From the explicit to the subtle: is there discrimination perceived by the LGBTI+ consumer in Brazil?

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Abstract
This research analyzed the discrimination perceived by LGBTI+ consumers in Brazil and the emotional results of the discriminatory process. It investigates the theme using the Perceived Customer Discrimination metric by Klinner and Walsh (2013), which addresses the relationship between different types of discrimination (explicit, at the service level, and subtle) with the emotional results of frustration and helplessness. It is characterized as a quantitative study and used an online survey with a sample of 210 Brazilian participants, mostly residents of the southern region of the country. Data were analyzed via structural equation modeling and indicate that subtle discrimination is the most observed. Explicit and subtle discrimination are predictors of frustration and helplessness, and the construct with the greatest intensity of perceived discrimination is included in the dimension of discrimination in the act of care, with attitudes of contempt for identifying as LGBTI+. In theoretical terms, it elucidates the intersection between sexual diversity and consumer discrimination. In social terms, it provides evidence that can be used as subsidies for developing actions and campaigns aimed at preventing and combating violence and discrimination against LGBTI+ people. From a managerial perspective, it encourages marketers to realize the importance and experiences of these consumers and helps to manage inclusion, equality, and diversity.

Keywords: Discrimination. LGBTI+. Consumption. Brazil.

Do explícito ao sutil: existe discriminação percebida pelo consumidor LGBTI+ no Brasil?

Resumo
Este artigo propõe analisar a discriminação percebida pelo consumidor LGBTI+ no Brasil e os resultados emocionais do processo discriminatório. Para isso, investiga-se o tema recorrendo a métrica perceived customer discrimination, de Klinner e Walsh (2013), que aborda a relação entre os diferentes tipos de discriminação – explícita, no nível do serviço e sutil – e os resultados emocionais de frustração e desamparo. Trata-se de um estudo quantitativo, de levantamento on-line, com amostragem de 210 participantes, a maioria residente na região Sul do país. Os dados foram analisados via modelagem de equações estruturais e indicam que a discriminação sutil é a mais observada, enquanto a discriminação explícita e sutil são preditoras da frustração e do desamparo. Por sua vez, o constructo com maior intensidade de discriminação percebida está contemplado na dimensão de discriminação no ato do atendimento, com atitudes de desprezo por eu me identificar como LGBTI+. Em termos teóricos, o texto elucida a interseção entre a diversidade sexual e a discriminação no consumo. Em termos sociais, fornece evidências que podem ser usadas como subsídios para o desenvolvimento de ações e campanhas voltadas à prevenção e ao combate à violência e à discriminação às pessoas LGBTI+. Do ponto de vista gerencial, encoraja os profissionais de marketing a perceber a importância e as experiências desses consumidores, bem como pode auxiliar na gestão de inclusão, igualdade e diversidade.


De lo explícito a lo sutil: ¿hay discriminación percibida por el consumidor LGBTI+ en Brasil?

Resumen
Esta investigación tuvo como objetivo analizar la discriminación percibida por los consumidores LGBTI+ en Brasil y los resultados emocionales del proceso discriminatorio. Se investiga el tema utilizando la métrica discriminación percibida por el cliente de Klinner y Walsh (2013), que aborda la relación entre diferentes tipos de discriminación –explicita, a nivel de servicio y sutil– y los resultados emocionales de frustración e impotencia. Se caracteriza por ser un estudio cuantitativo con una encuesta en línea, con una muestra de 210 participantes brasileños, en su mayoría residentes de la región sur del país. Los datos se analizaron mediante el modelado de ecuaciones estructurales e indican que la discriminación sutil es la más observada mientras que la discriminación explícita y sutil es predictora de frustración e impotencia. A su vez, el constructo con mayor intensidad de discriminación percibida se incluye en la dimensión de discriminación en la atención, con actitudes de desprecio al identificarse como LGBTI+. En términos teóricos, dilucida la intersección entre la diversidad sexual y la discriminación en el consumo. En términos sociales, aporta evidencias que pueden utilizarse como recursos para el desarrollo de acciones y campañas dirigidas a prevenir y combatir la violencia y la discriminación contra las personas LGBTI+. Desde el punto de vista de la gestión, incentiva a los especialistas en marketing a percibir la importancia y las experiencias de estos consumidores, además de ayudar a gestionar la inclusión, la igualdad y la diversidad.

INTRODUCTION

Discrimination pervades the most diverse forms of social relations, including consumer relations, which consists of a negative connotation reception directed at the consumer based on criteria of ethnicity, gender, age, sexual orientation, among others. The inferiorization of the consumer results from unequal, disqualifying, and offensive treatment, capable of generating exclusion (Crockett, Grier, & Williams, 2003; Harris, Henderson, & Williams, 2005).

Discrimination leads the consumer to develop negative emotions, which degrades the consumption experience. Such emotions can generate a perception of sacrifice and dissatisfaction, implying from the gradual decrease of consumption to total exclusion. When consumers experience discrimination, their intentions to return to a company or recommend it to others are reduced or nullified and spending on consumption becomes less than originally intended (Klinner & Walsh, 2013; Ro & Olson, 2014; Walsh, 2009; Walsh & Hammes, 2017). Faced with discriminatory acts, consumers tend to speak out through negative word-of-mouth, defection, changing product providers, and seeking legal resources (Minton, Cabano, Gardner, Mathras, Elliot, & Mandel, 2017).


Ro and Olson (2020), and Rosenbaum, Ramirez, and Kim (2021), examine discrimination against gay and lesbian consumers in the United States and Colombia, respectively. According to the authors, although there is substantial evidence of discrimination against LGBTI+ consumers, there is still scarce research on their experiences. The amount of studies on marketing responses to LGBTI+ members is also limited (Tsai, 2011). Therefore, more research regarding diversity in marketing and consumption is required (Dalpian & Silveira, 2020).

In this research, the term LGBTI+ is used to designate and identify lesbian, gay, bisexual, transvestite, transsexual, transgender, and intersex people. According to Out Now Global (2019), Brazil is home to one of the largest and most dynamic LGBTI+ communities in the world. Its members exhibit recognized financial potential and have, as consumers, high levels of expenditure and purchase intentions. It is assumed that, of Brazil’s total adult population, 9.5 million would be part of this community, with an estimated annual income of $141 billion. Therefore, it is understood that this is a relevant consumer segment (Boyd, Ritch, Dodd, & McColl, 2020; Rosenbaum et al., 2021).

However, it is necessary to consider the LGBTI+ segment beyond the bias of competitive advantage and profitability. According to Ely and Thomas (2020), economic fundamentals are not necessary to make the case for investing in underrepresented groups and in issues such as inclusion, equality, equity, and diversity. Thus, according to the United Nations (ONU, 2017), all companies are responsible for respecting human rights by promoting social justice and inclusion. In addition, the companies’ influence can accelerate the pace of change and help promote greater equality for LGBTI+ people. Fighting discrimination and social and economic marginalization depends on the collective efforts not only of governments, but also of civil society and companies. Hence, companies can and should fulfill the role of an active agent in promoting positive social change (ONU, 2017).

Complementary, diversity and inclusion are important agendas for the future of marketing, and discrimination is an issue that requires further study (Rust, 2020). Thus, the study aims to analyze the perceived discrimination by LGBTI+ consumers in Brazil and the emotional outcomes of the discriminatory process.

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1 This article will use the acronym LGBTI+, a choice that meets the proposal advocated by the National LGBTI+ Alliance (Reis, 2018). It is worth noting that the + symbol is used to encompass the other infinite possibilities of sexual orientations and gender identities/expressions (Reis, 2018).
Given the aforementioned considerations and the scarcity of studies on perceived discrimination by LGBTI+ consumers, especially in Brazil, but also in Latin America as a whole, this research addresses this issue by drawing on Klinner and Walsh’s (2013) study on the relationship between different types of discrimination – overt, level of service, and subtle – and the emotional outcomes of frustration and helplessness.

This paper contributes to building a research agenda in marketing, consumer behavior, and consumption by exploring discrimination against LGBTI+ consumers in Brazil, while filling a gap in the literature by investigating the intersection between sexual diversity and discrimination in consumption. In addition, it aims to encourage marketing professionals to grasp the importance of the LGBTI+ market, understand the experiences of these consumers, and provide evidence that can assist in the management of inclusion, equality, equity, and diversity.

From a managerial perspective, this work is important insofar as consumer discrimination is useful for understanding the experiences of LGBTI+ populations and the ways in which marketing systems can be engaged to reshape them. This study’s findings may serve to help professionals in the field understand the diversity issue and to qualify and prepare companies to promote the prevention and fight against discrimination, among others.

From a social perspective, the exposed information can foster governmental actions and programs to fight violence against LGBTI+ people and stimulate the development of strategies to raise awareness among the population, promoting a more conscious and sensitized coexistence regarding discriminatory practices, their origins, and the evils that their impacts can bring about.

**THEORETICAL REFERENCE**

Discrimination is the manifestation of prejudice, which is the *conditio sine qua non* of discrimination (Jones, 1997). Prejudice focuses on internally held attitudes, beliefs, and ideologies, whereas discrimination exhibits unequal treatment of people based on the category they belong to (Ukanwa & Rust, 2018). Allport (1954) states that discrimination has more immediate and serious social consequences than prejudice. Within it, one makes prejudicial distinctions that exclude or segregate certain people or groups. Therefore, prejudice is in the realm of ideas, since it is a belief, an opinion, while discrimination is in the realm of action, i.e., it is a negative behavior that can lead to rejection and exclusion. Discrimination has more serious consequences, as it can materialize in practices of antilocution (or insulting language), dodging, threats, expulsion, aggression, physical harm, and extermination (Allport, 1954). Manifested through discriminatory attitudes, derogatory differentiations, inferior and offensive treatment, prejudice can generate social exclusion (Harris et al., 2005).

Discrimination comprises the materialization of social relations, of arbitrary attitudes, either commissive or omissive, related to prejudice (Carrieri, Souza, & Aguiar, 2014; Rios, 2007). Crawford (2001) defines discrimination as any unfair treatment with a negative connotation, any differences or inequalities in treatment based on issues motivated by prejudice. Thus, the author conceptualizes discrimination as any different or unequal treatment employed against disadvantaged, underrepresented, and oppressed people or groups. Richman and Leary (2009) add a broader view to the concept, including interpersonal rejection, *bullying*, stigmatization, and humiliation.

The genesis of discriminatory behavior lies in stereotypes and categorizations, i.e., in the way people interpret the information they receive and how they react to it. Discrimination can be legitimized by various instances, such as the State and its institutions – laws, courts, and public schools –, non-state entities – private sector employers, private companies, religious organizations – and individuals (Krieger, 2014).

Discriminative criteria generally encompass race, sex, gender identity, sexual orientation, marital status, ethnic or social origin, color, age, disability, religion, conscience, belief, culture, language, aesthetic nature, physical appearance, physical and health condition, *status*, and nationality, separately or in combination (Krieger, 2014). Discrimination can be characterized as overt

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2 Discriminatory level of service (Klinner & Walsh, 2013) is here referred to as service discrimination, comprising perceived discrimination in retail consumer relations and in the purchase of services.
Discriminatory behaviors are directed at individuals with a certain marker such as certain racial-ethnic groups, people with disabilities, women, LGBTI+ etc. Consumers exposed to vulnerability resulting from such markers tend to experience decreased ability to anticipate, cope with, resist, and recover from risks or imbalances in market interactions (K. Lee, Hakstian, & Williams, 2021).

LGBTI+ people experience higher rates of discrimination than homosexual and cisgender individuals (Kattari, Whitfield, Walls, Langenderfer-Magruder, & Ramos, 2016). Discrimination against the LGBTI+ public is popularly known as LGBTI+phobia and involves discrimination and violence based on the perception that every type of non-heterosexual sexual orientation is negative (American Psychological Association, 2008; Butler, 2003; Butler & Rios, 2009; Palan, 2001; Reis, 2018).

From the consumer relations perspective, discrimination of identity, gender expression, and/or sexual orientation is a practice that takes place when the provider, upon noticing sexual diversity, pejoratively differentiates the offer or denies consumption. In addition to a negative emotion resulting from a bad consumption experience, discriminatory practices cause psychological distress and mental health disorders (Li, Bogicevic, Obeidat, & Bujisic, 2020; McLaughlin, Hatzenbuehler, & Keyes, 2010), negatively affecting the well-being of LGBTI+ individuals (Rosenbaum et al., 2021).

According to McKeage et al. (2018), individuals who do not conform to gender binarism face systematic and structural discrimination in society and the retail environment. The fact that the object of discrimination is linked to sexual diversity may stem from the construction of sexuality as a moral objective, rooted in imposed social norms, political ideology, social conservatism, or hetero-cis-normativity (Li et al., 2020). Thus, people with gender identities deviating from the heteronormative standard end up going through a process of discrimination that materializes into homophobia (H. M. Cardoso, Moretti-Pires, & Campos, 2020). For Walsh (2009), this takes place in consumption because the provider identifies with heteronormative standards and does not want to “associate” with the homosexual other, expressing his or her feeling through discriminatory behavior.

Heteronormativity punishes homosexuality or sexualities perceived as deviating from “standard” sociosexual arrangements. Toxic heteronormativity is considered a symbolic, discursive, psychic, psychological social control norm that induces violence against LGBTI+ individuals (Li et al., 2020).

Discrimination in consumer relations is experienced primarily by members of minority groups - stigmatized or marginalized consumers - and is conceptualized as the result of distinction by employees and/or owners (managers, attendants, salespeople, providers, shareholders, etc.) regarding customers, with the distinction being based on customers’ belonging to negatively perceived groups (Walsh & Mcguire, 2007). This treatment can be denial of service, subtle acts, degradation of service, among others, which impairs the desired experience (Crockett, 2017; Ekpo, DeBerry-Spence, Henderson, & Cherian, 2018).

Focusing on the people who experience discrimination, there is the discrimination perceived by consumers, which refers to the perception of being treated differently, or unfairly, because of their association with a certain group. It implies rejection or exclusion of the consumer and may harm the consumption experience and the psychological well-being by threatening the satisfaction of the inclusion and acceptance needs (J. G. Cardoso & Rocha, 2020).

Thus, according to Klinner and Walsh (2013), there are 3 modes of perceived discrimination in consumption: overt, level of service, and subtle, explained in Figure 1.
Based on the 3 types of discrimination mentioned above, Klinner and Walsh (2013) propose a metric of **perceived customer discrimination**, entitled **perceived customer discrimination** (PCD), which measures individual differences in customers’ propensity to feel treated differently in the marketplace, particularly during service interactions. The PCD comprises 4 major blocks of questions, addressing, respectively: overt discrimination, discriminatory level of service, subtle discrimination, and the emotional outcomes of the discriminatory process (frustration and helplessness).

Frustration and helplessness are negative emotions that force clients to perceive the impossibility of achieving a desired goal or avoiding discrimination through their own actions (Klinner & Walsh, 2013). The definitions can be seen in Box 1.

### Box 1

**Frustration and helplessness**

<table>
<thead>
<tr>
<th>Frustration</th>
<th>Helplessness</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Impediment that the individual faces during the process of achieving a goal or objective. People become frustrated when they want something and cannot achieve it (Ladeira, Araújo, Santini, &amp; Dalmoro, 2016).</td>
<td>• It is a subjective assessment, not an objective condition (Klinner &amp; Walsh, 2013).</td>
</tr>
<tr>
<td>• During frustration processing, the likelihood of commitment to a product choice reduces significantly, a result of frustration’s ability to mediate behavior (C. J. Lee, Andrade, &amp; Palmer, 2013).</td>
<td>• Unlike frustration, which is a relatively strong emotion that results from a barrier or impediment (Klinner &amp; Walsh, 2013; Naidoo &amp; Mwaba, 2010), helplessness is a loss of control that tends to occur when a person perceives low potential to cope with a situation (Gelbrich, 2010).</td>
</tr>
<tr>
<td>• It is a retrospective emotion that attributes incongruence of goals to situational factors, such as service employees (Gelbrich, 2010).</td>
<td>• It is a prospective emotion that results from an evaluation of future option possibilities (Gelbrich, 2010).</td>
</tr>
</tbody>
</table>

Source: Elaborated by the authors.

In short, frustration is a negative, retrospective emotion brought on by the perceived inability to achieve goal attainment. Individuals feel frustrated, with a sense of helplessness and powerlessness, when something important is denied, contrary to expectations. On the other hand, helplessness is an unpleasant, prospective, subjective emotion that causes feelings of vulnerability, deprivation, resulting from the inability to influence (future) outcomes. It tends to take place when people identify that their possibilities to face and solve an adverse situation are low. Helplessness is understood from a perspective in which the consumer is motivated by the provider’s indifference to failure (Gelbrich, 2010).
Studies addressing *marketplace discrimination* consider, almost exclusively, customer loyalty and satisfaction regarding customer perceived discrimination (Walsh, 2009), largely ignoring emotional responses. Klinner and Walsh (2013) concluded that this approach is insufficient, since the client’s perceived discrimination is a psychologically stressful event that results in emotional reactions, which almost always promote negative behavioral reactions.

In addition to frustration and helplessness, Walsh (2009) identified other coping and defense mechanisms that targets of negative discrimination resort to for coping and facing the phenomenon.

**METHOD**

This research is characterized by adopting a quantitative data analysis design, cross-section and online convenience sampling approach (Shaughnessy, Zechmeister, & Zechmeister, 2012).

The instrument this analysis used was designed based on the metric developed by Klinner and Walsh (2013). The process of translating the metric to the national context was done by two Portuguese/English teachers, one of them being gay, with the help of the researchers. Overall, the instrument was composed of 20 indicators that constitute the 5 constructs of the scale: overt discrimination - OD (5); discriminatory level of service - DLS (5); subtle discrimination - SD (3); frustration (4); helplessness (3). The indicators were presented on a 5-point Likert-type scale, anchored by the terms “none”, “low”, “medium”, “high”, and “very high”. The indicators can be seen in Box 2.

**Box 2**

**Discrimination indicators and emotional outcomes**

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overt Discrimination</td>
<td>OV_D1 I suffered verbal aggression from the employees.</td>
</tr>
<tr>
<td></td>
<td>OV_D2 The employees insulted me.</td>
</tr>
<tr>
<td></td>
<td>OV_D3 The employees humiliated me.</td>
</tr>
<tr>
<td></td>
<td>OV_D4 The employees were offensive to me.</td>
</tr>
<tr>
<td></td>
<td>OV_D5 There was an overt occurrence of discrimination.</td>
</tr>
<tr>
<td>Discriminatory Level</td>
<td>D_LEVSER1 The employees generally do not attend to my needs or problems.</td>
</tr>
<tr>
<td>of Service</td>
<td>D_LEVSER2 The way the employees serve you is often disrespectful.</td>
</tr>
<tr>
<td></td>
<td>D_LEVSER3 The employees are usually not very accessible to me.</td>
</tr>
<tr>
<td></td>
<td>D_LEVSER4 The employees often make me wait longer to be attended to.</td>
</tr>
<tr>
<td></td>
<td>D_LEVSER5 The level of service is lower, by virtue of the fact that I identify as LGBTQ.</td>
</tr>
<tr>
<td>Subtle Discrimination</td>
<td>SUB_D1 I perceive several subtle forms of discrimination.</td>
</tr>
<tr>
<td></td>
<td>SUB_D2 The way the employees look at me is depreciating.</td>
</tr>
<tr>
<td></td>
<td>SUB_D3 The employees’ tone of voice is rude and discriminatory.</td>
</tr>
<tr>
<td>Frustration</td>
<td>FRUST1 Uncomfortable/Fearful.</td>
</tr>
<tr>
<td></td>
<td>FRUST2 Frustrated/Disappointed.</td>
</tr>
<tr>
<td></td>
<td>FRUST3 Irritated/Angry.</td>
</tr>
<tr>
<td></td>
<td>FRUST4 Insecure.</td>
</tr>
<tr>
<td>Helplessness</td>
<td>HELPL1 Vulnerable/Helpless.</td>
</tr>
<tr>
<td></td>
<td>HELPL2 Impotent/Incapable.</td>
</tr>
<tr>
<td></td>
<td>HELPL3 Defeated/Subjugated.</td>
</tr>
</tbody>
</table>

Source: Elaborated by the authors.
Before data collection began, the instrument was evaluated by 3 marketing experts, 8 graduate business students, and 8 LGBTI+ people with the intent of conducting a pre-test.

The dissemination of the questionnaire took place in online groups on Facebook - more specifically, in the 20 largest LGBTI+ lifestyle communities by number of participants.

Data collection took place over Google Forms during December 2019 and January 2020. The invitation to participate in the survey contained a link that directed the participant to the questionnaire’s homepage, where there was an explanation of the test’s purpose, its academic characteristic, ethical and anonymity issues, among others, and the clarification that, to participate, it was necessary to identify as LGBTI+.

The minimum sample size calculation was performed using G*Power 3.1.9.7 software (Faul, Erdfelder, Buchner, & Lang, 2009), considering that the endogenous constructs have 3 predictors and establishing a test power of 0.80, in addition to an effect size ($f^2$) of 0.15 (Ringle, Silva, & Bido, 2014). The minimum estimated value for the sample was 77 cases. Hair, Black, Babin, and Anderson (2019) recommend that a number of 10 cases should be considered for each indicator used (200), and our research counted 210.

Data analysis was performed through SmartPLS 3 software (Ringle, Wende, & Becker, 2015), using the structural equation modeling suite of techniques through the partial least squares method. The evaluation of the proposed scale was done in 2 steps: evaluations of the measurement model and the structural model.

According to Hair et al. (2019) and Lopes et al. (2020), for the evaluation of the measurement model, one should consider:
(a) the size of the indicator loadings, with values greater than 0.50 being acceptable and those above 0.70 being preferable;
(b) the reliability of the constructs, assessed by Cronbach’s alpha ($\alpha$), and composite reliability ($\rho_c$) indexes, with values above 0.70 being acceptable and, preferably, below 0.95;
(c) convergent validity, by observing the average variance extracted (AVE) of the constructs, with acceptable values above 0.50; 
(d) discriminant validity, by observing factor loadings, the Fornell-Larcker criterion - AVE square root greater than correlations between constructs -, the heterotrait-monotrait ratio criterion (HTMT > 0.90) and the upper limit (UL) of HTMT (HTMT > 1.0; $p > 0.05$).

The evaluation of the structural model must consider: 
(a) the collinearity between the constructs, by observing the variance inflation factor index (VIF) of the indicators, with values lower than 5 being acceptable;
(b) the evaluation of the size and significance level of the path coefficients ($\beta$);
(c) the size of the determination coefficients ($R^2$) of the models, classified as low ($R^2 < 0.25$), medium ($R^2 < 0.50$), high ($R^2 < 0.75$); 
(d) the effect size ($f^2$) of the constructs, classified as small ($f^2 > 0.02$), medium ($f^2 > 0.15$), large ($f^2 > 0.35$); 
(e) and the predictive relevance of the model ($Q^2$), with values greater than 0 being acceptable and classifiable as weak degree (0.01 ≤ $Q^2$ ≤ 0.075), moderate degree (0.075 < $Q^2$ ≤ 0.25), and strong degree ($Q^2 > 0.25$).

The values for the UL criteria of HTMT, $\beta$, $R^2$, $f^2$, and $Q^2$ were confirmed by applying the bootstrapping technique with 5,000 subsamples (Hair et al., 2019; Lopes et al., 2020).

Upon completion of the measurement and structural model analyses, multigroup analyses (PLS-MGA) were performed to check for statistically significant difference in scale parameters between groups - assessment of observed heterogeneity (Hair et al., 2019). The sociodemographic variables “biological sex”, “gender identity”, and “sexual orientation” were transformed into dichotomous variables, considering their prevalent categories as a single group and the others as a distinct group: 
(a) biological sex 1 = male, 2 = non-male (female, intersex); 
(b) gender identity 1 = man, 2 = not a man (woman, non-binary, trans people); 
(c) sexual orientation 1 = homosexual, 2 = non-homosexual (bisexual, heterosexual, other orientations).
RESULTS

The results of the sociodemographic variables descriptive analysis indicate a prominence of male biological sex (60%), with male gender identity (56.75%), followed by homosexual sexual orientation (61%). Detailed data shows: regarding biological sex, 60% male, 39% female, and 1% intersexual; regarding gender identity, 56.75% male, 38.5% female, and 4.75% trans and non-binary people; regarding sexual orientation, 61% homosexual, 21% bisexual, 10% heterosexual, and 8% other orientations.

In addition, a little more than half of the respondents (50.98%) are between 15 and 26 years old, 62% have incomplete and complete college education, 45.79% are students/interns, with an income that varies from R$998.00 to R$2,994.00 (72.40%), and single relationship status (44.63%), followed by a serious relationship (28.22%).

As far as the geographical representation of the respondents is concerned, there is a distribution in several national states, with the largest adhesion being in Santa Catarina (41.23%), followed by Paraná (12.55%), and Minas Gerais (11.42%).

Thus, the summarization of the sociodemographic profile indicates that not necessarily people of male biological sex (60%) identify with the gender identity “male” (56.75%), corroborating the assertion that biological sex and gender identity can be independent, as emphasized by the American Psychological Association (2008), Butler and Rios (2009), and Reis (2018). It also characterizes a young population, belonging to classes C and B, with a predominance of higher education.

Evaluation of the Measurement Model and the Structural Model

The tested measurement model presented acceptable indexes, indicating internal convergence of the indicators with the constructs. The indicators’ factor loadings were all greater than 0.708. The Cronbach’s alpha (\(\alpha\)) and composite reliability (\(\rho_c\)) indexes of the constructs are greater than 0.70, and the average variance extracted (AVE) of all constructs is greater than 0.50. The Cronbach’s alpha, composite reliability, and AVE values can be seen in Table 1.

<table>
<thead>
<tr>
<th>Constructs</th>
<th>(\alpha)</th>
<th>(\rho_c)</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overt Discrimination</td>
<td>0.93</td>
<td>0.95</td>
<td>0.79</td>
</tr>
<tr>
<td>Discriminatory level of service</td>
<td>0.91</td>
<td>0.93</td>
<td>0.73</td>
</tr>
<tr>
<td>Subtle Discrimination</td>
<td>0.89</td>
<td>0.93</td>
<td>0.82</td>
</tr>
<tr>
<td>Frustration</td>
<td>0.91</td>
<td>0.93</td>
<td>0.78</td>
</tr>
<tr>
<td>Helplessness</td>
<td>0.94</td>
<td>0.96</td>
<td>0.89</td>
</tr>
</tbody>
</table>

Source: Elaborated by the authors.

The discriminant validity indexes of the measurement model are also acceptable. All indicators presented higher factor loadings in their own dimensions. The square root of the constructs’ AVE is greater than the correlation between them. The HTMT values are less than 0.90. The constructs’ correlation matrix and the square root values of AVE and HTMT can be seen in Table 2.
The application of the bootstrapping technique with 5,000 subsamples also revealed that the upper limits obtained for the HTMT criterion were less than 1. The analyses still indicated acceptable VIF indexes for most of the proposed indicators in the measurement model (VIF < 5). Only the HELPL2 indicator presented VIF slightly above acceptable (5.09). At the same time, the HELPL1 indicator presented a VIF of 4.79. It suggests that the indicators are correlated and may be redundant. However, the decision made was to keep the HELPL2 indicator, respecting what was proposed by Klinner and Walsh (2013), and for the “helplessness” dimension to consist of at least 3 indicators, as recommended by Hair et al. (2019). Collinearity of indicators in a construct is not a problem for reflective constructs, as is the case in this research. Also, the VIF values among the constructs are acceptable and lower than 5, ranging from 2.30 to 3.14, indicating that the proposed scale does not present a collinearity problem among constructs.

The results point out that OD and SD are predictors of frustration and helplessness. On the other hand, DLS did not present an acceptable level of significance as a predictor. The proposed scale explained 35% of the variance of frustration and 22% of that of helplessness. The respective values of the adjusted coefficients of determination (adjusted $R^2$) for the scale can be classified as low (frustration, adjusted $R^2 = 0.22$) and medium (helplessness, adjusted $R^2 = 0.35$). The constructs’ effect size ($f^2$) was significant only for H3 and can be classified as low. The values of the path coefficients ($\beta$), effect size ($f^2$), and the evaluation of the established hypotheses can be seen in Table 3 and corroborated by visualizing Figure 2, which reveals OD with negative ($\beta$) and null ($f^2$).

### Table 3
**Hypothesis Evaluation**

<table>
<thead>
<tr>
<th>Established Hypotheses</th>
<th>Path coefficient ($\beta$)</th>
<th>Effect Size ($f^2$)</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>$H_1$: Overt Discrimination $\rightarrow$ Frustration</td>
<td>0.20 **</td>
<td>0.03</td>
<td>Accept</td>
</tr>
<tr>
<td>$H_2$: Discriminatory Level of Service $\rightarrow$ Frustration</td>
<td>-0.01</td>
<td>0.00</td>
<td>Reject</td>
</tr>
<tr>
<td>$H_3$: Subtle Discrimination $\rightarrow$ Frustration</td>
<td>0.46 ***</td>
<td>0.14**</td>
<td>Accept</td>
</tr>
<tr>
<td>$H_4$: Overt Discrimination $\rightarrow$ Helplessness</td>
<td>0.26**</td>
<td>0.04</td>
<td>Accept</td>
</tr>
<tr>
<td>$H_5$: Discriminatory Level of Service $\rightarrow$ Helplessness</td>
<td>-0.05</td>
<td>0.00</td>
<td>Reject</td>
</tr>
<tr>
<td>$H_6$: Subtle Discrimination $\rightarrow$ Helplessness</td>
<td>0.32***</td>
<td>0.06</td>
<td>Accept</td>
</tr>
</tbody>
</table>

Note: *$p < .05$; **$p < .01$; ***$p < .001$.
Source: Elaborated by the authors.
Although the effect sizes were significant only for hypothesis H3, the size of the path coefficients was high enough for H1, H3, H4, and H5 to be accepted. Furthermore, the predictive relevance (Q²) for the constructs “frustration” and “helplessness” is acceptable. The proposed scale presented a strong degree of predictive relevance for frustration (Q² = 0.27) and moderate degree of relevance for helplessness (Q² = 0.20).

The multigroup analysis (PLS-MGA) was performed by applying the bootstrapping technique, with 5,000 subsamples and a two-tailed hypothesis test, to check for significant differences between the estimated path coefficients (β) for the scale, considering the categories specified in the Method topic. The significance levels found for PLS-MGA are shown in Table 4.

<table>
<thead>
<tr>
<th>Exogenous construct → Endogenous construct</th>
<th>Male vs Non-Male (p-value)</th>
<th>Man vs Not a Man (p-value)</th>
<th>Homosexual vs Non-homosexual (p-value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overt Discrimination → Frustration</td>
<td>0.61</td>
<td>0.45</td>
<td>0.54</td>
</tr>
<tr>
<td>Discriminatory Level of Service → Frustration</td>
<td>0.56</td>
<td>0.65</td>
<td>0.79</td>
</tr>
<tr>
<td>Subtle Discrimination → Frustration</td>
<td>0.91</td>
<td>0.73</td>
<td>0.27</td>
</tr>
<tr>
<td>Overt Discrimination → Helplessness</td>
<td>0.33</td>
<td>0.35</td>
<td>0.36</td>
</tr>
<tr>
<td>Discriminatory Level of Service → Helplessness</td>
<td>0.60</td>
<td>0.87</td>
<td>0.84</td>
</tr>
<tr>
<td>Subtle Discrimination → Helplessness</td>
<td>0.75</td>
<td>0.67</td>
<td>0.63</td>
</tr>
</tbody>
</table>

Source: Elaborated by the authors.
The null hypothesis established is that there is no significant difference between the path coefficients (β) estimated for the models, considering the comparison between the groups tested. None of the comparisons between the groups presented evidence to support the alternative hypothesis. Therefore, there is no way to consider that the variables “biological sex”, “gender identity” or “sexual orientation” have a significant effect on the relationships established between the constructs of the scale tested. It can be concluded that the effect of discrimination perceptions on emotional outcomes (frustration, helplessness) across groups is heterogeneous. This evidence indicates that the scale sample is homogeneous and that these tested variables do not generate bias problems.

DISCUSSION

According to Oliveira and Mott (2020), Brazil is one of the most dangerous countries for the LGBTI+ public in the world. According to 2019 data presented by the Gay Group of Bahia and the digital collection of newspapers, magazines, and periodicals “Homotransphobia kills,” every 26 hours an LGBT+ person dies in Brazil (by suicide or homicide). It is the result of structural LGBTI+phobia (Santos & Silva, 2021), making the country the world champion of crimes against sexual minority groups (Oliveira & Mott, 2020). Thus, it is important to insist on the urgency of governmental and market actions to revert the current situation of violence and discrimination against LGBTI+ people in Brazil. Under this contribution, the study’s main objective was to analyze the discrimination perceived by LGBTI+ consumers in Brazil and the emotional outcomes of the discriminatory process.

The survey results confirm the effectiveness of the scale to analyze perceived discrimination by the LGBTI+ public in Brazil and ratify the usefulness of the PCD scale. A total of 39 studies published between 2013 and February 2021, which directly or indirectly use PCD, corroborate the usefulness and validity of the metric in different contexts. However, they generally look at racial/ethnic issues in service delivery (Ghantous & Maher, 2019; Li et al., 2020; Linzmajer, Walsh, & Wagner, 2020; Min & Kim, 2019). Among them, Ro and Olson’s (2020) study addresses the issue of hospitality and how gay and lesbian customers perceive discriminatory attitudes and behaviors of service employees in the United States.

Although potentially similar, the research developed here broadens this study, since it includes retail and service consumer relations, encompassing the entire LGBTI+ universe, not just gays and lesbians. In addition, the scale is contextualized for Brazil, because confronting discrimination experienced by individuals requires tools that are appropriate to the various situations and to the distinct sociocultural contexts in which it presents itself.

The observed empirical evidence allows pointing to discrimination. The indicators of the OD construct, similarly to the DLS construct, presented perceived discrimination intensity of “none”, followed by “low”. Whereas the SD, “none”, “low”, and “medium”, respectively.

Ro and Olson (2020) contribute to the understanding of “none” and “low” levels of perceived discrimination. According to the authors, this may stem from the fact that there is, on the part of gays and lesbians, an identity management strategy, the approval strategy, which includes hiding sexual orientation, avoiding personal questions, and behaving as heterosexual to avoid social disapproval and discrimination. When purposefully behaving as heterosexuals in consumer situations, LGBTI+ customers minimize potentially discriminatory attitudes.

In line with this and validating the evidence here, Corrigan and Matthews (2003), as well as Meisenbach (2010), claim that LGBTI+ customers mask their sexual orientation when interacting with service employees and perceive a social climate of heteronormativity. This behavior aims to avoid censorship, condemnation, and allows the avoidance of conflict or other negative situations.

The SD, that is, the veiled and more discreet one, received the highest perceived intensity: medium. Rosenbaum et al. (2021) suggest that in the past, homosexual consumers suffered overt discrimination in retail. However, nowadays, it seems to have diminished. Still, at the same time, gays and lesbians remain susceptible to indirect discrimination compared to heterosexual customers. Despite the decline of discriminatory practices in retail, they are still present.
The greater perception of SD, as opposed to OD, may perhaps stem from the criminalization of LGBTphobia in Brazil in 2019. The criminalization of discrimination against sexual orientation and gender identity was incited by the insertion of the expressions “sexual orientation” and “gender identity” in the Racism Law (Law No. 7.716, of January 5, 1989), which criminalizes any discrimination based on race, color, ethnicity, religion, or national origin (S. M. A. M. Lima & F. M. M. Lima, 2020).

Beyond a negative emotion resulting from a bad consumption experience, discriminatory practices cause psychological distress, negatively affecting the well-being of LGBTI+ individuals and even leading to suicidal attitudes (McLaughlin et al., 2010; Rosenbaum et al., 2021). For Freitas, Coimbra, Marturano, and Fontaine (2015), there is negative impact of perceived discrimination on physical and mental health, and on dimensions of well-being, such as self-esteem and life satisfaction. Thus, more than an ethical or reputational issue for companies, discrimination in consumer relations is a social problem and can be configured as a public health issue.

A debate without reflection on this study’s object would infer that the observed levels of discrimination are low and therefore acceptable, while in fact they suggest discrimination. In an ideal society, the intensity of conjectural discrimination would be none. From the consumer relations perspective, perceived discrimination, even if subtle, leads the discriminated customer to develop negative emotions, degrading the consumption experience. Such emotions can generate a perception of sacrifice and dissatisfaction, leading to negative word-of-mouth and a gradual decrease in consumption, until it is completely excluded (Klinner & Walsh, 2013; Minton et al., 2017; Walsh, 2009; Walsh & Hammes, 2017).

Management and marketing professionals must understand the LGBTI+ experience in their outlets and strive for inclusion and equality (Boyd et al., 2020). Organizational efforts such as training, anti-discrimination policies, discrimination management systems, and consumer relationship management practices can help raise awareness of discriminatory practices and decrease them (Ro & Olson, 2020).

Similar to SD, the variable with the highest intensity of perceived discrimination is contemplated in the construct of discriminatory level of service: inferior service to those who identify themselves as LGBTI+, reinforcing the fact that the object of discrimination may be related to gender identity and/or sexual orientation.

According to J. G. Cardoso and Rocha (2020), Li et al. (2020), and McKeage et al. (2018), discrimination against LGBTI+ people is related to stigma and negative stereotypes surrounding gender and sexual diversity. It happens because the provider, when perceiving diversity, differentiates pejoratively the offer or denies consumption (J. G. Cardoso & Rocha, 2010; Walsh, 2009).

Following the discussion, the emotional results of the discriminatory process are addressed: frustration and helplessness. These are negative emotions, consequences of discrimination, that force clients to perceive the impossibility of achieving a desired goal (Klinner & Walsh, 2013). Under this approach, empirical evidence allows us to observe that frustration and helplessness are emotional outcomes of OD and SD, while DLS is not a predictor of frustration and helplessness.

In Klinner and Walsh’s (2013) study, the results observed are as follows: H₁: Overt Discrimination → Frustration (refutes the hypothesis); H₂: Discriminatory Level of Service → Frustration (accepts the hypothesis); H₃: Subtle Discrimination → Frustration (accepts the hypothesis); H₄: Overt Discrimination → Helplessness (refutes the hypothesis); H₅: Discriminatory Level of Service → Helplessness (accepts the hypothesis); and H₆: Subtle Discrimination → Helplessness (accepts the hypothesis).

Comparing the data from this study with that of Klinner and Walsh (2013), one finds agreement that SD is a predictor of frustration and helplessness. However, while the hypothesis that OD leads to it is confirmed, Klinner and Walsh (2013) could not confirm the postulated positive relationship. Some studies suggest that covert discrimination has a greater magnitude relationship with psychological distress (depression, anxiety, etc.) than overt discrimination, such as being denied a job or a promotion (Freitas et al., 2015).

Finally, Klinner and Walsh (2013) point out that perceived discrimination regarding service level has a strong positive influence on perceived frustration and helplessness, unlike the data presented here which rejects such a relationship.
The differences may stem from the study’s geographical context (United States and Brazil), the evaluated assumption (services and consumer relations), the research subjects (minority customers, in general, and the LGBTI+ public), and sociocultural issues involving the 2 countries.

Moreover, the plurality present in the LGBTI+ community incites a deeper understanding of different discriminatory experiences in consumption, such as differences in perceptions and levels of explicit discrimination in serving lesbians, gays, and transgender people. The empirical evidence found does not support such a claim, as the differences between biological sex, gender identity, or orientation were not significant.

Meanwhile, Ro and Olson (2020) find sexual orientation differences in their study, in which gay men show lower perceived discrimination than lesbians. This is corroborated by Rosenbaum et al. (2021), who point out that 20% of gay couples’ and 30% of lesbian couples’ experiences in stores were discriminatory. On the opposite direction, there are studies in sociology and social psychology that show higher prejudice toward gay men than lesbian women (Einbinder, Fiechter, Sheridan, & Miller, 2012).

It seems that these findings can best be understood by the culturally constituted conventions of society (McCracken, 2007). Many studies in the social and behavioral sciences provide information regarding differences in behavior due to variables of social structure, demographic characteristics, or personal attributes. It takes place because the types of experiences people have vary depending on personal characteristics – personality, temperament, intelligence, and values – social and cultural factors – ethnicity, race, religion, and education – and exposure to media and other information sources (Fishbein & Ajzen, 2010).

**FINAL CONSIDERATIONS**

With the help of Klinner and Walsh’s (2013) PCD metric, which addresses the relationship between different types of discrimination and the emotional outcomes of frustration and helplessness, this study analyzed perceived discrimination by LGBTI+ consumers in Brazil and the emotional outcomes of the discriminatory process. In exploring discriminatory practices towards LGBTI+ consumers in Brazil, it addressed contemporary research priorities in the marketing domain (Rosenbaum et al., 2021).

Based on this objective, the article’s title questions the existence of perceived discrimination by LGBTI+ consumers in Brazil. The answer to such a question is “yes,” because, according to the study’s evidence, there is discrimination, subtle discrimination being the most observed, while the variable with the highest perceived intensity of discrimination is inferior service to those who identify themselves as LGBTI+, i.e., attitudes resemble contempt.

In order to obtain the aforementioned data, it was necessary to validate a scale, which was done through a set of structural equation modeling techniques using the partial least squares method. In the process, the measurement model evaluation presented acceptable indexes and the hypothesis evaluation confirmed that overt and subtle discrimination are frequent causes of frustration and helplessness. However, discriminatory level of service did not present an acceptable level of significance as a cause of the emotional outcomes.

Furthermore, it is assumed that the discussions presented here, with all due peculiarities, will enable other relational studies regarding consumption and discriminatory phenomena, besides being useful for researchers investigating the negative consumption experiences of stigmatized, minority, and vulnerable customers.
Similarly, the study did not exhaust the literature on the subject, since the research cutoff was limited to the period analyzed, and the sample selected and the results achieved are not conclusive, pointing to the need for further studies. In the meantime, the main limitations refer to the sample characterization, which does not include the diversity of the LGBTI+ population, comprised mostly of people of the biological male sex, with male gender identity, and homosexual sexual orientation.

Therefore, here are some suggestions for future research. First, further studies might seek to understand the individual and situational factors that lead LGBTI+ people to choose identity management strategies. Then, it could be verified whether individuals who use these strategies, through the omission of sexual orientation, are the ones who are shown to have the lowest rates of perceived discrimination. Second, the plurality present in the LGBTI+ community incites a deeper understanding of different discriminatory experiences in consumption, such as those of perceived and levels of overt discrimination, in service and subtle among lesbian, gay, and trans people.

Next, it is interesting to explore the behavior of the Latin American LGBTI+ consumer in their own context and develop cross-cultural studies aimed at a comparative analysis of the discrimination perceived by these individuals. Fourth, in dealing specifically with the proposed scale, it would be substantial to develop a new dimension, called coping strategies, which would include items regarding the ways consumers defend themselves when they perceive discrimination - e.g., legal action, defection, internet boycott, negative word-of-mouth.

Finally, it is inferred that further quantitative and qualitative research on the subject is needed to complement this study’s results and to allow the construction and validation of metrics, models, instruments to analyze the discrimination perceived by the LGBTI+ public and the impacts on the consumption relations of this target audience for retail and services.
REFERENCES


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