0.42 ^a

^aIndicates significance at $p<0.01$.

Managerial Implications

The provision of domestic partner benefits is critical to the target audience since these allow for specialization within the household for stay at home caretaking of children or parents, continuing education or other life changes during which time health care coverage is critical but not readily available from another employer (Badgett, 2001). Further, Kates (2004) highlights the importance of a brand's legitimacy with a target market. Suchman (1995) defined legitimacy as a brand's social fit with a society's or a community's shared norms. Given the personal and political implications related to domestic partner benefits, providing this benefit to gay and lesbian employees is one of the strongest statements a company can make in order to communicate its alliance with the values of the gay community.

The external dimension of gay-friendliness is more comprehensive in nature, including variables such as placing advertisements in gay media, including gay themes in the advertisements themselves both in gay and mainstream media, self-identification in the marketing literature as to the brand's gay-friendliness, the corporate support of gay-friendly causes and identification by other sources as to the brand's gay-friendliness (such as making the www.gfn.com's 50 most 'gay-friendly' brands). While the respondents rated all external dimensions as important, using gay themes in mainstream advertising and providing financial support to gay causes received the strongest importance scores. The implications for marketing communications implied by this are underscored by Kates' (2004) finding that simply advertising to the gay community is not sufficient for earning brand legitimacy. Indeed, Kozinets (2002) likened marketing communications for gay-friendly brands to that of gays and lesbians coming out of the closet themselves. Thus, increasingly, gay consumers may consider a simple media buy insufficient evidence.

However, organizations that place gay-themed advertisements in mainstream media have certainly made a public statement of support for the gay community. The statement of support is stronger still given the potential backlash from conservative groups. Similarly, organizations that contribute financially to gay

causes have also 'outed' themselves. Sponsorship is frequently thought of as a mode of marketing communications uniquely able to build a relationship through social utility and value congruence with the consumer. It is possible that financial support and presence at events related to that support (e.g. Lesbian and Gay Pride Day) incorporates a brand into the collective memory of a community (Kates, 2004) and illustrates a deeper commitment through perceived economic sacrifice (Belk and Coon, 1993).

Companies may be interested in 'external' techniques since they may involve short-term investments rather than expensive and long-term commitments like that involved in the provision of domestic partner benefits. Short-term measures could be analysed using traditional ratio analysis, such as return on investment for the project.

However, the results of this study suggest that both the internal and external dimensions are important to those within the target market. Consequently, companies selecting one dimension over the other may not be as successful as those executing marketing strategies using both dimensions. The notion that internal and external dimensions of gay-friendliness should be used in tandem dovetails with the concept of moral legitimacy (Suchman, 1995), which refers to the degree of behavioural consistency amongst a company's policies and strategies. Consumers may evaluate an organization's behavioural consistency as they assess a brand's fit with their own values and norms (Handelman and Arnold, 1999). Applied to this market, gay consumers may investigate a company's internal policies as evidence of consistency with the values portrayed in the brand's marketing communications.

The importance of congruency applies within the external factors as well. Kates (2000) describes the inability of Coors beer in succeeding in the gay market as being due to an inconsistency in its actions relative to the gay community: Adolph Coors Company has advertised Coors beer in gay media whilst its major shareholders provide financial support to anti-gay groups. Consequently, this study suggests that organizations must seek congruency between their internal corporate policies, which ultimately affect various external stakeholders and their external marketing communication strategies targeted to specific groups.

The second research question investigated how the target market determined the 'gay-friendliness' of a corporation or brand. The results suggested that there were three significant dimensions: (1) third-party sources of 'gay-friendly' information; (2) friends or personal agents and; (3) corporate sources. Thus, brands marketing to this audience will need to consider each of these aspects as their media plans are being developed. Traditional advertising (the corporate sources dimension) is only one aspect of a communications plan necessary for success with the gay and lesbian market. Organizations should recognize the importance of public relations in communicating a brand's gay-friendly position. For instance, Smith and Malone (2003) pointed out that Philip Morris's foray into the gay market would have been stronger if its advertising had been complimented by publicity of its \$1.2 million donation to AIDS groups and its support of GLAAD.

Public relations are also important in terms of indirectly influencing third-party sources of information. Corporations may need to monitor the agendas of influential organizations in the gay community actively, such that this information can be used in planning future communications strategies. Corporate awareness of the criterion

required for being named on lists such as the Gay Financial Network's top 50 Gay-Friendly Companies could guide policy making within the company. Proactive firms might send out press releases that benefit the gay market, products specifically designed to the market and donations to gay causes to news organizations that would then provide this information to the public. Reactively, firms should monitor WWW-based discussions on popular gay websites in order to correct misperceptions effectively and promptly.

These implications are particularly important in light of the fact that the consumers in this study indicated a willingness to pay a higher price for what they identified as a 'gay-friendly' brand. Historically, corporations that wanted to charge a higher price for their goods pursued brand differentiation. It appears that, for this target market, brand differentiation can be achieved via the designation of 'gay-friendliness' itself. While some might argue that differentiation based on perceptions of gay friendliness is not a sufficient brand differentiation strategy, since other competing brands could imitate this strategy by making superficial 'gay-friendly' claims, this information-seeking target market creates a barrier to entry for the other firms. The gay community at large is more likely to recognize imposters attempting to mimic true gay-friendly firms and to spread this information, thereby minimizing the influence of artificial claims on purchase decisions. Indeed, this strategy might have a negative impact given the importance of word-of-mouth dissemination of information and WWW-based research, which can be strongly influenced by opinion leaders.

Limitations

While this research represents a step forward in understanding the concept of gay-friendliness and relevant influence agents and relationships, the study did suffer from limitations. First, the sample used was a relatively small ($n=97$) judgement sample. Such samples are common in research on gays and lesbians (Burnett, 2000) and, as discussed earlier, are somewhat necessary due to the difficulty in identifying a list of gays and lesbians from which to draw a random sample. The lists that do exist are those of subscribers to gay media and it is generally accepted that subscribers to such media are of higher socioeconomic status compared to non-subscribers (Badgett, 2001). Other research on gay consumers has used panels of volunteer participants: these also represent a type of self-selected judgement sample (www.harrisinteractive.com). This limitation can be addressed as the risks associated with being 'out' lessen and more information is available about gay and lesbian consumers. In the meantime, the recruitment methods used in this study did result in a sample representing many age, income and educational backgrounds. Finally, a larger sample size would have allowed for the use of path analysis (i.e. LISREL) for better understanding the relationships among the variables.

Conclusions

This study investigated the importance of gay-friendliness and the tactics that gay consumers associate with gay-friendliness. The most critical criteria for designation as a gay-friendly brand are the presence of domestic partner benefits, advertising in

gay media and mainstream media with gay images and donating financially to gay causes. These strategies can be viewed as representing the internal and external dimensions of gay-friendliness and suggest that gay consumers peer behind the 'line of visibility' in order to assess a brand's moral legitimacy when it comes to claims of gay-friendliness. The internal dimension refers to the presence or absence of corporate policies that promote gay rights and values. The external dimension refers to traditional forms of marketing communications, which constitute visible actions by the firm to promote its association with the gay and lesbian market. Future work should seek to identify other relevant variables influencing perceptions of gay-friendliness and investigate the relative influence of the dimensions. The study also investigated influence agents relevant in sharing information and reinforcing attitudes about gay-friendly brands. Influence agents include websites, advertising and peers. Lastly, the results indicate that individuals who prefer gay-friendly brands will search out information on the gay-friendly status of brands and are sometimes willing to pay a price premium for those brands.

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Notes on Contributors

Tracy L. Tuten, PhD, is an associate professor at Virginia Commonwealth University where she teaches marketing research and advertising. Her current research interests include consumer and organizational behaviour issues, particularly as they relate to gays and lesbians, and web-based surveys methods. Her publications have appeared in such journals as *Psychology & Marketing*, the *Journal of Business Research*, and *Social Science Computer Review* among others. Dr. Tuten has consulted or taught several times in Korea, Germany, and France. In 2001, she served as Fulbright scholar to Korea where she taught International Studies at Korea University. Following that experience, she partnered with Korea University to develop Samsung Electronics Chief Marketing Officer Course and taught in the program for three years.