

# Cutting Edge: Our weekly analysis of marketing news

20 January 2021

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

Quick [links](#) to sections

## Marketing trends and issues

### Advertising

#### Animals vs people in ads

Animals have been used in ads for years, but little is known about their impact on the consumer purchase-decision process. This study examines the effects of using animal stimuli on their own compared to using them together with a human model in print ads. The study, which covered 126,220 consumer evaluations of 302 print ads across 18 product categories, found that animals do indeed support a positive attitude change. They also influence consumers' purchase intentions. Women were found to react more strongly than men to animal stimuli. However, combining an animal stimulus with a human model is not recommended if one is to achieve a greater impact.

**Journal of Advertising Research, Vol 60(4), December 2020, pp426-438 (Trivedi and Teichert)**

#### Out-of-context ads

Google has removed 164 apps from its Play Store after its security team found that the apps had been bombarding users with so-called "out-of-context" ads. Out-of-context or out-of-app ads are mobile ads that appear in a pop-up or on the screen, and are quite separate from the original app. They have been banned on Play Store since February 2020 and are regarded as "silent" spam since the user sometimes doesn't know which app the ad came from. The recent removal of such apps, together with other apps that were found to be abusing the system last year, were identified by White Ops, a firm that specialises in detecting bot and ad fraud.

**zdnnet.com, 15 January 2021 (Cimpanu and Day)**

### Agencies

#### A better approach to creative briefs

The authors argue that CEOs, marketers and

managers, who need to create compelling creative content to support their business objectives, often lack "the kind of foundational thinking" that underpins other critical business functions, such as finance. The ad industry hasn't defined the things that matter most in a creative brief, or developed industry standards for "what the work should say" so that creative teams can find ways of saying it. This is something that can damage the credibility of creative presentations and the effectiveness of marketing campaigns. The authors argue for a better and more powerful approach, based on "perception-shifting" cases (shifting the target audience perceptions). They mention the Ogilvy & Mather (1980s) blueprint for moving the target audience from Point A to Point B.

**Journal of Brand Strategy, Vol 9(3), Winter 2020-2021, pp211-221 (Jones and Bonevac)**

### Brands and branding

#### Brand activism – beneficial or harmful?

Brand activism is when a brand takes a stand on controversial socio-political issues but how do consumers react when brands take such action? A series of studies conducted among both known and unknown brands found that attitudes towards the brand decreased significantly among consumers who disagreed with its stand, yet there was no significant effect among consumers who supported the brand's stand. In other words, this type of activism can hurt a brand while the potential benefits can be minimal. The research also found that it is possible to mitigate the negative effects of the disagreement between consumer and brand.

**International Journal of Research in Marketing, Vol 37(4), December 2020, pp772-788 (Mukherjee and Althuizen)**

#### Brands are tougher than you think

Ben & Jerry's is to start selling dog food close to its usual ice cream products in the freezer compartment



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[www.cim.co.uk/membership/cpd/](http://www.cim.co.uk/membership/cpd/)

of American supermarkets, in the hope that people will treat their dogs at the same time as they treat themselves. Traditional brand theory suggests that if a brand extension involves moving into a new category, it risks undermining the original brand. While brand management tends to be very risk-averse – nobody wants to tarnish their brand image – brands are in fact much tougher than marketers imagine. Deviations from the norm, such as Porsche's out-of-character Cayenne SUV, reveal that brands can survive and prosper. This is because of the rise of brand awareness or salience, argues Mark Ritson. While brand image is still important, "it occupies the passenger seat these days for most marketers". What people think of you is probably less important than "getting people to think about you"!

**marketingweek.com, 14 January 2021 (Ritson)**

## **Children**

### **TikTok – tighter children's privacy rules**

TikTok has introduced a range of measures to protect children. It has updated its privacy policy so that default settings for 13- to 15-year-olds will be set to private. It will also restrict comment on videos created by users under the age of 15 to just their friends rather than allowing all users to comment, as at present. Users of 16 and over have slightly greater access to features, such as "Duet" and "Stitch". This follows criticism of TikTok for not sufficiently protecting children's user data and a legal challenge in the UK for violating children's privacy law.

**campaignlive.co.uk, 14 January 2021 (Sanchez)**

## **Conferences and events**

### **Event festivalisation**

As more Millennials and Gen Zs enter the workforce, they are driving change in the events industry. They recognise that a "forgettable, ho-hum" event is no longer acceptable and want to know why events can't be more like festivals which engender a sense of community enjoyment and give people shared memories. The process of "festivalisation" uses elements from festivals to make the event more dynamic and memorable. It also offers useful tools to make events into "experiences" whether on or offline. The author discusses the variety and personalisation aspects of festivalisation; the fact that it bridges the gap between business and entertainment; how technology helps to provide the multisensory experience needed; and the fact that festivalisation should also be considered during the promotion phase of the event.

**eventindustrynews.com, 13 January 2021 (Harms)**

### **Don't forget to trade mark your event**

Event organisers put much time and resources into planning and organising for the occasion, which might be anything from a conference or tradeshow

to a sporting or music event. The attraction of the event for the attendee often depends on the event itself or the company or individual organising it. Event organisers should therefore consider trade mark protection to prevent third parties from taking advantage of the event's "attractive force"; in other words, others might try to use the same name or copy the logo. The author sets out five important factors that should be considered before applying for a trade mark for an event name or logo. Trade mark protection is particularly important at a time when many events are moving online and therefore available to more people.

**lexology.com, 11 January 2021 (Anti)**

## **Virtual events – what are their value**

It seems very likely that virtual events will continue well into 2021 and that live events won't resume until the latter half of the year. That leaves several months in which companies must organise virtual activities. *PR News* asked some communicators what the virtual activities of 2020 have taught them about operations and whether a virtual event is a good way of achieving business leads and creating revenue. Although there are questions about the value of virtual events, one of the upsides is that they create a lot of data so can be easily measured. In addition, online sales leads can be compared with the previous year's in-person activity to see which provides the most leads at the lowest cost.

**PR News, 5 January 2021, p1**

## **Consumer behaviour**

### **Chance events – self-product connection**

A series of six studies show that consumers who come across products through low chance events, rather than predictable events, develop more positive feelings for the products and stronger self-product connection. The research suggests that consumers look for meaning when an unexpected event occurs, and this can result in a stronger connection with a product and a stronger liking for it.

**International Journal of Research in Marketing, Vol 37(4), December 2020, pp853-867 (Kim and Briley)**

## **Customer relations**

### **Reaching new customers**

As remote work and virtual meetings have become the norm, it has also become clear that it is easier to shift an existing relationship to video than to address the challenges of winning new ones. This is particularly true of B2B sales. Many companies have spent the time reinforcing relationships with existing customers but sales teams should not abandon efforts to find new customers. They can do this by following some key tips which include: focusing on expanding existing customers; staying away from "no oxygen" zones where prospects have led to limited or no success; and reaching the right

prospects with differentiated offerings. Virtual selling also has its advantages, such as geography no longer being a barrier, and it is easier for sellers to connect prospects with current customers who can convey trust.

**hbr.org, 13 January 2021 (Zoltners et al)**

### **Moving beyond traditional categories**

*The New Chameleons: How to Connect with Consumers Who Defy Categorization*, a forthcoming book by Michael R. Solomon, identifies the complex relationships that modern customers have with products and services; examines how the most fundamental assumptions made by marketers to understand their customers no longer make sense; and shows how to push traditional boundaries with the use of bitmojis, avatars, video games, AR, the sharing economy and unisex clothing brands. To get your copy of the book, go to:

<https://www.johnsmith.co.uk/cim-shop/product/9781398600041/new-chameleons-the-how-to-connect-with-consumers-who>

**koganpage.com, 3 February 2021**

## **Law**

### **Bentley must destroy clothing range**

Bentley Motors has lost a trademark battle with Manchester-based Bentley clothing and will be forced to destroy its range of clothing merchandise. In 2019 the High Court ruled that the car maker had infringed the clothing company's trademark. This meant that car manufacturer would not be able to use the name Bentley either on its own, or in conjunction with its logo, on its clothes. Bentley will also have to limit its range of clothing.

**bbc.co.uk/news, 14 January 2021**

### **The TCA – implications for IP owners**

The Brexit EU-UK Trade and Cooperation Agreement (TCA) will have a considerable impact on IP rights, especially for brands. The TCA sets out certain minimum standards that both parties must observe and most of which are already present in EU and UK laws. This article looks in some detail at the issues raised by the new agreement with regard to IP rights and the implications for IP owners. Recognising that Brexit would have a significant impact on brands, back in October law firm Taylor Wessing set out a checklist for what brand owners should be doing, which is available here:

<https://www.taylorwessing.com/de/insights-and-events/insights/2020/10/brexit-and-brands-checklist-what-should-brand-owners-be-doing-now>

**lexology.com, 12 January 2021 (Poppo et al)**

## **Marketing**

### **Marketing agility**

The authors investigate the emerging field of marketing agility which they define as: "the extent to which an entity rapidly iterates between making sense of the market and executing marketing

decisions to adapt to the market". Marketing agility is shown to be distinct from related concepts in marketing and other fields. The authors also identify challenges involved in marketing agility, such as maintaining brand consistency, scaling agility across marketing, managing data privacy and hiring marketing leaders. They warn that marketing agility may not be applicable to all businesses and all marketing activities.

**Journal of Marketing, Vol 85(1), January 2021, pp35-58 (Kalaignanam et al)**

### **Influencer marketing on the rise**

Some 67.9% of US marketers with 100 or more employees will use influencers for paid or unpaid brand partnerships this year, according to an eMarketer forecast. Some marketers, notably in the travel sector, reduced their influencer marketing spend during the pandemic but, in general, interest in using influencers has been rising. Senior marketers around the world said they expected to increase their budget for branded content shared by influencers by 48% in 2021, according to Kantar Media. Influencers play an important role in other trends, such as social commerce and livestreaming, so the incentive to use them will grow.

**emarketer.com, 14 January 2021 (Williamson)**

### **First-party data a priority this year**

Some 88% of marketers say that collecting and storing first-party data is a high (or their highest priority) this year, according to the 2021 *Customer Engagement Report* from Merkle. This comes at a time when privacy-related data restrictions are on the rise. The report also identifies the need for marketers to boost the amount of "zero-party" data which is "intentionally and proactively" shared by consumers. The best zero-party data is when customers trust the brand enough to volunteer their data because they believe it will improve their experience, according to the report. There is also second-party data, which is shared by companies and retail media networks. The report reveals that companies are using a variety of digital experiences and strategies to collect first-party data.

**marketingdive.com, 12 January 2021 (Kelly)**

### **How the digital shift benefits B2B**

The pandemic has forced many B2B marketers to shift almost entirely to digital due to their reliance on in-person events for generating leads and developing customer relationships. There is much to be learnt from this "forced experiment in digital transformation", evidence suggests that the shift is positive for marketing. The author elaborates on three ways in which B2B marketers can benefit: modernise demand generation and pipeline development; save money with more efficient processes; and offer better a customer experience.

**toolbox.com, 11 January 2021 (Crater)**

## Market research

### **Polling challenges – the 2020 US election**

Chris Jackson, senior VP and lead for public polling at Ipsos US, talks about some of the polling challenges faced by Ipsos during the 2020 presidential election against the background of the global pandemic. Polling is challenging at the best of times, but the 2020 election was made harder by the lack of past data on how a pandemic affects turnout in an election, the potential for volatility among voters and respondent fatigue because of the high volume of polling taking place. Jackson explains how adjustments were made to give a better picture of how people were feeling and how they planned to vote.

[research-live.com](https://www.research-live.com), 19 January 2021 (Jackson)

## Public relations

### **Media headlines – influence on perceptions**

Messaging and media stories can have an impact on aspects of consumer perceptions and behaviour. This study examines how exposure to certain messages and headlines influences consumer perceptions of favourite and rival brands. Sports fans were exposed to a positive, neutral or negative story about a forthcoming event involving their favourite team and a rival one. The research found that a negative story led to, not only negative perceptions of the rival team, but also negativity towards the favourite team, compared to those exposed to a positive story. The implications for what both sport and non-sport practitioners can derive from the findings are discussed as well as how they can reduce the effects of negative publicity.

*Journal of Marketing Communications*, Vol 27(1), February 2021, pp20-30 (Harvard et al)

### **Internal comms – enhancing recruitment**

High staff turnover and bad recruiting can have a negative impact on productivity. It can also harm a company's ability to attract new clients and offer high-quality service. This means that the success of the company rests on attracting and retaining top talent and this is where internal communicators play an important role. Here are five ways in which communicators can enhance corporate recruiting, which include reviewing the corporate brand, cleaning up job postings and dealing with bad reviews.

[prdaily.com](https://www.prdaily.com), 13 January 2021 (Williams)

## Sponsorship

### **LV signs as ECB partner**

LV=General Insurance is to sponsor the England and Wales Cricket Board (ECB) in a three-year deal. This marks an expansion of LV's £1m joint support for the #Funds4Runs scheme which offers assistance to recreational communities hit by the pandemic. LV's involvement in professional cricket goes back to

2002.

[marketingweek.com](https://www.marketingweek.com), 14 January 2021

### **NBC develops ad platform for Tokyo Games**

NBC, the US broadcaster, is ramping up its advertising offering for the Tokyo Olympics with a new sales platform that aims to help advertisers create more effective messages. The Olympic Ad Engine was developed using machine learning and traditional research to analyse 671 campaigns during the 2016 and 2018 Games. It identified almost 900 elements for making ads more effective. These will now be offered to brands as part of a platform for advising them on their approach to the Games.

[sportspromedia.com](https://www.sportspromedia.com), 15 January 2021 (Bassam)

## Agriculture, fishing and forestry

### **Shortage of seasonal labour for fruit and veg**

The fresh produce sector is unhappy about the potential lack of seasonal workers this year. The Government has announced that the UK's seasonal agricultural workers scheme (SAWS) will have 30,000 permits, but the industry says it needs at least 70,000. Ali Capper, chair of the NFU's horticulture and potatoes board, warns of "nervousness" in the industry because of the shortage of time in which to address the issue. The Association of Labour Providers (ALP) has launched an "Extra Workers Needed Portal" for the food supply chain to tackle labour shortages. This follows a survey which found that 92% of food growers and manufacturers said there would not be enough skilled workers to meet the needs of the UK food supply chain this year.

[thegrocer.co.uk](https://www.thegrocer.co.uk), 14 January 2021 (Sandercock)

### **Oatly anti-dairy ads elicit complaints to ASA**

Farmers have criticised a campaign by Swedish oat drink manufacturer Oatly, which aims to shame the older generation into not drinking cow's milk. A TV campaign, entitled "Help Dad", which shows a father secretly stocking the fridge with cow's milk, claims that the dairy and meat industries emit "more CO<sub>2</sub> equivalent than all the world's planes, trains, cars boat, etc combined". This is despite official figures to the contrary. The campaign has been condemned by Dairy UK as being "in very poor taste". Some farmers have already complained to the ASA.

[fwi.co.uk](https://www.fwi.co.uk), 18 January 2021 (Clarke)

## Building industry

### **JCB unveils new pothole-fixing machine**

JCB, the construction equipment manufacturer, has developed a new machine for dealing with potholes, a perennial problem in the UK. The PotholePro can repair a pothole in less than eight minutes, which is four times faster than the usual methods, and at

half the cost of other solutions. It also claims to fix potholes permanently. In November Chancellor Rishi Sunak pledge to invest £1.6 billion to fix potholes and “level-up” uneven roads.

**business-live.co.uk, 12 January 2021 (Watson)**

## Businesses and strategy

### Has working life changed for ever?

The latest sign that the pandemic has changed working life for the long-term comes from Unilever CEO Alan Jope who says that office workers will never go back to their desks five days a week; he has described that way of working as “very old-fashioned now”. Office staff have been working at home in most of Unilever’s main markets, including the US and UK. Jope says he expects the company to embrace a “hybrid mode” of working between the home and office in the future. Some other large companies, such as Twitter, have said they will continue with some of the new ways of working established during the pandemic. Unilever is trialling a four-day week in New Zealand and is considering rolling it out to other countries. (See also Cutting Edge 13 January)

**theguardian.com, 13 January 2021 (Jolly)**

### Aligning purpose and profit

There is plenty of evidence to suggest that organisational purpose can drive profits, hence businesses increasingly view purpose transformation as a way of improving the bottom line. The author questions whether purpose can be a business driver and do good at the same time. He examines the relationship between purpose and profit, the nature of competitive advantage and how purpose can be a catalyst for sustainable market differentiation and growth. Comparing purpose-driven companies with a sector undergoing transformation, he argues that a purpose-driven culture can lead to genuine and meaningful differentiation.

**Journal of Brand Strategy, Vol 9(3), Winter 2020-2021, pp231-239 (Kramer)**

### London start-ups lead the pack

Start-ups in London received \$10.5bn in new funding last year, which is three times more than any other city in Europe, according to a study by Dealroom and London & Partners. This makes it the leading tech hub in Europe, despite the pandemic.

**marketingweek.com, 15 January 2021**

### Preparing for the future – nine imperatives

Even before the pandemic, business leaders were beginning to recognise that their organisations were too slow, siloed, bureaucratic and designed, “for a world that is disappearing”. Four big trends are set to sideline the “old rules” of management: more connectivity; lower transaction costs; unprecedented automation; and societal shifts. In this article the

authors show how businesses can better organise their post-pandemic future. They identify three characteristics that future-ready companies share: they know who they are; they operate through speed and simplicity; and they grow by scaling up their ability to learn and innovate. Nine organisational imperatives that underpin these fundamentals are discussed.

**mckinsey.com, 11 January 2021 (De Smet et al)**

## Charities and NGOs

### Digital fundraising – common mistakes

Charities often make particular mistakes in their approach to digital fundraising. They include: not segmenting the audience; forgetting to thank donors; having an unclear user journey; ignoring mobile; failing to show impact; and not suggesting donor amounts. The latter is important because research shows that suggested amounts on the donation page make it easier for donors to make a decision. This is part of marketing called “anchoring”: people tend to rely on the first piece of information they are given when making decisions.

**charitydigital.org.uk, 19 January 2021 (Green)**

### CRM – at the heart of fundraising

Effective charity fundraising relies on having a good customer relationship management (CRM) system. In this environment, it has never been more important to choose the one that best aligns with your organisation. This month Fundraising UK is focusing on CRM by offering content that will help charities to understand and expand their knowledge of it. Attached to this article are links to articles on CRM including where to go for free advice and support.

**fundraising.co.uk, 15 January 2021 (Lake);**

**<https://fundraising.co.uk/2021/01/15/crms-the-heart-of-fundraising/>**

## Durable consumer goods

### Lasting flowers from Lego

If you like flowers but struggle to look after them, Lego has developed the perfect answer. The Lego Flower Bouquet and Bonsai Tree kits, targeted specifically at adults, have almost 1,000 pieces and can be turned into a full-size flower arrangement like a real bunch of flowers. They should provide an additional outlet for those looking to “switch off and relax”.

**fastcompany.com, 12 January 2021 (Smith)**

## Economy

### UK economy down by 2.6% in November

The UK economy contracted by 2.6% in November due to lockdown in England; this follows six consecutive months of growth, according to ONS data. The services sector suffered the most during

the second lockdown, contracting by 3.4% due to the closure of many businesses such as pubs and hairdressers. Services is now 9.9% below its February 2020 level. However, some manufacturing and construction activity expanded since they were able to continue to operate during November's lockdown which was less impactful than the first lockdown.

[bbc.co.uk/news](https://www.bbc.co.uk/news), 15 January 2021

### **UK services in the doldrums**

Between October and November 2020 there was a 3.4% fall in the Index of Services for the UK. The three months to November saw an 8.3% decrease in services output compared to the previous year. The UK services PMI (Markit/CIPS) was 49.4 in December 2020 compared with 47.6 in November, so it was still below the 50 mark, which indicates expansion. This House of Commons Library briefing on the performance of the services sector contains links to Markit and ONS sources.

[commonslibrary.parliament.uk](https://commonslibrary.parliament.uk), 15 January 2021 (Brien)

### **Manufacturing output – a mixed picture**

Manufacturing output for the three months to November 2020 rose by 4.7% compared with the previous three months to August 2020. However, output for the period was down by 5.5% compared with the previous year. While monthly output for November rose by 0.7% thanks to an increase in car production, output for the month was still 4.7% lower than pre-pandemic levels in February 2020. In contrast, the Markit/CIPS PMI for December was 57.5, up from 55.6 in November, representing a three-year high. New orders rose at their fastest rate since August with purchases being made before the effects of Brexit kicked in. This House of Commons Library bulletin contains links to the original sources of data.

[commonslibrary.parliament.uk](https://commonslibrary.parliament.uk), 15 January 2021 (Hutton)

## **Education**

### **Financial impact of pandemic**

Concerns about the effect of the pandemic on UK universities have tended to focus on the financial impact of the loss of international students. Yet there could be losses from reduced domestic student numbers; a decline in research work; and a general loss of revenue from accommodation, catering and conferences. This House of Commons library briefing, *Coronavirus: Financial Impact on higher education*, which mainly focuses on the situation in England, takes us through the events of the past couple of years with data on student numbers and how the Government has responded.

[commonslibrary.parliament.uk](https://commonslibrary.parliament.uk), 15 January 2021 (Bolton and Hubble)

### **BBC – surge in Lockdown Learning viewership**

The BBC's Lockdown Learning saw a 436% rise in viewers for its 9am-to-noon slot on its first Monday in January. The service, which combines both TV services and online, offers access to learning for children even if they don't have the internet. Meanwhile BBC Two, which is showing educational content for secondary schools, saw a rise of 29% for its 1-3pm slot. Bitesize Daily on BBC iPlayer has seen even greater demand than during the first lockdown in April 2020. Patricia Hidalgo, director of BBC Children's and Education, points to how people are still turning to the BBC "in times of need".

[prolificnorth.co.uk](https://prolificnorth.co.uk), 13 January 2021 (Prior)

## **Energy and utilities**

### **Smart home tech – getting to net zero**

A recent study by Schneider Electric revealed that consumers underestimate the effect that their homes have on the environment. By 2050 electricity use in homes is predicted to overtake commercial and transport use put together, which means that homes must move to net zero and consumers need to be persuaded to change their habits. Research suggests that consumers respond better to the concept of "energy efficiency" than "sustainability" and "climate change". Smart home technology could be the answer. If consumers can have technology that offers a clear view of their energy habits, and provides objectives for them to achieve, they may adjust their energy consumption.

[futurenetzero.com](https://futurenetzero.com), 11 January 2021 (Pant)

### **Energy workers feeling less secure in jobs**

A survey of oil and gas workers, the *Global Energy Talent Index*, has revealed that 78% of professionals feel less secure in their jobs than a year ago, with around two-thirds blaming the pandemic for this. Some 77% of hiring managers also considered their employees positions to be less secure. For the first time more professionals reported a fall in pay (29%) than a rise (28%) but 49% expect salaries to rise next year. Renewables and petrochemicals were the sectors likely to attract the most talent, with 50% and 25% of respondents respectively saying they would be open to switching to these sectors. The survey, carried out by Airswift and Energy Jobline, covers 16,000 energy professionals and hiring managers in 166 countries and across five sub-sectors.

[energyvoice.com](https://energyvoice.com), 12 January 2021 (Penman)

## **Environment**

### **Becoming circular – trends for this year**

The world's economy tends to be linear: raw material extraction followed by processing, manufacturing, selling and then sending to landfill. By contrast, the circular economy uses materials in a closed loop and is increasingly powered by

renewable energy. Many companies are setting targets to become circular over the coming years. Here are seven trends that are likely to fuel the growing circular economy this year. They include: reusable packaging; taking back products after the customer has finished with them; and people at the design stage having more influence on whether things become linear or circular.

**fastcompany.com, 15 January 2021**

### **Meat – the way forward for sustainability**

Farmers and meat producers are facing calls for change in the \$1.4 trillion global meat industry to combat emissions. The UN Food and Agriculture Organisation has estimated that direct livestock emissions account for 5% of global emission vs transport's 14%, but there is no figure for livestock's "lifecycle" emissions. The debate has had a knock-on effect among institutional investors who are concerned about food production and climate change. Fairr's annual survey of the 60 largest listed protein companies reveals that in the year to November 2020, over a third reported a rise in emissions. Lab-grown meat and plant-based meat substitutes are receiving heavy investment while robots are increasingly involved in animal rearing to help reduce emissions. Meanwhile farmers are looking at how they can do things differently...

**ft.com, 17 January 2021 (Terazono)**

## **Fashion**

### **Can Primark remain offline**

Primark could potentially lose over £1 billion in sales through lockdown closures, yet has ruled out selling its clothes online. Although consumers have been calling for it to go online – all 190 of its UK stores are currently closed – Primark has rejected the idea because of the cost of setting up an online operation. As a fast fashion retailer on low margins, it has to remain competitive and maintain low prices, says Patrick O'Brien, UK retail research director at GlobalData. Primark suffered a 30% decline in sales in the 16 weeks to 2 January; this compares with online retailers such as Asos and Boohoo who saw sales rise by 40% in the last four months of 2020.

**bbc.co.uk/news, 14 January 2021**

### **Poshmark value reflects used clothes trend**

Resale platforms are growing in popularity thanks to increasing shopper awareness of cost and the impact on the environment. Poshmark, a second-hand shopping site for used clothing and accessories, provides a platform similar to eBay and Etsy, linking buyers with sellers. It has recently listed on the stockmarket, achieving a value of over \$7.1 billion on its first day of trading. Other US second-hand shopping sites, such as ThredUp, say

they are planning IPOs due to the popularity of used clothing.

**bbc.co.uk/news, 14 January 2021**

## **Financial services**

### **Subscription-tracking app**

It's difficult to keep track of subscriptions – services you pay for on a regular basis – but now there is a whole industry dedicated to helping you identify recurring payments so you can keep track of them and decide whether you want to keep them or not. A range of apps is dedicated to cancelling subscriptions, renegotiating deals and managing your finances better. The downside is that these apps need to access your financial records which means you have to trust them with your data. This article looks at six examples. They range from DoNotPay, which claims to be "the world's first robot lawyer", to TrackMySubs, which provides an overview of outgoings and allows you to organise expenditure into categories, such as entertainment and utilities.

**wired.com, 10 January 2021 (Nield)**

### **QR code payments reach 2.2 billion by 2025**

The number of people using QR code payment services will increase from 1.5 billion last year to over 2.2 billion by 2025, reaching 29% of all mobile phone users around the world, according to forecasts by Juniper Research. However, it believes that much of this growth will be in emerging markets which have weak card infrastructures. Juniper also identifies QR codes' ability to combine payments with loyalty, which makes them ideally suited to retailers "seeking to leverage valuable transactional data". QR code payments could be worth \$2.7 trillion globally by 2025 due to their low cost.

**nfcw.com, 11 January 2021 (Phillips)**

### **HSBC to close 82 UK branches**

HSBC is set to close 82 of its UK branches this year leaving it with 511 branches across the country. It says people have changed their banking habits due to the pandemic and are turning to digital banking. However, campaigners are concerned that closures will affect those who need access to cash and face-to-face services as well impacting small businesses. Yet HSBC says that the number of customers using branches has fallen by a third over the past five years with over 90% of customer contacts being by phone, internet or smartphone.

**bbc.co.uk/news, 19 January 2021 (Peachey)**

## FMCG

### Beverages

#### Rebel Kitchen takes aim at Trump

Dairy-free milk brand Rebel Kitchen has launched an OOH campaign following the Capitol Hill Riots in the US. The digital ads start with a comparatively harmless expression such as “Nothing trumps a nice glass of milk” before fading out letters to reveal: “Trump’s an ass”. The ads also appear on Twitter to advertise the brand’s Organic Barista Mylk. They are due to launch in the UK this month as an OOH campaign as part of Rebel Kitchen’s Veganuary initiative.

[campaign.co.uk](http://campaign.co.uk), 13 January 2021 (McGonagle)

#### WSTA issues guidance on low and no alcohol

The Wine and Spirit Trade Association (WSTA) is issuing new guidance to reduce confusion in the low and no spirits sector. The guidance aims to clarify: what constitutes acceptable legal names, marketing text and general labelling for this category of drinks. Low and no alcohol drinks are not yet legally defined in law so the WSTA recommends that brands should use a “descriptive name” that tells customers exactly what is in the drink because clear and accurate labelling will help to increase consumer confidence.

[thegrocer.co.uk](http://thegrocer.co.uk), 15 January 2021 (Dawson)

### Cosmetics and toiletries

#### Skintertainment

Glow Recipe, which launched its first products in 2017, is a strong player in Korean beauty products in the US. With colourful packaging and fruit-based fragrances, it makes the skincare routine into a multisensory experience. Founders Sarah Lee and Christine Chang invented and trademarked the term “skintertainment” as a philosophy to make skincare “fun and joyful all at the same time” and to tell a story. In this podcast, they discuss their philosophy and the learning curves involved in building a fast-growing brand.

[fastcompany.com](http://fastcompany.com), 14 January 2021 (Ifeanyi)

### Food

#### Will plant-based demand continue?

Veganuary is accompanied by a boom in plant-based food and supermarket sales are reportedly achieving new records. Although the meat-free and plant-based dairy categories have doubled in size over the past five years to reach £600m each, they are still tiny markets compared with meat and dairy. While retailers and manufacturers are ramping up plant-based sales, there is a question mark over whether growth can be sustained and what brands and retailers can do to keep increasing sales. This article explores the issues and the barriers to expansion. It also warns of some “marketing pitfalls” to avoid

such as making messaging “too vegan” if you want to attract mainstream consumers.

[thegrocer.co.uk](http://thegrocer.co.uk), 14 January 2021 (Glottz)

#### Dessert Pastilles – no spoon required

Nestlé is launching a range of Rowntree sweets inspired by desserts. Dessert Pastilles will include flavours such as Blueberry Pie and Apple Crumble. The pastilles will also be vegan-friendly as the gelatine has been removed. Nestlé has been busy expanding its vegan portfolio which include Jelly Tots, Vegan Carnation and Nescafé Gold plant-based lattes.

[thegrocer.co.uk](http://thegrocer.co.uk), 12 January 2021 (Dawson)

### Tobacco

#### Milan bans outdoor smoking in some areas

Milan has just banned outdoor smoking in a range of outdoor spaces including bus and tram stops, sports grounds, children’s play areas, stadiums and cemeteries. Italy was the first EU country to ban indoor smoking in public places back in 2003 and is now the first to introduce an outdoor ban. The objective is to tackle air quality and climate change. Milan is Italy’s most densely populated city and has the highest level of air pollution in Western Europe. The ban does not include electronic cigarettes.

[bbc.co.uk/news](http://bbc.co.uk/news), 19 January 2021 (Mitzman)

## Government and public sector

### Political ideology and Government regulations

Governments and their agencies put laws in place to help keep people safe and healthy, such as prohibiting drivers from using their phones while driving. A recent article in the *Journal of Marketing* (Irmak et al) examined how regulations related to consumption influence consumers’ reactions, by looking at their political ideology. The researchers found that regulations enacted by governments can be counterintuitive. It is vital to take political ideology into account because this is an important aspect of a person’s relationship with, and understanding of, government. Conservatives tend to react negatively to regulations when the source is the Government, while political liberals believe that government mechanisms can provide a way of protecting equality and well-being.

[ama.org](http://ama.org), 6 January 2021 (Teymouri)

## Health and pharmaceuticals

### Healthcare is more dynamic – trends for 2021

The pandemic will probably have a lasting impact on healthcare brands. Previously controlled by strict pharma industry marketing rules, the category is being disrupted by brands that regard health as a sales opportunity. The author identifies “faddy”



healthy; tele health; FAANG health; fake health; and mental health as the five key trends for this year. The good news for marketers is that this is a “growing and dynamic category” with the technologies and platforms offering new opportunities.

**campaignlive.co.uk, 15 January 2021 (Dutnall)**

### **The role of automation**

The pandemic has had a significant effect on the automation sector, notably in healthcare, where there has been a major shift. Robots and remote healing, through in-home devices and data trackers, telemedicine and delivery robots, are changing traditional models in an effort to reduce person-to-person contact. Dr Eric Dusseux, head of Canadian company BIONIK Labs, which focuses on data-driven robotic assisted therapy systems, discusses the role of automation in healthcare but identifies a reluctance to invest in emerging technology as one of the greatest barriers to the use of robotics and automation in healthcare networks.

**zdnet.com, 7 January 2021 (Nichols)**

### **Google buys Fitbit**

Fitbit has finally been acquired by Google for \$1.2 billion, following a long investigation by regulators over privacy concerns. The European Commission has approved the merger with the proviso that Google will not use health and location data for advertising for ten years. Google, which claims that the takeover was “about devices, not data”, will store Fitbit data separately from the data used for advertising.

**marketingweek.com, 15 January 2021**

## **IT and telecoms**

### **5G rollout ramps up but barriers remain**

In the UK, mobile network operators have begun to announce new locations where 5G connectivity will be available. O2 says it has exceeded its target of reaching 150 locations across the country, while EE says it has 5G services in 125 towns and cities. The Government wants the majority of the country to have 5G coverage by 2027 but a report from the DCMS has cast doubt on the feasibility of this deadline. This is largely because of the ban on Huawei which has forced companies to make deals with alternative equipment providers, such as Nokia and Ericsson. The ban is likely to result in a three-year delay to the rollout of 5G. Rising consumer demand coincides with the increase in 5G-enabled handsets and mobile phone plans. Yet many UK households are still waiting for 4G coverage: the DCMS report notes that 9% of the UK is still a “not-spot”, with no 4G coverage.

**zdnet.com, 14 January 2021 (Leprince-Ringuet)**

### **Three business trends from CES 2021**

CES, the biggest tech show of the year with over 15,000 attendees, has of course been held virtually this year. Nevertheless, it still acts as a showcase for the latest business technology as well as consumer electronics. This article sets out three big trends that businesses should be watching out for: health, wellness and workplace safety; technology that bridges the gap between work and personal lives; and 5G, which will enable many of the tech advances over the next decade.

**zdnet.com, 10 January 2021 (Detwiler)**

## **Leisure and tourism**

### **Vaccination confidence boosts bookings**

So-called “vaccine confidence” among the over-50s is driving up holiday bookings. Older people expecting to receive their vaccine in the next couple of months, have been booking their holidays for this year. National Express has reported that bookings from people aged 65 and over have risen by 185% year-on-year over the past couple of weeks; while TUI, the UK’s biggest tour operator, has seen a 50% rise in bookings among the over-50s. Andrew Flintham, MD of TUI UK, reports that people are booking longer vacations of up to 14 nights, perhaps because they missed out last year.

**independent.co.uk, 15 January 2021 (Coffey)**

### **IATA to roll out digital travel pass**

The International Air Transport Association (IATA) is to launch a digital travel pass enabling people to store identity documents such as their e-passport and Covid test results or vaccination records on their iPhone or Android phone. The IATA Travel Pass will be a mobile app that passengers can download from the IATA Travel website, add a selfie and complete a “liveness” test as well as scanning data from their passport. The Pass, which will also conform with WHO digital standards for documents such as the Certificate of Vaccination, is due to launch in the first quarter of the year. To allay privacy concerns, IATA has said there will be no central repository for storing data.

**nfcw.com, 11 January 2021 (Phillips)**

## **Materials and mining**

### **Thyssenkrupp steels itself for spin-off**

Thyssenkrupp is thinking about spinning-off its struggling steel business whose future has been uncertain since EU competition regulators blocked a merger with Tata of India in 2019. Things are looking up for the steel industry as global carmakers rebound and steel prices have been rising to reach their highest level in over nine years. An independent steel unit would make it easier for Thyssenkrupp to sell the division, which operates the biggest steel manufacturing site in Europe, and

a decision is expected in the spring.

**ft.com, 18 January 2021 (Miller)**

## Media

### Games

#### **Epic Games challenges Apple and Google**

Epic Games, maker of *Fortnite*, is to take legal action against Apple and Google. Both companies removed the game from their app stores following a dispute over the percentage of sales they take from developers. Epic Games argues that the two are violating UK competition laws by abusing their dominance but the tech companies say that Epic breached their terms and conditions by trying to circumvent the payment systems. Epic Games says it is not looking for a financial payout, but wishes to be reinstated and wants developers to be able to use their own payment-processing systems in the apps.

**bbc.co.uk/news, 16 January 2021 (Fox)**

### Internet

#### **Watchdogs question Prime cancellation**

Consumer watchdogs in the US and across Europe have filed complaints or are calling for action against the Amazon Prime delivery and streaming service. The Norwegian Consumer Council says that the six-page process required to cancel Amazon Prime "nudges" consumers to keep their membership and describes it as an example of the "dark patterns" used to manipulate users. In 2019 the ASA ruled that one of Amazon's pages was misleading because it resulted in people unintentionally signing up for Amazon Prime.

**marketingweek.com, 14 January 2021**

### Social media

#### **When to advertise on social media**

There are certain optimum time periods for businesses to post content on social media. This should obviously be during the times when posts receive the most views and likes but these times are not the same for all social media platforms. The author proposes the best technique for choosing your timings by looking at three elements: demographic data, the social media platform itself and user persona. She recommends the days and optimum times of day for posting on Facebook, Instagram, Twitter and LinkedIn.

**business2community.com, 12 January 2021 (Lincoln)**

#### **Brand safety – will brands reduce adspend?**

Brand safety was a key issue for the ad industry last year and it is likely that this year will see major brands removing or curtailing their adspend on social media for safety or ethical reasons. Marc Pritchard, chief brand officer of P&G, has previously complained about social medias' content standards,

stating that: "Social media is about 5% of P&G's marketing spending, but it's 150% of our problems". In an October 2020 study by Integral Ad Science, 59% of respondents said that concerns over a lack of transparency would affect their social media spending, with a particular focus on Facebook's lack of transparency. Yet social media, particularly Facebook, "is a hard habit to give up" because of its effective ad products...

**emarketer.com, 15 January 2021 (Williamson)**

#### **Are we about to see social media regulation?**

Following the violence on the US's Capitol Hill and the subsequent actions taken by social media companies, we may be about to see changes in the way in which business leaders and governments address social media regulation. What form this will take and how social media platforms will strike the right balance between freedom of speech and tackling misinformation and extremist content, is a key question. Here the author says it is important to understand the structural differences between traditional media and social media and to adapt approaches to regulation according to the platform. He also predicts that there are likely to be several areas of self-regulation and legislation over the coming months.

**hbr.org, 14 January 2021 (Ghosh)**

#### **TikTok overtakes Facebook for average usage**

The average monthly time spent per user on TikTok almost doubled last year in the UK, rising from 10.8 hours a month among Android users to 19.6 in 2020, according to App Annie's *The State of Mobile 2021* report. This means it has overtaken Facebook's 16.6 hours. TikTok was also the second most downloaded app last year after Zoom but ahead of the NHS Covid-19 app. App Annie's research reveals that consumers of 45 and over have increased their time spent on the top 50 apps by 27% year-on-year, a faster rate of increase than among younger age groups.

**campaignlive.co.uk, 13 January 2021 (McGonagle);**  
<https://www.appannie.com/en/go/state-of-mobile-2021/>

## Packaging

#### **Packaging design in 2021 – three trends**

Shaun Loftman, creative director of Landor & Fitch, shares his views on what 2021 holds for packaging design. He identifies three key trends: optimism and positivity, which will translate into humour and surprise and brands becoming "more human"; more direct and better targeted design in response to the reduced time that people are spending in stores; and a focus on sustainability. Brands that create unique experiences through their packaging, "will be the winners that transform 'doing good' into a competitive advantage".

**designweek.co.uk, 6 January 2021 (Wong)**

### **First recyclable, fibre microwaveable cup**

Kraft Mac & Cheese says it is developing the first-ever recyclable, microwaveable, fibre-based cup. It hopes to launch a new Mac & Cheese Shapes variety in the cup later this year. It also plans to get rid of the plastic label through direct-print technology and is currently working with partners on the product labelling so that consumers know what to do with the packaging, which is compostable.

**packagingeurope.com, 18 January 2021**

## **Retailing**

### **Online retail sales up by 36% last year...**

A study of online retailers has found that they grew by 36% last year, the best performance since 2007. *IMRG Capgemini Retail index*, which tracked the online sales of over 200 retailers, saw a 37.6% rise in growth for December. Electricals (up 116%) and gardening (up 165%) were particularly strong. Clothing saw just a 3.2% rise while footwear fell by 5% year-on-year. "Retailers best set to ride out the storm are those with a strong online presence and the ability to remain nimble" says Lucy Gibbs of Capgemini. Andy Mulcahy of IMRG says now isn't the time to be making predictions as, "the list of potential macro variables goes on".

**marketingweek.com, 14 January 2021**

### **...while e-commerce up by 27.6%**

Global retail e-commerce sales grew by 27.6% in 2020, achieving sales of over \$4 trillion, according to eMarketer estimates. This contrasts with its pre-pandemic estimate of 16.5% growth and reveals just how much consumers shifted to e-commerce during the course of last year. eMarketer analyst Ethan Cramer-Flood reckons that "consumers will maintain many of their newfound digital behaviors in 2021", although he warns that the growth rate for 2021 will slow to just 14.3% if there is a year of, "relatively normalized brick-and-mortar commerce".

**emarketer.com, 15 January 2021**

### **Nine retail trends for 2021**

To state the obvious, 2020 was highly disruptive for the retail industry but it has accelerated certain trends that could result in 2021 being a "uniquely ground-breaking" year. The author identifies nine trends, tactics and innovations that could lead to retail success this year. You might like to become familiar with expressions like: phygital ("contact-lite" but sensory heavy experiences); e-persuasion; the metaverse; extended reality (VR, AR, MR (mixed reality)); insperiences; frenemize or co-opetition; localism; purpose (eco, ethical and social); and democratising luxury with the help of prosumers.

**forbes.com, 4 January 2021 (Baron)**

### **Ocado rebrands to purple**

Ocado has undertaken a significant rebrand involving its website and logo which have changed colour from green to purple. This follows the decision to make Ocado's branding stand out from rival supermarkets (green tends to be the colour of choice for grocery branding) with a "distinctive, ownable identity". Ocado's swirl logo has also been redrawn. Ocado's delivery vans will carry the new colour, known as grape, with a background of purple plums and drivers will wear new purple uniforms!

**thegrocer.co.uk, 14 January 2021 (Nott)**

## **Services**

### **Restaurants should keep innovating**

The restaurant industry has been hit hard by the pandemic and there were almost 30,000 job losses in the UK last year, with the situation likely to get worse this year. The pandemic has also exacerbated problems already facing the sector, such as overexpansion, high rents and fierce competition. Despite these problems, the coronavirus has led to innovation including new ways of interacting with consumers, such as food delivery services. This trend is likely to accelerate as consumers embrace the convenience of ordering food online. As restaurants have a greater online presence, more data will become available to them which can be optimised to target consumers. Other companies have been innovating by offering new services, such as DIY food kits. Companies using new systems should ensure that they comply with consumer law and that their liability is limited where such services do not perform to the right standard.

**lexology.com, 12 January 2021 (Rogers)**

## **Transport and travel**

### **Apple could disrupt auto industry**

Apple is expected to enter the automotive sector with a self-driving electric vehicle, a move that will have a "significant" impact on the industry. The company is likely to focus on designing the cars, including self-driving technology, but will outsource their production to other companies such as Hon Hai Precision Industry, a Taiwanese electronics manufacturer. This horizontal approach could disrupt the automotive industry's traditional business model of vertical integration, where car manufacturers are involved in the entire process from design to manufacture. There are concerns that Apple's project may undermine the superiority of other carmakers if they become "Apple's subcontractors and lose their originality".

**ft.com, 17 January 2021 (Tabeta)**

### **From motor shows to CES – car electrification**

The annual Consumer Electronics Show (CES) in Las Vegas was traditionally all about small gadgets but now vehicles are shifting from mere mechanical

machines to digital platforms. Car makers are moving away from motor shows to events like CES where they can be seen alongside smartphone makers, smart toilets and smart dog flaps. The electrification of cars is set to accelerate their transformation into electronic devices. Although this shift has reduced barriers to entry to car making, it could be better to leave car-making to companies that can manufacture at scale and are trusted brands. However, carmakers must be left wondering how much they should develop in-house and how much to outsource to tech firms...

**theeconomist.com, 16 January 2021**

Written by CIM's Knowledge Services Team

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