

Cutting Edge: Our weekly analysis of marketing news

29 April 2020

Welcome to our weekly analysis of the most useful marketing news for CIM members.

Quick [links](#) to sections

Marketing trends and issues

Advertising

ANA opens up member-only content

The Association of National Advertisers in the US has opened up much of its member content to the global advertising and media community until 5 June to help them get through the pandemic. CEO Bob Liodice says that: "The COVID-19 crisis calls for marketers at every level, in every industry around the world, to step up".

mediapost.com, 21 April 2020 (Mandese);
<https://www.ana.net/content/show/id/marketing-covid-19>

Visual patterns and motion headlines

Three studies examine the impact of an ad's headlines, and the visual patterns in the ad, on consumer product evaluations. Advertising headlines often convey motion such as "move" or "quick" which may be accompanied by a regular or irregular visual pattern in the ad. The first study reveals that the combination of a regular visual pattern with verbal information conveying motion produces stronger product evaluations than the use of an irregular visual pattern. A second study demonstrates that a regular pattern creates the mental simulation that enables consumers to imagine themselves experiencing the product which in turn promotes the relationship between visual patterns and product evaluations. The third study corroborates the findings in the context of brand messages on Twitter. The way in which advertised products are aligned visually presents important decisions for ad designers.

Journal of Advertising, Vol 49(1) January-March 2020, pp3-17 (Farace et al)

Agencies

M&C Saatchi in anti-misinformation campaign

Misinformation has become a problem during the corona pandemic. To help remedy this, M&C Saatchi has launched a campaign with fact-checking service Infotagion and Iconic Labs called "Find the Truth, Isolate the Lies". Appearing on Instagram and Twitter, it allows people to check facts by tagging dubious posts with the hashtag #isolatethelies. The type of falsehoods the campaign seeks to counter are claims that 5G is causing Covid-19 and that ambulances are too busy to answer 999 calls.

prolificlondon.co.uk, 22 April 2020 (Spargo)

Agency update

In its regular updates on how agencies are faring during the virus, Adage reports that Dentsu has postponed issuing its 2020 first quarter results due to "delays to accounting procedures", because of the coronavirus. Dentsu has around 1,000 companies worldwide and operates in over 145 countries outside Japan. Interpublic has reported a Q1 organic revenue rise of 0.3% but a net revenue decline of 1.6% and warns to, "expect a very difficult second quarter". The company has undergone a number of cost-cutting measures so far. Finally, Cannes Lions has announced that it will create a virtual experience ("Lions Live") offering education and networking opportunities to cover the dates of its Festival of Creativity which should have taken place on 22-26 June.

adage.com, 24 April 2020; adage.com, 22 April 2020;
adage.com, 20 April 2020

Brands and branding

Should brands carry on advertising – not Coke

There is still a divergence of opinion over whether brands should continue to advertise during the pandemic. However, it is much easier to continue



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advertising if demand for your products is on the rise, such as household goods, as opposed to the travel sector. It is surprising, therefore, that Coca-Cola has decided to “pause” advertising. Its sales have fallen by 25% during the coronavirus with the decline being attributed mainly to out-of-home sales. In other areas people have been stockpiling Coke and sales in supermarkets have held up. Coca-Cola says the lack of ROI makes advertising ineffective right now and that it needs to remain “relevant”. But even such a recognisable brand should beware of “going dark” during the crisis. Brands need to come out of this stronger, not weaker.

marketingweek.com, 24 April 2020

Corporate image and domestic brands

This study addresses the issue of corporate branding for domestic brands by examining the effects of the corporate image of these brands on consumers’ purchase intentions. The study was conducted in emerging economies where product quality image may be low. The results show that all aspects of corporate image (product quality, corporate ability, CSR and “local-customer-first”) have a significant positive impact on customers’ purchase intentions of domestic brands to varying degrees. The study also identifies local-customer-first as a new factor which has a positive effect on buying intentions. It recommends that domestic brands strengthen their CSR, corporate ability and local-customer-first image.

Journal of Product and Brand Management, Vol 29(3) 2020, pp 257-272 (Teng)

Conferences and events

September the month for recovery?

According to a new survey of events professionals, September 2020 is expected to be the most “significant” month for coronavirus recovery. Some 38% of respondents to the *Business Events Sentiments Survey* regard this as the month when they expect to see enquiries and bookings rise, although 12% think this could happen as early as July and 13% as late as October. Overall, respondents tend to think that the effect of Covid-19 on the industry will be longer lasting, with half believing that there won’t be a return to any form of normality for at least 12 months. The survey was conducted between 6 and 14 April by Davies Tanner in partnership with Business Visits and Events Partnership (BVEP).

conference-news.co.uk, 24 April 2020 (Fullard)

Facebook expands meeting facilities

Facebook is competing with Zoom by allowing bigger group calls on Messenger and WhatsApp. Messenger Users will be able to create a Messenger Room that can hold up to 50 people with no time limit. This compares with a limit of 40 minutes on

Zoom. WhatsApp will be able to have group voice and video calls with eight people, up from the current four. Extra video functionality will also be added to Facebook, Instagram and Portal. However, the move raises questions about how Facebook will moderate content on its video chats.

marketingweek.com, 27 April 2020; ft.com, 24 April 2020 (Murphy and Stefano)

Consumer behaviour

Companies should show genuine empathy

Covid-19 has changed the way that companies and individuals live and work. Customer experience is also taking on a new meaning, with leading organisations refocusing their customer experience initiatives to cater for primary needs. But, as companies increasingly communicate the message that “we are here for you” during the crisis, they need to show empathy and care so that they can build up goodwill and emotional connections. This paper, *Connecting with customers in times of crisis*, sets out seven actions for displaying empathy to customers. They are based around the primary needs of safety, security and convenience and an emotional bond.

mckinsey.com, April 2020 (Dore et al)

Social influence – experiential vs material

A form of social influence takes place when consumers read reviews written by others online. The question this research seeks to address is whether people regard consumer reviews differently when making experiential purchases (events to live through) from when they buy material goods (something to keep). An analysis of reviews on Amazon, plus four lab experiments, suggest that people are less likely to rely on consumer reviews for experiential purchases than for material ones. This is because of the belief that reviews are less of a reflection of the objective quality of purchases for experiences than for material goods. It also suggests that people are less receptive to being told what to do than what to have.

Journal of Consumer Research, Vol 46(6) April 2020, pp1052-1075 (Dai et al)

Customer relations

Winning sales for a winning relationship

The author, an experienced salesperson, says there are three things that are “100% responsible for every win I’ve had”. First and foremost is “caring” which means that even a less sales-oriented person can outperform an experienced salesperson by showing that they care about what is best for the customer. Secondly is the need to “actively listen” to what the customer’s challenges are and what matters to them and; thirdly, you should make it easy for the customer to say “no”. Be honest if you don’t have the right product or service for them and they might even come back later when the situation

has changed. The way you deal with clients now will colour how they will experience your product and service in their relationship with you.

thriveglobal.com, 22 April 2020 (Shprintz)

Direct marketing

Digital direct marketing

Direct marketing is one of the most effective types of marketing and has many benefits including clearly measurable results. In this article the author explains the benefits of digital direct marketing and gives three examples of successful campaigns: Toyota Corolla, Touch Branding and Canva. She then provides a simple step by step guide on how to launch a direct mail campaign, from developing a contact list to analysing the results.

cyberclick.es, 30 March 2020 (Campos)

Coronavirus – business impacts

The DMA has conducted its first monthly barometer of attitudes in the DMA community towards the coronavirus challenge. It finds that 25% of businesses are confident that they can last longer than six months at their current level, but 54% say they are operating at just over half "business as usual". Some 63% of business are looking for support from government schemes. The vast majority say they have the technology needed to work from home. The update, *Coronavirus: March 2020 – Business Impacts Barometer*, can be downloaded from the DMA website.

dma.org.uk, 28 March 2020

<https://dma.org.uk/article/coronavirus-march-2020-business-impacts-barometer>

Direct marketing stands up during Covid-19

The Latest IPA Bellwether report does not make good reading for marketing budgets which are at their lowest since the 2009 financial crisis. However, compared with other marketing disciplines, direct marketing – defined by Bellwether as direct mail, door-to-door, SMS, catalogues and telemarketing – has probably suffered the least. It has seen a net balance of -6.6% as companies downwardly revising their budgets, which is an improvement on the -7.7% recorded in Q4 2019.

decisonmarketing.co.uk, 22 April 2020

Law

Protecting the brand online

Increasingly people have access to goods and services online which provides a level of convenience unmatched by traditional shopping. Covid-19 means that one's reliance on online services is greater than ever, effectively "supercharging the online environment". The implications for companies have been wide-ranging. Some have thrived while others have run into logistics problems or may be financially ruined as they fail to cope with the shift from high street to online. This presents a big opportunity for brand

owners but Covid-19 has also intensified the need to maintain brand reputation and to protect the business and customers from exploitation. There are certain IP risks to be considered, such as brand infringement, price gouging and counterfeiting.

lexology.com, 22 April 2020 (Draganescu-Pinawin)

Competitor collaboration during the crisis

Competition law applies even in times of crisis. Some businesses are currently being asked by Government to collaborate with competitors for public health objectives. This may cover deliveries, opening times or manufacturing and logistics. If this is the case, here is some advice for staying within the law. Some competition authorities have published guidance for collaborating during Covid-19, including the UK's CMA, the European Commission, European Competition Network and the US. Competition authorities have so far authorised competitor collaboration across sectors including supermarkets, transport, medical equipment and generic pharma manufacturers.

lexology.com, 15 April 2020 (Kar et al)

Marketing

To CMO or not to CMO

"Chief marketing officer" (CMO), a title first introduced by Coca-Cola in 1993, was removed by the company in 2017 to be replaced by the "chief growth officer". Two years later the CMO was back as CEO James Quigley realised that marketing, rather than growth, would better help Coca-Cola to achieve its goals. Companies are currently using a range of titles such as "chief brand officer" or "chief value officer". This article asks why anyone would want to change the title in the first place. Some of it has to do with redefining the value of marketing and showing that marketers, "are cleared to guide functions they may not have interacted with much in the past". This article looks at the business of changing marketing titles and concludes that, regardless of title, CMOs should be spending their time thinking about what will help to sell products, renewals and revenue.

ama.org, 9 April 2020 (Heisler)

Causation and correlation

Data-driven decision-making is widely used as a marketing tool but are marketing decisions made using the right data? It would be easy to make incorrect connections between trends, consumer needs and product demand, hence the importance of separating causation from correlation when it comes to making strategic marketing decisions. This article is divided into four sections which examine: the definition of correlation and causation; where AI technology fits in; the role of data analytics; and the place of empathy in marketing.

einsteinmarketer.com, 17 April 2020 (Peters)

Marketers must adapt for future scenarios

Marketers have had to reduce budgets and take action to ensure survival in the challenging situation they find themselves in. The AMA and Kantar have surveyed nearly 600 marketers to discover how they are responding. Kantar has developed a seven-point framework as a starting point to understand what organisations are doing and planning and how they should be acting in a crisis situation. It concludes that a lot of businesses need to move from defensive to offensive measures, to find creative ways of making the most of the situation and to plan for "potential" outcomes so that they are well positioned for the future.

ama.org, 21 April 2020 (Zwegers et al)

Bellwether – budgets steepest fall since 2009

UK marketing budgets have fallen at their fastest rate since the 2009 financial crisis, according to the IPA Bellwether first quarter report. A net balance of -6.1% of companies have cut their total marketing budgets in the three months, in contrast to -4% in the final quarter of 2019. Main media, a key vehicle for building brand awareness, has also recorded its steepest fall since 2009. However, a net balance of 16.2% of companies expect to see higher spending over the next 12 months. For the first time since the survey began in 2016, the report shows that marketers expect overall levels of employment to be down in three months' time. Even if there is some relief from the coronavirus, uncertainty over Brexit will remain.

**cityam.com, 22 April 2020 (Warrington);
marketingweek.com, 24 April 2020**

Market research

Capitalising on cognitive ease

If information is presented in a way requiring little mental effort (cognitive capacity) so that someone can use their "System 1" thinking, then it is high in "cognitive ease". But if people have to use "System 2" thinking, where it requires effort to understand information, then they are less likely to act and may give up reading. Effective communication requires high levels of cognitive ease so that it is easy to respond to. There are a few basic steps you can take when communicating with clients, research respondents or anyone else, to make the most of cognitive ease.

researchworld.com, 20 April 2020 (Hollingworth and Barker)

Research suffers most during coronavirus

The latest quarterly Bellwether report finds that market research has been the hardest hit of all the marketing sectors. A net balance -21% of marketers have reported a decrease in research budgets for the first quarter of the year compared with -3.2% for the first quarter of 2019. However, market research budgets have been declining since the third

quarter of 2015. The report shows that total marketing budgets have fallen more than at any time since the end of 2009. None of the marketing sectors showed an increase in budgets but main media advertising saw the greatest fall (-9.9%); direct marketing (-6.6%) and sales promotions (-7.2%). PR and events were harder hit at -14.3% and -15.9% respectively. In the longer term, marketers are more optimistic, with +16.2% of companies expecting to increase marketing spend over the next year.

research-live.com, 22 April 2020 (McQuater)

Public relations

Crisis comms – a new book

Crisis Communication Strategies: How to Prepare in Advance, Respond Effectively and Recover in Full, by Amanda Coleman, offers a practical framework with tips and checklists that can be adapted to any industry and any kind of crisis. It adopts a long-term approach to crisis management, by enabling practitioners to acquire the skills to set up policies in advance so that they have the tools in place when crisis hits. It also refers to global case studies such as the 2018 British Airways data breach and the 2017 Pepsi ad. The book is due to be published on 3 May 2020. Kogan Page is currently offering a free ebook with every print order.

koganpage.com, April 2020;
<https://www.koganpage.com/product/crisis-communication-strategies-9781789662900>

PR metrics is more than just media relations

PR practitioners are becoming savvier when it comes to data and metrics. The problem is that their efforts tend to be focused on media relations. Yet there is a raft of things one should be measuring depending on whose recommendations you defer to (for example #SMMStandards, the Institute for Public Relations or Barcelona Principles). The author proposes the PESO (paid, earned, shared and owned media) model that she believes every integrated marketing comms programme should use. She also gives an example of a PR metrics dashboard to show what might be included when starting out.

spinsucks.com, 23 April 2020 (Dietrich)

Sponsorship

F1 hopes for July start

Formula One is confident of resuming its races in July but coronavirus has hit its primary revenues (broadcasting deals, fees from racetrack promoters, sponsorship and advertising) which amounted to \$1.66 billion last year. Revenue could fall to as little as \$733.4m this year, according to Morgan Stanley. While broadcasting and race promotion were expected to make up two-thirds of F1's revenues this year, advertising and sponsorship would have accounted for around half of the rest. Liberty Media, F1's owner, had hoped to attract more sponsorship.

In March it signed a long-term sponsorship deal with Saudi Aramco, but the threat of a recession has led to companies reducing their marketing budgets. The only bright spot has been F1's move into e-sports, which has enabled it to put on virtual Grands Prix during the lockdown.

ft.com, 27 April 2020 (Agini)

Agriculture, fishing and forestry

Vending machines help social distancing

Farmers in Bridport, Dorset and near Yeovil, Somerset, are helping to keep consumers safe by offering vending machines that sell milk, cheese, meat and other staples. The machines, the idea of farmers Matthew and Coral Senior, offer 24-hour service and card-only payments. The machines are also environmentally friendly since customers can refill glass bottles. The Holy Cow Organic Milk is pasteurised, cooled and ready to drink so that there is no heavy processing and food miles involved.

fwi.co.uk, 24 April 2020

Morrison to open seafood and steak bars

Morrisons, the supermarket, is introducing new measures to support its farmer suppliers. One initiative is the opening of steak and seafood bars to help sell the produce which farmers are struggling to sell because of food service closures. A large proportion of some foods has traditionally been sold to the restaurant and catering trade. Morrisons plans to open a "BBQ and Steak Bar" and a "BBQ Seafood Bar". The supermarket is also offering a 5% discount on shopping for its 2,700 farmer suppliers.

farmington.com, 23 April 2020

Building industry

Architects – marketing during the lockdown

The coronavirus is significantly impacting architects which have the problem of finding new work when current projects come to an end. So, what are practices doing to drum up new work? This article looks at how architects' firms are marketing their businesses during the lockdown. E2 Architect+Interiors, for example, has been promoting a "Lockdown Architect" service for homeowners and developers. It enables a remote tour of the site – the "Lockdown Architect Home Visit" – after which it produces a video for the client. Bobby Jewell, an architecture comms expert, says that clarity of messaging is paramount right now, especially on the architect's website, which should convey the message that "enquiries are welcome". HLM Architects recognises that communication with clients and peers is more important than ever right now and is "engaging digitally on a day to day basis".

architecture.com, 23 April 2020

The first full electric road roller

BAM Infra Nederland claims to have developed the first 10- and 12-tonne fully electric road roller in the world. Electric alternatives are available for lighter equipment but there are few emission-free models for heavier categories. The new roller is also much quieter than traditional models, it can run for eight hours and saves seven litres of fuel an hour compared with the original diesel engine.

theconstructionindex.co.uk, 23 April 2020

Businesses and strategy

From player to leader – achieving a surge

Across most industries there is a handful of players in major markets that have similar levels of growth, profitability and market share. Every so often one of them is able to "surge" ahead, moving from an industry player to industry leader with a sustainable lead. Many companies that achieve these surges have taken advantage of a period of turbulence; Covid-19 has created the most "turbulent" environment since World War II. To find out why these surges occur, the authors have focused on South East Asia where some companies have been seeing significant surges. The authors set out seven factors that can lead to a successful surge and three enablers of a successful one. They also ask four questions which can help to identify whether your organisation is ready for a surge.

strategy-business.com, 16 April 2020 (Clayton and Grant)

Ethical intelligence in the workplace

As part of a series on ethics in the workplace, the author addresses the issue of ethical intelligence and whether it is possible to raise the ethical IQ (eIQ) of an organisation. There are three moral objectives for which policies and practices can be seen to be moral, but moral issues can be difficult to fix. In his book, *Ethical Intelligence*, the author identifies seven techniques for enhanced ethical thinking which he sets out in this article. He recommends that ethical thinking should be included in appraisals and training and suggests that HR should take the lead in the seven disciplines of ethical intelligence.

hrzone.com, 17 April 2020 (Andreski)

Putting purpose at the core

Shareholder capital has traditionally resulted in huge progress but has failed to address issues such as climate change, income inequality or the implications of AI for employment. Employees in the corporate world are increasingly looking for decisions and behaviours that they can be proud of and want to work for companies that have a positive impact on the world. The potential for businesses to be a force for good is enormous and there are opportunities for them to make contributions that go far beyond traditional CSR. So where do they go

from here to deliver a sense of purpose across environmental, social and governance (ESG) priorities? This article explores “confronting the purpose gap” and placing purpose at the core.

[mckinsey.com](https://www.mckinsey.com), April 2020 (Gast et al)

Put aside poor data and gain trust

The volume of data continues to grow, data sources are increasing in size and complexity and there is constant innovation. However, poor data can damage an organisation and negatively impact a customer experience. According to Experian’s *Global Data Management* research, 85% of organisations see data as one of their most valuable assets; being data driven is seen as giving organisations a competitive edge through better customer experience, better insights and more innovation and efficiency. Yet the level of distrust in data is high and Experian’s research suggests that almost a third of customer and prospect data could be inaccurate. This is the time to put things right, gain the trust of the organisation and achieve business goals. Here are some key considerations.

[dataiq.co.uk](https://www.dataiq.co.uk), 14 April 2020 (Hook)

Charities and NGOs

Digital fundraising – a wake-up

It has been predicted that the UK charity sector could lose £4 billion if in-person fundraising events and physical charity shops are not replaced with digital alternatives. There are a wide range of digital options open to charities although research suggests that the majority (59%) rate their digital fundraising skills as “fair to low”. Yet it is possible to get started with “a few small steps”. Ultimately the pandemic presents an opportunity for charities to reconsider their approach to digital fundraising which accounts for an increasing percentage of the total “addressable” market for UK charitable donations, especially with the younger audience. Charities that don’t adapt are at risk of being left behind.

[charitydigital.org.uk](https://www.charitydigital.org.uk), 22 April 2020 (Paterson)

Charities could close

Caroline Abrahams, director of charitable activities of Age UK, warns that “lots and lots” of charities face closure unless the Government ramps up its support package. Age UK has already furloughed 1,300 out of its 1,750 staff and might have to consider redundancies. This is particularly significant since people over 70 are being advised to self-isolate, with many not having their usual support networks. Karl Wilding, chief executive of NCVO, says the revenue losses for the charity sector as a whole are so great that they cannot be covered by the £750m Government emergency funding package. He estimates that around 50% of charity income will have been lost. But the Department for Digital, Culture, Media and Sport says the existing package

is “significant” and that charities will benefit from other relief such as a holiday from business rates for their shops.

[ft.com](https://www.ft.com), 27 April 2020(Wright)

Economy

Consumer price inflation

The Consumers Prices Index, which includes owner occupiers’ housing costs (the CPIH 12-month inflation rate) was 1.5% in March, down from 1.7% in February 2020. The largest contributors to inflation were housing, water, electricity, gas and other fuels (0.51%). Motor fuels and clothing were the biggest contributors to the downward change in the CPIH between February and March.

<https://www.ons.gov.uk/releases/consumerpriceinflationmarch2020>, 22 April 2020(Gooding)

Producer price inflation – March 2020

The inflation rate for goods leaving the factory in the UK fell to 0.3% for the year to March 2020, down from 0.5% in February. The prices of materials and fuels used in manufacturing showed negative growth of -2.9% in the year to March 2020, down from -2% in February. Petrol products contributed the biggest downward trend in the annual rate of output inflation while crude oil provided the biggest downward contribution to the change in the annual rate of input inflation. Crude oil prices have experienced record falls in March due to reduced demand during the coronavirus but no reduction in supply.

<https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/producerpriceinflation/march2020>, 22 April 2020 (Portanti)

Education

Russell Group finances to be worst hit

A new study suggests that Russell Group universities’ finances will be the most effected by the coronavirus. The Group earned on average £99m from international student tuition fees in the last academic year, according to a report commissioned by the University and College Union (UCU). Non-Russell group universities receive a much smaller amount (between £4m and £21m) from international fees. Foreign students are charged around double the £9,250 that British and EU students pay, so their absence will leave a gaping hole in university finances. Vice-chancellors have written to the Chancellor asking for a 100% increase in research funding for the next academic year (See also Cutting Edge 22 April). Tim Bradshaw, chief executive of the Russell Group, argues that investment now will, “help the country bounce back and emerge stronger from the crisis”.

[telegraph.co.uk](https://www.telegraph.co.uk), 23 April 2020 (Turner)

Energy and utilities

Longest coal-free period since pre-industrial

The UK has achieved its longest coal-free period since pre-industrial times: according to the Solar Trade Association (STA), coal power has been offline since 10 April, and there has been enough solar power to drive 6.7 billion kilometres in a Nissan Leaf! Over the last week solar energy accounted for over 11% of UK electricity demand. STA CEO Chris Hewett says that solar will become, "an increasingly greater part of the energy mix" and that the Government can help to kick-start the economy following the Covid-19 crisis by placing renewables at the centre of its recovery strategy. Solar can be expected to provide a "glut of green jobs".

energylivenews.com, 28 April 2020 (Bairstow)

Almost 60,000 switch electricity supplier

Energy UK, the trade association for Britain's energy industry, reports that 589,297 customers switched electricity suppliers in March which means that switching is up by 10% so far this year compared with last year. However, Energy UK interim CEO Audrey Gallacher says the best way to save money in the long term is through energy efficiency. She wants to encourage people to save money by finding ways to reduce energy use, such as by making minor adjustments around the home.

energy-uk.org.uk, 23 April 2020

Environment

UK higher than global average for green jobs

There was a 12% rise in the number of sustainability professionals in the UK last year which is higher than the global average of 7.5%. The UK also saw a 32% increase in sustainability job postings on LinkedIn. LinkedIn has analysed the number of sustainability-related job postings and job titles on its site to understand the green job environment. It reveals that Europe has seen a 13% year-on-year rise in sustainability professionals with the top three cities in this respect being Stockholm, Helsinki and Amsterdam. It also finds that the fastest rising core skill among sustainability professionals is data analysis with year-on-year growth of 18%. The top three industries for job opportunities in this field are: environmental services; renewables and environment; and architecture and planning.

prolificlondon.co.uk, 22 April 2020 (Peachey)

Fashion

Boohoo benefits from remote working...

Online fashion retailer Boohoo has reported a 54% rise in pre-tax profits and 44% rise in sales for the year to the end of February. Despite working at home, people have been buying smart tops for video conferencing in addition to comfortable clothes for

working from home. The retailer said it had seen a "marked decrease" in sales immediately after the lockdown, but that things had been picking up in April. However, it has not ruled out the possibility of falling demand and warehouse closures.

marketingweek.com, 23 April 2020

...as people return to loungewear

Online demand for loungewear (a hybrid of pyjamas and tracksuits) has risen by 322% in the UK since the lockdown, according to LoveSales.com. For struggling retailers even dressing down is welcome since loungewear is one of the few categories that is growing. This time last year £1 billion was spent on clothes for parties and socialising with a further £855m on holiday attire, according to Kantar. Retailers' stores would have accounted for 70% of consumer spend, but Kantar believes that "smaller or niche categories" will allow retailers "to be engaged with their customers". The question is whether it will be difficult for people to transition back to more traditional working clothes after the lockdown or whether relaxed attire is here to stay...

bbc.co.uk/news, 28 April 2020 (Jordan and Russon)

Financial services

Wearable payments – a timely venture

NFCW recently convened a panel discussion between Timex, Mastercard and wearable payments innovator Tappy Technologies as part of the Wearable Payment Summit 2020. Key points to emerge were that convenience, consumer choice and the ability to use contactless payments for public transport will be crucial for driving mass adoption of wearable payments in urban environments. Timex has teamed up with Tappy for the launch of Timex Pay this year. Customers will be able to add their payment card to a payment module that is embedded in the strap of Timex's traditional analogue watches. Timex is also planning to launch a range of watch straps that can be used with existing watches.

nfcw.com, 17 April 2020 (Clark)

FMCG

Unilever shifts ad focus

In the short-term Unilever is stopping production of major ad campaigns which will involve shifting spend from outdoor, and areas affected by the lockdown, to "dialling up areas with strong ROI". CEO Alan Jope plans to significantly ramp up communications in household goods, where sales rose by 2.4% in the first three months of the year. The company has seen rocketing sales in hygiene and food products; the greatest volume decline has been in ice cream which would normally benefit from tourism and the warmer weather. Unilever expects "lasting changes" in consumer behaviour as a result of the pandemic. So far it has identified four

key changes, but Jope believes the company will come out of the crisis “well-positioned for the future”.

marketingweek.com, 23 April 2020 (Fleming)

Beverages

Alpro to help independent coffee shops

Alpro, producer of plant-based milk, plans to offer free products to independent coffee shops to help them recover when they finally reopen. It expects to spend £125k on the free stock and on a social media campaign to support baristas. Coffee shops will be able to apply for products through Alpro’s website from 30 April. It is also offering “In It Together” financial aid to coffee shops that are in financial difficulty.

thegrocer.co.uk, 27 April 2020 (Sandercock)

Cosmetics and toiletries

Soap and Glory supports Hygiene Bank

Rather than freezing or reducing adspend, bathing brand Soap and Glory is ensuring that its marketing is contributing to a good cause during the coronavirus. It has become the latest brand to use Good Loop’s “ethical adtech” which enables people to make a charitable donation while watching an ad online. Soap and Glory is helping to support The Hygiene Bank, a charity which helps people in poverty to have access to basic toilet facilities. Every time the viewer “swipes up” to watch the ad, they can unlock a portion of Soap and Glory’s marketing spend to give to the charity. Soap and Glory has already committed to donate 50p to the charity for every 50 of its products purchased.

thedrum.com, 24 April 2020 (Stewart)

Food

Easter chocolate sales down, beef and beer up

Easter confectionery sales fell by 19.1% in the six weeks to Easter Sunday, with Britons spending £55.3m less than last year. It was better news for fresh meat sales, which grew by 17%, and beer, wine and spirits sales, which grew by 11.8% over the six weeks, according to IRI. Tim Drummer, IRI commercial director, attributes the trend to the growth in scratch cooking and restricted movement, which means that people may be cutting back on less healthy things. Beer and beef gained the most from the lockdown, with sales up by 20.7% and 24.6% respectively compared with the Easter period last year.

thegrocer.co.uk, 23 April 2020 (Woolfson)

Ice cream DTC plus free tub to neighbour

Ice cream brand Oppo Brothers has launched a direct-to-consumer service called Oppo Delivered. Consumers who have ice cream delivered direct to their homes will also have a free tub delivered to a

neighbour. All profits will be donated to NHS Charities Together.

thegrocer.co.uk, 24 April 2020 (Dawson)

Danone – adapting to demand

Danone is surviving the crisis through measures such as adapting its factories to social distancing, stockpiling face masks and expanding remote working. It has a central crisis committee which is responding to the situation as it evolves for its global staff of 105,000 employees. CEO Emmanuel Faber has told his executive committee to, “forget the three-year plan. It doesn’t exist anymore. Just get through the next ten days, then the next month, and so on”. Yet during the coronavirus all the company’s key product categories have made strong gains. This article charts how Danone is dealing with the crisis and its ability to keep supplying products in a period of such high demand.

ft.com, 27 April 2020 (Abboud)

Household

Disinfectant warning – “Tide Pods” president

Household cleaning brands are rushing to distance themselves from President Trump’s remarks about injecting disinfectant to fend off the coronavirus. Reckitt Benckiser (maker of Lysol and Dettol) has warned that “under no circumstance” should its products be injected into the human body. Clorox, which features as a humorous song on Twitter with the lyrics “Just a spoonful of Clorox makes your temperature go down” has also issued a warning. *USA Today* reports that Trump is now nicknamed the “Tide Pods” president on Twitter after the Procter and Gamble product which caused controversy in 2018 when teenagers started putting the pods in their mouths as a challenge.

adage.com, 27 April 2020 (Jardine)

Tobacco

France to test nicotine in Covid research

France has taken steps to prevent the stockpiling of nicotine products following new research which suggests that nicotine could help to lower the infection rate of coronavirus. The French Government has suspended online sales of nicotine patches and other smoking cessation products while chemists have been told to dispense limited amounts. The research at a hospital in Paris found that the infection rate for smokers among Covid-19 patients was lower than for non-smokers. The WHO says that the French study was, “not consistent with what we are seeing in other countries”. French researchers will now test nicotine patches on patients with the virus to see if symptoms improve. Experts stress that tobacco remains a major health risk that kills 80,000 people a year in France.

ft.com, 24 April 2020 (Nilsson and Mallet)

Government and public sector

Public sector finances

The ONS's latest release for UK public sector finances predictably focuses on the Covid-19 pandemic which will have a significant impact on public finances. For this particular release (April 2019 up to the end of March 2020) the effect of the virus is still fairly limited. Debt at the end of March 2020 was £1,804.0 billion (79.7% of GDP) up by £30.5 billion compared with March 2019. Borrowing was £3.1 billion, the highest borrowing in the month of March since 2016. Borrowing for the latest full financial year was £48.7 billion, £9.3 billion more than in the previous financial year.

<https://www.ons.gov.uk/economy/governmentpublicsectorandtaxes/publicsectorfinance/bulletins/publicsectorfinances/march2020>, 23 April 2020

IT and telecoms

Macintosh – survival of a brand

The Apple Mac has remained relevant for 40 years. This is partly down to “Macintosh evangelists” who were much more than just customers. The Mac also benefited from a strong base in education while the success of Microsoft seemed to fuel the Mac’s popularity among users who took exception to Windows. The survival of the Mac undermines much theory about innovation; while values and attitudes may evolve, memorable experiences and emotions stick. Larry Ellison once said that despite the success of Oracle, IBM and Microsoft, “no one has incredible emotions associated with our companies. Only Apple is really a lifestyle brand”. Macintosh represents innovation that has set standards in the relationship between humans and digital devices. For Apple it has been a “springboard” for “different innovations tied seamlessly to generate a unique holistic customer experience”.

[fastcompany.com](https://www.fastcompany.com/4048841/macintosh-survival-of-a-brand), 25 April 2020 (Delbourg-Delphis)

Accesso looks to future for social distancing

Accesso provides systems to theme parks, such as Legoland, which allow visitors to jump the queue by paying extra. But the theme park industry has been hit hard by the forced lockdown. Sales from Accesso’s queue-jump technology have plummeted to almost nothing since late March. However, Steve Brown, chief executive, says that theme parks could provide a new opportunity when they finally reopen. Instead of physical queuing, it is proposing a system of virtual queuing whereby people can book slots online. This would help parks, museums and other attractions to comply with social distancing rules.

[ft.com](https://www.ft.com/content/2020/04/23/accesso-theme-parks-social-distancing), 27 April 2020 (Fildes)

Leisure and tourism

Finland opts for e-hockey

One of the greatest disruptions to life during the coronavirus has been the cessation of sport and it is uncertain how or when fixtures will resume. Hockey is one sport that hasn’t been curtailed in Finland. The Finnish Hockey League has recommenced its season but, instead of playing on ice, it is being aired as a video game. Broadcasting company Telia has teamed up with EA Sports’ *NHL 20* video game to broadcast on national TV. Each team chooses a representative to play for their team, with real-life professional players signing up.

[fastcompany.com](https://www.fastcompany.com/4048841/macintosh-survival-of-a-brand), 8 April 2020 (Beer)

Sport England ramps up exercising message

The pandemic has not cramped Sport England’s style and it is still encouraging people to get exercising. The latest campaign follows research which reveals that 38% of adults in England had done less physical activity over the previous week than they would in a typical week before social distancing. The #StayInWorkOut campaign has been mentioned almost 13,000 times since going live at the end of March and is estimated to have reached 150m users on Twitter alone. Now it has launched a short film featuring the novel ways in which people are staying fit, with the aim of reaching a wider audience.

[thedrum.com](https://www.thedrums.com/2020/04/27/sport-england-stay-in-workout), 27 April 2020 (Watson)

Media

Books

How to protect books

Authors and publishers need to protect their creations but book titles can’t be trademarked because trademarks relate to goods and services. However, there are ways in which they can protect their IP rights. For example, if a book is part of a series, such as “Harry Potter”, a phrase that identifies all the books from that author, then it can be trademarked. The names of fictional characters usually can’t be trademarked but they can be registered if they indicate a particular source of goods and services. Hercule Poirot has been trademarked as have *Harry Potter* characters such as Ron Weasley and Albus Dumbledore. In addition, personal names can be registered, hence the trademarking of authors’ names such as Agatha Christie and Enid Blyton.

[lexology.com](https://www.lexology.com/2020/04/09/how-to-protect-books), 9 April 2020 (Lund-Beck)

Film

Disney accused of trying to own MayThe4th

Disney has been criticised for trying to claim media ownership of the hashtag “MayThe4th” on Twitter. Disney Plus, its streaming service, is encouraging

people to share *Star Wars* memories on 4 May using the hashtag. It has also issued a legal warning that anyone retweeting the hashtag agreed to allow Disney to use their content and account name "in all our media and our terms of use". Following a backlash, Disney amended its message to say that its legal language applied only to messages mentioning @DisneyPlus.

bbc.co.uk/news, 28 April 2020

Games

Social simulation popular during lockdown

Nintendo's *Animal Crossing: New Horizons* has sold more than two million copies since its release on 20 March while in Britain Nintendo Switch console sales rose by 511% on the previous week, according to GfK. *The Sims* by Electronic Arts (EA) is another social simulation game that has become popular during the lockdown. Users have been using the official message board to show how their Sim characters are self-isolating. *Animal Crossing*, meanwhile, allows users to connect their consoles to the internet so that they can spend time with friends on each other's islands. Some players have even hosted virtual birthday parties.

economist.com, 24 April 2020

Internet

Google takes steps to reduce ad fraud...

Google aims to reduce ad fraud by requiring advertisers on its platforms to verify their identity. Agencies have welcomed the move but are concerned that it could allow marketers to obtain a list of their competitors' clients. Many brands don't want people to know which agency they are using but Google Ads will require the name of the person or company placing the ad. Google says that it will only show the "trademarked or legal name of the end advertiser behind the ad", not the agency. The feeling is that the move will stop a percentage of, but not all, fraudulent practice.

mediapost.com, 23 April 2020 (Sullivan)

...but reduces marketing budgets

Google is reportedly cutting its marketing budgets by up to a half during the second half of the year, with a freeze on all new hiring. Before the outbreak of the coronavirus, Google had said it would increase its marketing budget this year but CEO Sundar Pichai says that the company will re-evaluate its investment for the rest of the year.

cityam.com, 24 April 2020 (Warrington)

Newspapers

Call for tech industry to help journalism

Newspaper publishers face losses of £750m in print and advertising, over £100m in online advertising and £250m in circulation income, according to Enders Analysis. It believes that 5,000 journalists

and many publishers could be at risk and has joined calls for Google and Facebook to help sustain the industry, "through current nuclear winter conditions". The Australian Government has recently forced Google and Facebook to share some of their ad revenue with the news industry.

telegraph.co.uk, 24 April 2020 (Williams)

Time to rethink the adtech market

The coronavirus has emphasised the flaws in adtech. News media are struggling to provide coverage while suffering from falling revenues. Newsworks has reported that digital brand safety measures related to placing ads next to coronavirus-related material could cost the news industry £50m in lost ad revenue over just three months. Tracy de Groose, executive chair of Newsworks, says that the lockdown is forcing action: "We have to look at the mechanics of how the online market works." According to Damon Reeve, CEO of The Ozone Project (an ad alliance of news brands), conversations are beginning to change about the ways in which tools and technologies are being used.

thedrum.com, 27 April 2020 (McCarthy)

Jewish Chronicle rescued

The famous *Jewish Chronicle* has been saved, after going into liquidation this month, by a group of buyers which include Sir Robbie Gibb, former director of communications for Theresa May's government. The Kessler Foundation had blamed the demise of the paper on the "state" of the media industry and the coronavirus' effect on ad revenues.

prolificlondon.co.uk, 24 April 2020 (Peachey)

Social media

Now there is an opportunity for marketers

Despite people spending more time on social media due to social distancing, many marketers are actually reducing their adspend on Facebook. A global analysis from Socialbakers shows that there is lower demand for paid ads on Facebook and lower CPC; brands are also posting more organic content. Yet the lower cost of ads combined with the greater number of people online presents a huge opportunity for marketers to engage with their audiences and create compelling content. Smart marketers should be using the time to get closer to customers and expand their reach. Brands have an opportunity to "future-proof" their businesses through digital transformation. Those who have frozen or reduced their budgets are likely to lose out.

martechadvisor.com, 13 April 2020 (Ben-Itzhak)

Television

Changing media habits...

New research shows that TV viewing has risen by 24% during the lockdown. "Lockdown TV", commissioned by Thinkbox from Ipsos MORI, reveals that comedy and light entertainment have been very popular, with shared family viewing rising by 37%. Cookery shows are thought to be filling the gaps left by live sport while news coverage viewing rose by 124% in the first three weeks of the lockdown. Matt Hill, Thinkbox research and planning director, says that people's media habits are changing and, "it is vital we understand what those changes mean for the TV and advertising industries".

marketingweek.com, 24 April 2020

...and implications for media brands

One effect of the coronavirus has been the rise of TV and video viewing across all formats. One would assume that people are watching more because they have more time, but the picture is more nuanced than that. TV is beginning to play new and evolving roles which could have implications for media brands today and in the future, according to Ipsos MORI's Media Kids and Family product team. Its research indicates that Lockdown TV is fulfilling the roles of: The Entertainer, The Informer, The Commercial Break and The Babysitter.

mediapost.com, 17 April 2020 (Baer)

Packaging

Packaging sustainability important for online

New research suggests that the European online grocery market will grow by 66% by 2023 and that the primary packaging requirement, according to 65% of consumers, is sustainability. Recyclable packaging is the number one sustainability attribute, according to online shoppers, with over a third of online consumers citing this as very important, according to research from Amcor. Some 13% of shoppers mentioned the lack of packaging information available online and indicated that this would be an opportunity for retailers to add sustainable information.

packagingnews.co.uk, 23 April 2020 (Qureshi)

Retailing

March sales fall by record amount

Monthly retail sales for March fell by 5.1%, the largest fall since records began over 30 years ago, according to the ONS's latest retail sales bulletin, *Retail sales, Great Britain: March 2020*. This follows most shops closing their premises on 23 March following Government guidance. The largest declines were seen in clothing and fuel. Food and non-store retailing were the only sectors to see growth in March, with food stores growing by a record 10.4%. Overall retail sales fell by 1.6% in the three months

to March 2020 compared with the previous three months. Online sales as a share of all retailing reached 22.3% in March, also a record high.

<https://www.ons.gov.uk/releases/retailsalesgreatbritainmarch2020>, 24 April 2020

Delays – companies can attract loyalty

Consumers expect fast delivery but supply chains are under pressure due to the pandemic. This even applies to the likes of Amazon which bases its business on speedy fulfillment. Longer delivery times will continue as long as consumers stay at home to avoid the virus. Unless a company owns the last delivery mile, all it can do is inform customers about delays. To prevent backlash and customer churn, vendors should make sure that their processing and handling systems are as good as those of their competitors because this is where they can differentiate themselves. Clear communication is essential and a message from the company that the package may not arrive quickly may help to drive long-term loyalty.

emarketer.com, 24 April 2020 (Kats)

Changing shopping habits during lockdown

Tesco has had to adapt rapidly to new shopping habits, according to chief executive Dave Lewis. Social distancing means that people are shopping less frequently but the average basket size has doubled as shoppers return to making a weekly trip to the supermarket which they used to do a decade ago. Online shopping has taken off to the point that Tesco's weekly delivery slots have surpassed the one million mark for the first time ever. Data from Kantar supports the view that shopper habits are changing. Tesco remains the largest supermarket with 26.8% share although the Co-op has seen a 20% rise in spending and Ocado 19.4%. Online sales now account for 10.2% of the grocery market.

bbc.co.uk/news, 28 April 2020

Services

Gambling companies to stop TV and radio ads

Gambling firms are to cease all advertising on TV and radio for a period of six weeks during the lockdown. This follows criticism that the industry has been exploiting vulnerable people who are stuck at home. Instead, TV and radio ad slots will be replaced with safer gambling messages, donated to charities or removed altogether depending on the contract.

bbc.co.uk/news, 27 April 2020 (Read)

Greggs to reopen stores in controlled trial

Greggs is the latest retailer to plan for reopening its stores. Last week B&Q reopened some of its stores to shoppers and John Lewis hopes to do so in May. Greggs says it will reopen a small number of stores next week in the Newcastle area for takeaway and

delivery as part of a “controlled trial”. It hopes to open all 2,050 stores by 1 July. However, PM Boris Johnson has told the public to stay indoors to avoid a second peak in infections.

theguardian.com, 27 April 2020

Transport and travel

Ryanair dismisses social distance flying

Ryanair CEO Michael O’Leary says the airline will not recommence flying if it is forced to adopt “idiotic” social distancing measures such as leaving the middle seat empty. He says this would not align with Ryanair’s operating model, which relies on a very high “load factor”. He has told the Irish Government that, “either the government pays for the middle seat or we won’t fly”. This contrasts with EasyJet which says that social distanced flights could be achieved in the short term.

marketingweek.com, 23 April 2020

Thai Air offers Airmiles for staying at home

Thai Airways is to give up to three million free airmiles to its members provided they stay at home during the coronavirus. To participate, members with active frequent flyer membership have to download an app which uses geolocation technology to ensure that the user stays at home. In this way Thai Airways hopes to do its bit to help prevent the spread of the virus as well as remaining relevant to its members.

thedrum.com, 27 April 2020 (Lim)

Bike rentals hit peak in London

Sunday 19 April has been the busiest day for bike rentals so far this year, according to TfL. The London-based Santander Cycles or “Boris Bikes” were used for 39,889 trips, slightly lower than their peak of 44,668 on 4 July last year. So what is driving this trend and why would people want to touch surfaces that other people have been in contact with? Many regard cycling as better than public transport: tube usage is down by 93% and bus usage by 74%. By contrast, residents in Madrid have been banned from using “Bicimad” bikes while e-scooter rental start-up Lime has been scaling back its operations everywhere except South Korea. Dr James Woodcock a transport and health researcher at the University of Cambridge, suggests that in the interests of social distancing, TfL should be looking at opening more cycle lanes to cater for future trends.

ft.com, 28 April 2020 (Steer)

Written by CIM’s Knowledge Services Team

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