Targeting Gay Men: The Cryptic Marketing Approach

Kelly Choong, University of the Sunshine Coast, kchoong@usc.edu.au

Abstract

The pink dollar market is a highly lucrative strategic target audience that commercial organisations seek, given its growing population and disposable income. However traditional marketing segmentation variables are unlikely to be effective as the key differential lies in that of the lifestyle and perceived values held by the market. This may include a brand’s recognition of gay culture or support of gay rights issues. In addition some organisations may be concerned that appealing to the gay market may alienate the heterosexual market. This paper aims to discuss the use of cryptic marketing as a strategic approach to target the pink dollar market and possible abandonment by non-gay consumers who do not want to be associated with a ‘gay brand’.

Keywords: Subculture, perceived value, cryptic marketing, integrated marketing communication
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Introduction

The importance of subcultures in marketing is likely to increase as a result of growing global integration and the concomitant decline in the importance of the nation-state (Ohmae, 1990). As bigger and more complex subcultures become significant in the marketplace, the niche markets increase in numbers (Kotler, 2003). Some of these niche markets, such as the pink dollar market, have increased in prominence to become a key strategic target market that commercial companies are striving to penetrate (Tuten, 2005; Sha, 2004; Burnett, 2000; Haslop, Hill & Schmidt, 1998). However such a strategic move may result in abandonment by non-gay consumers who do not want to be associated with a ‘gay brand’, and possibly by the targeted pink dollar consumers in view of being typecast (Miller, 1995; Grier & Brumbaugh, 1999). This research is an expansion of earlier works by researchers (e.g. Kates. 1999, 2002 & 2004; Velliquette, 2000), who have examined the gay male market’s consumption of brands and products. Because a large proportion of gays cannot be reached through gay media, the use of mainstream media is important in the pursuit of the pink dollar (Oakenfull & Greenlee, 2005). At the same time companies must not ostracise their non-gay market by emphasising the gay overtones in the marketing of their brands (DeLozier & Rodrigue, 1996). To this effect, the conceptual development of cryptic marketing is presented as a strategy to overcome this marketing predicament. This paper aims to provide both theoretical and practical contributions that address the issues and draw on the theories of cryptic marketing, applied in the consumer behaviour context. These theories will be investigated to provide insights to companies on understanding how to target the gay male market effectively through mainstream media outlets.

Key Problem

The key conceptual problem is how to tap into the lucrative and growing gay male market while not losing the mainstream and traditional heterosexual market, especially through the use of traditional mass media (Tuten, 2005). Earlier research has shown that gay men positively respond to brands that appear gay friendly or appear supportive. Yet, mainstream audiences tend to have an opposite, negative response (Hooten, Noeva and Hammonds, 2009; Oakenfull and Greenlee, 2005). If important gay male perceived values and factors can be identified how can marketers better target this subcultural market within mainstream society? To answer this question, a conceptual framework has been developed based on a review of integrated marketing communication, perceived value and cryptic marketing.

Relevant Theoretical Underpinnings

Integrated Marketing Communication

The emergence of integrated marketing communication (IMC) is an important development in marketing. Smith, Berry and Pulford (1999) have defined IMC as ensuring that a brand position, personality and messages are delivered synergistically across every element of communication and are delivered from a single consistent strategy. These communication elements may include the unified use of advertising, sales promotion, public relations and direct marketing. As compared to traditional promotion strategies, the IMC approach is perceived to be more comprehensive, unified and targeted while reaching the designated
targets when selecting the communication channels and allocating resources to marketing media (Cravens & Piercy, 2003, p. 408-9).

Because of ever changing marketing and communication realities, it is important for organisations to adjust their objectives and strategies. According to Holm (2006) it is rather about ‘the art of uniting a sender’s purposes and goals with the carefully selected receiver’s prerequisites of interpretation and pre-understanding, to develop a creative strategy, where content and form of the messages are congruent and to optimize the selection of channels’ (p. 26). IMC requires the right message and the right communication method to reach the intended audience. Given the high context, subculture nature of the pink dollar market, the use of IMC can broaden the method of communication in which brands can more effectively target gay males. This is why the identification and evaluation of subculture and their perceived values will enhance the message delivered to the respective audience.

Subculture

Consumption choices bring about various subcultures in today’s society. The importance of subcultures in marketing is likely to increase as a result of growing global integration and the concomitant decline in the importance of the nation-state (Ohmae, 1990) and the rise of consumer society. Products and objects have meanings independent of their functional uses; therefore the key to understanding subculture is to understand how consumers accrue symbolic meaning and construct an identity via the products and services they consume (Velliquette, 2000). For example, the use of the pink triangle logo does not have significant meanings to society in general, but for the gay market, it was used to label homosexuals in Nazi camp during the holocaust, and today symbolises gay pride and gay friendliness for many gay people (Lambda GLBT Community Services Webpage, 2004).

Some companies and mainstream markets try exceedingly hard to avoid being associated with certain sub-cultural behaviours. These sub-cultural groups may include sexual orientation (e.g. Gays, Lesbians, Bisexuals and Transgender or GLBT) or ethnic background (e.g. Asians, Africans or South Americans). Dominant culture consumers may not understand and interpret explicit sub-cultural cues adequately and therefore mainstream consumers are likely to have negative or stereotypical perceptions about the brand being advertised (Brumbaugh, 2002).

According to research conducted by Prime Access and PlanetOut in 2008, nearly a quarter of the general population surveyed think gay imagery in commercials would have negative impression on them (Prime Access/PlanetOut Gay and Lesbian consumer study, 2008). Although the survey research result did show positive feelings from the gay and lesbian group with the use of gay imagery in commercials, there is also some avoidance among the gay community members in purchasing gay associated brands. This may result in both the general population and gay market avoiding the gay associated brand or products in fear of being labelled gay. Therefore companies have to identify and communicate perceived value that is important to gay consumers.

Perceived Value

Companies have used explicit and implicit meanings in their marketing messages to improve consumers’ value perception of the brand, such as ease of use or unbeatable quality. However many of these perceived value may be uni-dimensional, making many brands undifferentiated in their offerings to all consumers groups (Sanchez-Fernandez and Iniesta-Bonillo, 2007). Perceived value is preferential, perceptual and cognitive-affective, and is relative by virtue of
its comparative, personal and situational nature (Sanchez-Fernandez and Iniesta-Bonillo, 2007, p. 427). Value creation depends on many variables and factors as each individual consumer has its own value perspective. These variables may be affected by personal, cultural, social, lifestyle or economic factors (Quester, Neal, Pettigrew, Grimmer & Davis, 2007). Consumer experiences include values, beliefs and relationships (Gentile, Spiller & Noci, 2007).

In the gay male market, the perceived value that some men look for is the recognition and acknowledgement of gay existence and the support of their lifestyle (Choong, 2009). Other perceived value important to gay males include respect for the gay market and willingness to form relationships with the gay community (Choong, 2009). A t-shirt that reads, ‘Heterosexuality is not normal. Just common’ is perceived as value creation for the gay market as it supports the existence of gay people and dispels the notion of homosexuality being ‘not normal’. Whether value creation is meant to be a tangible or intangible inclusion, it is important in providing what the customer wants.

These factors are integral as they are used to determine the perceived value by the gay market, particularly if the brand is able to tap into the component the target holds importantly. Though value creation has been perceived as an important part of marketing successful products and brands, there has been little empirical research to develop a greater understanding of this concept (Sweeney & Soutar, 2001). If value creation has been met, positive intentions would follow, which leads to desired outcome. If value creation has not been met, negative intentions would follow, which leads to an undesired outcome (Sweeney & Soutar, 2001).

Cryptic Marketing

The strategic communication approach investigated in this research is cryptic marketing. Cryptic marketing is the process of sending marketing messages containing deliberate, underlying and implied meanings to specific subcultures or subgroups within a mainstream society who are able to decode and understand. This means the use of implicit meaning within the explicit message creates a bond between the gay market and advertiser, without offending the heterosexual consumers who are less likely to identify or understand gay iconography (Oakenfull, McCarthy & Greenlee, 2008). Marketers have used many different approaches in conveying messages to audiences, including camouflage, guerrilla, viral or target marketing. However in order to communicate with a specific subculture market within a dominant culture society, the use of cryptic marketing is inherently and strategically effective. Closely related to this focus is the work of scholars (e.g. Oakenfull, McCarthy & Greenlee, 2008; Oakenfull & Greenlee, 2005; Edelheim, 2007; Bhat, Leigh & Wardlow, 1998; Hise, 1972) who have discussed the use of encryption in advertising and marketing in which specific group of consumers are either able or unable to interpret the coded communication. Some of the authors (Oakenfull, McCarthy & Greenlee, 2008; Oakenfull & Greenlee, 2005; Bhat, Leigh & Wardlow, 1998) have tested and proved the correlation in the use of coded gay semiotics in advertising and marketing materials and response by both intended and non-intended groups. This approach means general consumers will receive only the explicit marketing message and not comprehend the implicit message intended for the specific target group. This paves the way for marketers to target specific subcultures or niche market using mainstream media and avoid probable negative associations by the mainstream market (Oakenfull, McCarthy & Greenlee, 2008; Oakenfull & Greenlee, 2005; Bhat, Leigh & Wardlow, 1998).
As discussed earlier the pink dollar market is a subculture that is deemed financially lucrative by many organisations. However marketing messages targeting gay males are limited to use of specific mediums and channels, such as gay specific magazines, websites or venues. Through encrypted communication, perceived values and key messages to the pink dollar market can be marketed through mass mediums such as radio, television and newspapers without incurring negatives responses from the non-gay market. From this the concept of the cryptic communication model is developed (figure 1).

![Cryptic Communication Model](image)

**Figure 1: Cryptic Communication Model**

The model proposes that perceived values identified through subculture research are embedded into marketing and advertising messages. The implicit message is then encrypted privately using subculture knowledge as the key within the explicit message and transmitted through any channel to the public. The recipients who have knowledge of the specific subculture will be able to decode and receive the implicit message while the others who have no knowledge of the subculture will only decode the explicit message. This means the marketer can deliver more than one message to multiple audiences through one communication simultaneously.

For example, companies can attempt to align their company profile, brand, or PR community events with gay-sensitive political messages, such as equal rights to legalised marriage. With the use of symbolisms and encrypted meanings advertisements can be marketed through traditional media without alienating the mainstream audience. An advertisement with two men wearing rings on their pinkie fingers, test driving a family car could be the implicit message that the gay subculture decodes as a support for legalised same sex unions. The mainstream market is likely to only decode the explicit message of the car advertisement (figure 2).
The challenge remains in the encryption; if the intended audience fails to decode the implicit message or if the unintended audience manages to decipher the implicit message anyway. Other concerns include perceived deliberate bias which is considered unethical, if not discriminatory, deceptive advertising (Oakenfull & Greenlee, 2005).

**Future Research and Implications**

From a marketing perspective this paper has much potential and implications for future studies. With increasing number of subcultures developing within society, identifying perceived values of consumer groups is becoming more important for the success of companies and their brands. Understanding how to use perceived subculture values in media will be challenging with increasing use of technology and interactive media. These future research findings will provide insights to organisations developing strategies in targeting specifically the gay market, or any other growing niche market alongside the mainstream market.

**Conclusion**

This conceptual paper aims to identify and address gaps in extant conceptualisation (Yadav, 2010). Marketing theories have seen specific marketing methods to better target the broad and niche markets through effective integrated marketing communications. Marketing approaches such as camouflage, guerrilla, subliminal or covert have become more widely used in an attempt to penetrate into consumers’ minds when deciding brands or products to buy. These methods employ the subconsciousness of consumers, infiltrating into their decision making process with subtle approaches and hidden messages. However the approach concerning this research focuses on using hidden messages meant for the conscious minds of intended consumers. This research looked into the concept of ‘cryptic marketing’, whereby marketing message contain deliberate underlying and implied meanings that specific subcultures or subgroups within a mainstream society are able to decode and understand.
References


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