

Cutting Edge: Our weekly analysis of marketing news

27 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

Budgets down again but there is optimism...

UK ad budgets fell dramatically in the three months to December, marking four consecutive quarters of decline, according to the latest IPA Bellwether report. It reveals significant falls in adspend for all categories, notably events, TV and OOH. Online was the only area of main media to see a positive net balance revision: +0.7% in Q4, up from -6.5% in Q3. However, initial signs are that things will get better during 2021 as the vaccination programme kicks in. A net balance of +12% of firms expect their marketing budgets to be revised up for the next financial year.

[thedrum.com](#), 21 January 2021 (Stewart)

...with UK recovery better than expected

This year could see the UK ad market grow by 15.2%, a better recovery than expected, according to *The Advertising Association/Warc Expenditure Report*. The decrease in ad spend for Q3 2020 was 3.3%, which is much higher than previous predictions, largely thanks to online spend which rose by 10.1% during the quarter. UK adspend fell by 11.1% for the first nine months of 2020 to £16.2 billion. However, the UK's predicted ad growth for 2021 is expected to be significantly ahead of other major international markets: China is forecast to grow by 10.3%, Germany by 9.3%, the US by 3.8% and Europe (excluding the UK) by 8.8%.

[marketingweek.com](#), 26 January 2021

Agencies

Planners or strategists?

Although the tendency to focus on tactics rather than strategy has been criticised, ad guru Dave Trott has recently argued that placing strategy above

tactics is not necessarily such a good thing. While agencies and job titles gravitate towards "strategy" rather than "planning", the latter requires strategy and tactics. Tactics tend to be associated with short-term gain, something that we are advised not to give in to. Many industry experts argue about the virtues of long-term brand-building but are forced into short-term decision-making due to immediate events. *Campaign* asks five strategy experts for their views on strategy, planning and tactics.

[campaignlive.co.uk](#), 20 January 2021 (Gwynn)

Last year, this year and the future

Last year agencies were struggling and Forester predicts that 50,000 people will lose their jobs by the end of this year. While agencies have had to get leaner and gain a new sense of purpose, they continue to be an invaluable resource for brands. *Adweek* asked agency consultants to rank nine priorities for the coming year. Creativity, strategy, "talent leadership and culture" and DEI (diversity equity and inclusion) were among the top four. This year successful agencies are expected to become more involved in their clients' businesses and develop creative ideas that go, "beyond advertising and be highly compensated based on results". They should also boost e-commerce consulting and activation from the current 3% of revenue to 30%, says Greg Paull of R3. This article also reports on a November survey of marketers which asked how their agencies performed during the pandemic and how they perceive their agency relationships.

[Adweek](#), Vol 62(1), 18 January 2021, pp24-25 (Zanger)

Brands and branding

D2C – still growing but obstacles ahead

The concept of new companies (such as mattress brand Emma and luggage maker Away) selling direct online has been around a while. As is the case with



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other retail trends, D2C has been accelerated by the pandemic. Discretionary spending in the UK boosted many D2C brands during the first lockdown, especially in the hobbies and lifestyle categories. The Direct Selling Association UK reports average sales growth of 45.5% through the direct channel over the past year. D2C allows brands to differentiate themselves and research suggests that marketers expect D2C to grow over coming months. However, D2C has been around a while and as a concept is no longer innovative. With competition from big brands moving into direct sales, there will be a need to innovate.

emarketer.com, 18 January 2021

Conferences and events

Virtual events – how to create exclusivity

Live events may return at some point this year but online activity and virtual experiences are likely to continue, either as standalone events or integrated with a physical event. This is good news for brands in terms of being able to attract a global audience, but the downside is that the experience becomes less exclusive for the audience. It means that: "scarcity-driven exclusivity will always equate to value". In a virtual environment this exclusivity can be created in various ways. This article focuses on the use of blockchain technology and, in particular, non-fungible tokens (NFT) which act as a "virtual trophy" of attendance and give real value around digital experiences and memorabilia.

campaignlive.co.uk, 20 January 2021 (Holmes)

Exhibition recovery tracker launches

AMR International has launched an "exhibition recovery tracker" which provides a monthly quantitative view of how face-to-face activity is recovering across 15 major exhibition markets. The aim is to help organisers and investors to get a better handle on "how, where and at what speed exhibitions will return", says Florent Jarry, head of AMR's Global Events Practice.

eventindustrynews.com, 22 January 2021 (Hyland)

Consumer behaviour

How interruptions affect consumer choices

There has been a growing recognition that brief interruptions can affect consumer judgements and choices but the cognitive processes underlying this effect are not fully understood. A series of studies reveal that brief interruptions widen the psychological distance between decision makers and the task in front of them, which affects judgements and choices. The studies investigate the impact of different interruptions and tasks. The results aim to provide a better understanding of how common, brief interruptions can impact preferences, product choices and willingness to behave in certain ways.

Journal of Consumer Behaviour, Vol 20(1), January-February 2021, pp76-88 (Amaral)

Customer relations

Investing in personalisation is key

Despite advances in marketing tech and data collection, it is still hard for retailers to achieve the level of personalisation that will benefit the bottom line. There is still a huge gap between the capabilities of retailers such as Amazon, with its massive investment in personalisation, and other retailers and brands. Having the right data set, and the tools to collect first-party data, are serious barriers for brands, according to Ben Parr of Octane AI. This article examines the importance of personalisation and how it will look this year. Some experts believe that omnichannel will become a standard while others see a greater convergence of the retail and e-commerce experience. More brands will invest in the data infrastructure needed "to truly understand their customers" in both retail and e-commerce, according to Parr.

emarketer.com, 21 January 2021 (Kats)

Direct marketing

The power of SMS messaging

Companies that use SMS marketing are often innovators, early adopters, or have less affinity with traditional channels such as email. Research among marketing executives who do not use SMS, reveals that they are keeping a close eye on it or are in the early stages of adoption. SMS marketing can be very cost-effective, especially for smaller organisations. In some cases, customers will open SMS messages despite ignoring an email. When FarmFoods Inc. texted customers who had stopped engaging with email, it achieved \$4,000 in sales within the first 24 hours. Six ways in which marketers and service professionals are using SMS are outlined here.

emarketer.com, 22 January 2021 (Goldman)

Channels – generational challenges

The latest *Customer Engagement: How to win Trust and Loyalty* report examines which channels brands use to engage customers, how customers prefer to receive marketing and the channels they find the most relevant and trust the most. Email emerges as by far the most popular channel for receiving marketing messages, with 73% of customers ranking it in their top two preferences. Generations consume media in very different ways: while just 45% of Gen Z cite it as their most preferred channel, Baby-boomers have a greater preference for both email (88%) and mail (52%). A series of infographics explore trust, its connection with relevance and building future trust across generations.

dma.org.uk, 25 January 2021

Law

The trade deal – a business-friendly guide

Law firm Travers Smith has produced *A business-friendly guide to the UK-EU Brexit trade deal*. The

Trade and Cooperation Agreement (TCA), which runs to 1200 pages, has been broken down into key topics, explaining the practical implications. It points out that some areas, such as energy, are time limited and subject to review every five years. The guide also covers financial services, non-financial services, product regulation, intellectual property, environment, transport and consumer protection. On the subject of non-financial services, it is interesting to note that there is currently “no mutual recognition” of professional qualifications between the UK and EU.

lexology.com, 21 January 2021 (Barratt et al);
<https://www.traverssmith.com/knowledge/knowledge-container/a-business-friendly-guide-to-the-uk-eu-brex-it-trade-deal/>

Marketing

The “slimline” B2B marketing plan

Defining B2B marketing as “marketing to an organisation” seems a bit simplistic. The author proposes that it should be redefined as “marketing to people at work” while B2C should be “marketing to people (rather than consumers) at home”. The reason for the new definition is explained in his six-step “B2B Marketing Plan”. He has also developed a “Plan-on-a-Page” template which can be downloaded so that you can fill in the blanks.

business2community.com, 19 January 2021 (Smith)

CMOs low risk strategy leads to low return

According to a Gartner survey conducted last autumn, 73% of marketers plan to use “low risk, low return” strategies to drive growth in 2021. Some 39% of CMOs say they will increase sales of existing products to existing customers and 34% say they will introduce new products to existing customers. The survey examined 11 key strategies that could speed up growth post-pandemic. Focusing on existing customers has its benefits “but low risk is matched by relatively low return”, warns Gartner VP Analyst Jay Wilson who advises that CMOs should ensure that, “their own strategic approach is matched to the enterprise’s aspirations”.

marketingweek.com, 20 January 2021

Influencer marketing guide – a global view

Influencer marketing continues to expand and has become an important element of many marketing campaigns; endorsements and product placements by influencers play an increasing role in marketing strategies. However, the legal framework is still fairly fluid in many jurisdictions which makes it harder to undertake cross-border influencer campaigns while maintaining legal compliance. Law firm DLA Piper has produced an interactive *Influencer Marketing Guide* which looks at what qualifies as advertising; typical influencer practices; legal obligations; labelling requirements; and the

risks and consequences of influencer marketing in countries around the world.

dlapiper.com, 12 January 2021 (Engels and Brunn);
<https://www.dlapiper.com/en/uk/insights/publications/2021/01/launch-of-dla-piper-influencer-marketing-guide/>

Market research

Technology and data – new opportunities

Audience and data insights is a relatively new type of information that has arisen as a result of the internet revolution. Technology has opened up new paths to knowledge, methodologies and research and there has been huge progress in advertising effectiveness thanks to the use of data. Two opportunities have arisen: “the construction of possible scenarios” and the “generation of new biases which bring more human insight into our daily work”. The challenge will be to find trained analysts in the various social disciplines who can interpret the data which in turn may lead to a new category of analyst. By 2022 Google will abolish third-party cookies which means that advertisers will have to use the data provided by large platforms or start collecting their own. This opens up an opportunity for researchers who can own their own insights and build their own scenarios and products “linked to the correct interpretation of trends”.

researchworld.com, 22 January 2021 (Mociulsky and Buchbinder)

Businesses plan to raise research budgets

Some 74% of businesses said they would increase their marketing and consumer research budgets, according to a December 2020 survey of large and medium-sized UK businesses. The research by Stravito also found that 82% of decision-makers regarded data-driven insights as a top priority this year while 72% wanted to expand their knowledge and research-sharing capabilities. Olof Philogène, CEO of Starvito, says that “connecting to consumers on a ‘human level’ is more important than ever”.

research-live, 22 January 2021

Public relations

Scapegoating effective in crisis comms

Three studies suggest that when companies use scapegoating during a brand crisis, they reduce the extent to which consumers hold the company responsible for the crisis. Scapegoating is found to be the most effective way (ahead of no response, denial, apology and justification) of reducing consumer attributions of crisis responsibility to a firm. However, scapegoating depends on the type of scapegoat. For example, blaming a regular employee or small partner firm for a crisis can result in negative WOM, while the use of “topdog” scapegoats, such as top management, produces a more positive result.

Journal of Consumer Behaviour, Vol 20(1), January-February 2021, pp89-100 (Moisio et al)

Inaugural speeches – lessons for PR

Last week's US presidential inaugural ceremony was a reminder that, when everyone is watching, you must put out the right message, especially at a time when every single statement will be dissected. Here are five takeaways from the occasion which are reminders to: message to suit the event; message to match the moment; be aware of the power of words, using sound judgement and skill; make it memorable; and be aware of lengthy communications. Inaugural speeches are a reflection of PR in so much as words have "immense" power; should be carefully chosen and constructed; and "passionately" delivered.

prdaily.com, 22 January 2021 (McLeod)

Sponsorship

How sponsorship works

This blog defines sponsorship, explains how it works and discusses its benefits to business. It covers topics such as: leveraging the partnership, sponsorship fit, goodwill effects, enhancing PR, increasing brand awareness and improving brand image. It identifies two main types of sponsorship: financial and in-kind. A financial sponsor tends to be the most important type, consisting of a reciprocal arrangement whereby the sponsor gives money in return for promotion. Benefits depend on whether the sponsor is simply one of a number or the series sponsor. In-kind relates to aspects such as venue partnership and prize, food, or technical sponsorship.

business2community.com, 15 January 2021 (Hopper)

Agriculture, fishing and forestry

Start-up connects farmers with consumers

Food production is more important than ever due to the pandemic and Brexit. Since the first lockdown, farm shops, local shops and online retail have seen rocketing sales. Harvest Bundle, a business set up a year ago by Ben White-Hamilton, allows farmers to sell direct to the public online. Its mission is to: "promote Britain's unsung farmers, their stories, their passion and produce and provide them with a platform to sell their produce". This article looks at the launch, marketing, products and growth of the business, which around 50 farmers have already signed up to.

fginsight.com, 15 January 2021 (Ashworth)

Selling greens the fast food way

US indoor vertical farming company Plenty is using visual branding and the psychology of fast food to get people to eat their greens. The new branding uses "ketchupy" reds and "mustardy" yellows on the packaging; these are colours that have been shown to make people feel hungry. The typography is also designed to depict a product that one would choose

for its flavour rather than because it is healthy. Fast food brands, such as McDonalds, Burger King and KFC, have been using this type of psychology for years, with reds (to inspire hunger) and yellows (for happiness)!

fastcompany.com, 21 January 2021 (Smith)

Building industry

Manufacturers seek to improve reputations

The Construction Products Association (CPA) has a new marketing code which has been developed by its marketing integrity group (MIG). This follows an investigation into the Grenfell Tower fire which revealed issues with the integrity of construction product marketers. The proposed Code for Construction Product Information (CCPI) contains 11 clauses which aim to ensure that all product information is clear and accurate. The CPA says that: "The reputation of our industry is now at risk and collectively we need to put it right".

theconstructionindex.co.uk, 26 January 2021

The garden shed – grand designs?

"People have gone shed crazy", says Paul Deary of the Garden Shed Company who says he has never before seen such high demand for sheds across Britain. The structures being built are not for lawnmowers or allotments but more often for offices, garden gyms and so on, according to Green Retreats, which builds garden offices and saw sales rise by 113% between 2019 and 2020. The question is whether the rise in home-working will continue when the virus recedes. While a person working at home in a small space might be keen to return to the office, someone with a comfy garden shed kitted out with Wi-Fi may be less keen.

economist.com, 21 January 2021

Businesses and strategy

Unreasonable expectations – the way forward

Having great expectations – those of ourselves and others – is a constant trait among entrepreneurs which can become self-fulfilling. The most successful people's expectations can be defined in terms of five components. Perhaps the most important one is that a leader's expectations are unique and can be linked to a single mission that only they and their team can achieve. Entrepreneurs are advised to set their expectations as high as possible. After all, if you want "unreasonable" success, you must have unreasonable expectations!

Entrepreneur, Vol 49(1), January-February 2021, p18 (Koch)

Successful listening

Some organisations use a "listening circle" in which participants can talk honestly and openly about issues. An *HBR* study found that participants had less social anxiety and fewer work-related worries

than those who didn't take part. Richard Mullender, an ex-hostage negotiator who set up a firm called the Listening Institute, argues that the good listener should keep quiet, allowing them to gain an edge over the talker. Most business conversations are now taking place online or on the phone, which means that you can't read body language but Mullender says that body language is overrated and that it is much easier to understand someone if you can hear but not see them. The lockdown has increased the necessity for managers to listen to workers and this has provided a business opportunity for helping managers to listen more efficiently!

economist.com, 23 January 2021

Impact of CEO personality and demographics

What makes for a good or bad leader has long been a subject of discussion. Now researchers from the BI Norwegian Business School have been trying to understand how a CEO's demographic profile and personality impact a company's long-term performance, including stock performance and approach to innovation. The findings of the study, which appear in *The Journal of the Academy of Marketing Science* are numerous and varied. However, they suggest that the impact of a leader's personality and background depends on the type of situation they find themselves in. For example, those with a high level of emotional intelligence perform better in times of crisis. Boards should also be aware of characteristics such as over confidence, military background and political ideology which could affect decision-making, innovation and shareholder returns.

managementtoday.co.uk, 26 January 2021 (Jones)

UK business stats

This House of Commons Library research briefing reveals that last year over 99% of businesses in the UK were SMEs, with 5.7m of those being micro-businesses employing up to nine people. This compares with just 8,000 businesses which employed over 250 people in 2020. Figures for 2019 show that 15% of SME employers were headed up by women compared with 32% of FTSE 100 board seats which were occupied by women. However, only 5% of SME businesses were owned or led by people from ethnic minority backgrounds. Statistical data on regions, industries and business births and deaths are included.

commonslibrary.parliament.uk, 22 January 2021 (Ward)

Charities and NGOs

The role of voice comms

Last year the charity sector was transformed by the use of digital in everything from service delivery to fundraising. However, the greatest change is that seen in communications which is at the centre of

everything charities do. Charities need to pull together a range of comms solutions to tackle lockdowns and social distancing and voice is a part of this. The sector recognises the need for a human element to its services and voice offers value compared with other comms channels yet it requires a big share of resources. This article looks at the importance of multi-channel comms, the role of voice and how charities can meet the demand for voice comms. It mentions Teams Voice, Cats Protection and Cirrus' Cloud Contact Centre.

charitydigital.org.uk, 21 January 2021 (Paterson)

Maximising brand value

The pandemic has served to emphasise the importance of online brand protection. This article examines, from a legal perspective, strategies that non-profits should use when trying to maximise brand value, rebrand, or monitor the use of copyrighted materials. It includes tips for rebranding which cover trademark protection, registration and maintenance of trademark rights.

internationallawoffice.com, 25 January 2021 (Price and Kent)

Durable consumer goods

Ikea to sell spare parts for furniture

Ikea wants to boost its eco-credentials by selling spare parts for its furniture with items like sofa legs and arm rests. This forms part of the company's drive to ensure that its products are in use for longer rather than being perceived as disposable items. Last year Ikea entered the second-hand furniture market by buying back Billy bookcases and other items. The company aims to become a, "fully circular and climate positive business by 2030".

bbc.co.uk/news, 25 January 2021

Economy

UK GDP – latest data

The period from September to November 2020 saw GDP grow by 4.1% compared with the previous three months, but GDP fell by 2.6% in November compared to October. In fact, November's GDP was 8.5% below that of February 2020, the period before the pandemic hit. The services sector was the main downward driver in November, falling by 3.4%. Services and production were down by 9.9% and 4.7% respectively compared with February. The construction sector grew by 1.9% to 0.6% above February levels. This House of Commons Library briefing provides links to the original sources of data.

commonslibrary.parliament.uk, 21 January 2021 (Powell)

More Boomers retiring due to pandemic

The pandemic has caused much unemployment and many Baby Boomers have chosen to retire rather than carry on working. In Q3 2020, 28.6m US

Boomers (those born between 1946 and 1964) had retired, up by 3.2m on Q3 2019, according to the Pew Research Center. The total share of retired Boomers has now reached 40%.

[emarketer.com](#), 7 January 2021

Education

Covid-19 – not the death of the MBA

Just a year ago it seemed that the MBA was falling out of fashion, with many students not prepared to pay the high fees. This trend resulted in some “middling” universities abandoning their MBA programmes. One might expect the pandemic to be the last straw but now the Graduate Management Admission Council’s (GMAC) annual global survey of business schools reveals that 66% of programmes have seen an increase in applications. Last year many Asians put off going to US business schools in favour of European establishments, especially London and Paris, which have direct connections with Asia. China’s Europe International Business School also saw a rise in applications. Yet, rather surprisingly, America’s MBA programmes look set for a rebound. MBA applications often rise in recessions when there is a weak job market and lower salaries. American schools are also demonstrating their ability to adapt their business models to the new conditions.

[economist.com](#), 23 January 2021

Skills for jobs – new Government white paper

This month the UK’s Department for Education has published a white paper entitled *Skills for Jobs: Lifelong Learning for Opportunity and Growth*. It sets out reforms to post-16 technical education and training to support people in developing the skills needed to get good jobs and improve national productivity. It aims to give employers a greater say in the development of skills, to provide higher level technical skills and provide a flexible, “lifetime skills” guarantee.

[gov.uk](#), January 2021;

<https://www.gov.uk/government/publications/skills-for-jobs-lifelong-learning-for-opportunity-and-growth21>

Energy and utilities

First hydrogen-heated town by 2030

The UK is to have its first hydrogen-heated town by 2030. The Hydrogen Network Plan published last week is part of the Government’s ten-point plan for a “Green Industrial Revolution”. Many countries are now seeing hydrogen as fundamental to decarbonising some of their polluting industries. The UK’s natural gas network operators have set out a strategy for delivering a hydrogen solution. The plan outlines areas that will need to be tested, such as household appliances, how the new network will be built and the amount of hydrogen required. The village of Winlaton in Gateshead is to start a trial

using 20% hydrogen blended with natural gas.

[bloomberg.com](#), 21 January 2021 (Morison);
[itv.com/news](#), 9 January 2021

Using digital empathy

The pandemic has led to increasing numbers of UK customers struggling with their utilities bills which in turn has resulted in high numbers of sensitive and complex customer contacts. This makes it difficult for energy and water companies to maintain high levels of customer satisfaction. In a new report, *Utility Week* explores how digital solutions can help the utilities sector to support the delivery of a sensitive and personalised service.

[utilityweek.co.uk](#), 12 January 2021

Environment

Environment Bill

The Environment Bill 2019-2021 has completed its Committee Stage in the House of Commons and will complete the remaining stages on 26 January 2021. This House of Commons Library briefing summarises what has happened and how the Bill has changed, including Government and Opposition amendments. It sets out the main purposes of the Bill, which include introducing legally binding targets; establishing a new Office for Environmental Protection; protecting nature and improving biodiversity; and extending producer responsibility to ensure a consistent approach to recycling and single use plastic items. The full report can be downloaded.

[commonslibrary.parliament.uk](#), 21 January 2021 (Carver et al)

Media brands tackle carbon footprint

News brands may have been moving online but this does not diminish their carbon footprint. The carbon footprint of gadgets, the internet and the systems that support them makes up around 3.7% of global greenhouse emissions, according to The Shift Project, a French think tank. Some publishers are responding to the rise of the green consumer with platforms that promise to deliver an eco-friendlier reader experience and their activities have started to attract the attention of brands. The BBC is looking at the environmental impact of its commercial business. Last year it launched Future Planet, a platform for stories about solutions to the climate problem. Other media companies are taking action, such as ethical living magazine *Pebble*. Now the media industry is coming together – nine major companies including the BBC and the University of Bristol – to map their CO₂ hotspots and to create an online carbon calculator (DIMPACT).

[thedrum.com](#), 19 January 2021

Fashion

Clothing sales suffer largest fall in 23 years

Sales of clothing fell by 25% last year, the largest decline in 23 years when records began. Although demand for some garments, such as pyjamas and loungewear, have risen, demand for “going-out” clothing has fallen as people had fewer opportunities to socialise. Clothing has been one of the worst affected by lockdown restrictions, according to the ONS. Arcadia, Debenhams, Edinburgh Woollen Mill, Oasis and Warehouse have all become insolvent since the March 2020 lockdown. Overall British retail sales suffered their greatest annual fall on record last year.

[bbc.co.uk/news](https://www.bbc.co.uk/news), 22 January 2021

Inditex shifting online

Inditex, Zara’s owner and the biggest seller of fast fashion in the world, has around 7,500 stores worldwide. Yet 2020 saw store numbers decline and the company sustained its first quarterly loss. Now it is in the process of closing up to 1,200 outlets as it shifts its focus online. The pandemic has accelerated a trend which requires fashion brands to become more agile in the way they do business. There is little doubt that Inditex will reach its target of raising its share of online sales from 14% in 2019 to at least 22% by 2022. The Zara brand is strong enough to attract shoppers to its own app rather than relying on intermediaries. However, Zara which spends little on advertising, may have to revise its thinking: if stores continue to close, people will no longer be reminded of its existence in the physical world.

[economist.com](https://www.economist.com), 16 January 2021

Financial services

NS&I loses savers in wake of bad service

National Savings and Investments (NS&I), whose accounts are guaranteed by the Treasury, has lost numerous customers due to poor service. When NS&I raised interest rates to attract new customers last year and then subsequently reduced the rates, savers left in droves, resulting in a net loss of £9.5 billion in funds for the last quarter of the year. NS&I’s announcement that it would phase out paper warrants, such as cheques for Premium Bond winners, resulted in a 43% rise in complaints in the six months to September. Call centres were unable to cope and call waiting times rose to 20 minutes in October. Chair of the Treasury Committee Mel Stride says the damage to NS&I’s reputation is “worrying”. CEO Ian Ackerley has apologised to customers and pledged to return NS&I to delivering “the high quality of service” that customers expect.

[bbc.co.uk/news](https://www.bbc.co.uk/news), 22 January 2021 (Peachey);
[theguardian.com](https://www.theguardian.com), 22 January 2021

Social media – how liked is your bank?

The Financial Brand has published its Q4 2020 *Power 100* rankings consisting of the social media statistics of retail financial services institutions in English-speaking countries. It monitors banks and credit unions on Facebook, Twitter, YouTube and Instagram, ranking them by data such as views, followers, likes and posts.

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

FMCG

Shopper marketing

The pandemic has accelerated the shift from traditional media planning and buying to a data and technology-led approach that has gone “beyond a tipping point”, particularly among the big FMCG brands. This is a huge divergence from the “TV-first” approach that many consumer brands have been using since the 1950s. Nowadays brands need to focus on data, speed and quality, or risk getting left behind. Those without the resources for new skills and technologies should embrace shopper marketing which centres on the shoppers and the decision-making touchpoints along the purchase path. Today’s shopper travels effortlessly between the physical and digital world and shopper marketing bridges that gap with its digital capabilities. It has become the “pivot point” for brands that want to transform their marketing and drive growth.

[thegrocer.co.uk](https://www.thegrocer.co.uk), 25 January 2021 (Lee)

Food

Playlists last as long as it takes to cook pasta

It is surprisingly hard to cook perfect pasta which is often either too al dente or overcooked. Now pasta brand Barilla and Publicis have come up with a solution through a partnership with Spotify. They have created the “Playlist timer” which consists of eight playlists that correspond with the perfect length of time in which to cook types of pasta, such as spaghetti, linguine, fusilli and penne. “Mixtape Spaghetti” includes various genres of music that are covered by Italian artists. Perfetto!

[Adweek.com](https://www.adweek.com), 20 January 2021 (Spary)

Tony’s claims pressure from rivals

Dutch chocolatier Tony’s Chocolonely claims its new range of chocolate bars have been dropped by Sainsbury’s because of pressure from competitor brands. Tony’s Sweet Solution range consists of pack designs and variants that are similar to Kit Kat, Twix, Toblerone and Ferrero Rocher. They are part of the company’s campaign for human rights legislation, which includes a petition, calling on companies to be accountable for modern slavery and child labour in the chocolate supply chain. It claims that other chocolate companies (unnamed) wanted its bars to be withdrawn because they didn’t want to be associated with illegal labour in the

industry. Tony's was founded in 2005 with the aim of eliminating slavery in the chocolate supply chain.

thegrocer.co.uk, 25 January 2021 (Selwood)

Oatly launches plant-based spreads

Oatly, the maker of dairy alternatives, aims to challenge Philadelphia with the launch of three plant-based spreads. Its Creamy Spreads claim to have the same consistency as soft cheeses. Oatly UK general manager Ishen Paran says the brand wants to make it easier for people to make the switch to plant-based products without losing out on taste. Last year Oatly launched its first "yoghurts", known as Oatgurts.

thegrocer.co.uk, 25 January 2021 (Woolfson)

Tobacco

Rizla – a brand that defines the product

Rizla produces 45 billion tobacco papers a year and dominates the market. Although it doesn't attract much attention, it is one of just a few brands – Coca-Cola, Google or Jacuzzi, for example – that defines the product. Rizla has many of the traits that marketers would consider to be signs of enduring brands. It has heritage, with its story dating back to Napoleon Bonaparte who supposedly granted a licence to supply rolling papers to French troops but this may not be altogether true. It also has design and quality on its side. Yet Rizla faces challenges, such as start-ups that use social media campaigns to build a cult following, especially among pot smokers. However, the biggest threat to Rizla's market position and heritage could be that it tries to change too much...

economist.com, 16 January 2021

Government and public sector

Government axes Covid-19 radio ad

The UK Government has abandoned a radio ad which suggests that joggers and dog walkers are "highly likely to have Covid-19". This followed complaints to the ASA which requires advertisers to have strong evidence backing up their claims. The Cabinet Office has moved to "swiftly address and resolve the matter without the need for formal investigation", according to the ASA. It is currently investigating other official Covid-related ads, such as one entitled "Don't let a coffee cost lives".

campaignlive.co.uk, 22 January 2021 (Douglas)

Biden revamps Trump Whitehouse.gov

The new White House web site is designed to be more accessible than its predecessor. While the Trump administration removed a Spanish version of the site, President Biden's team has made the site accessible to everyone including Spanish speakers and those with visual impairments. Rob Flaherty,

White House director of digital strategy, wants Whitehouse.gov to be seen as a "digital front door". Ben Ostrower, founder of creative agency Wide Eye which was brought in to look after the site's design, says his pitch was based on the idea that, "the White House is the people's house" which is the foundation of the brand.

fastcompany.com, 25 January 2021 (Smith)

Health and pharmaceuticals

UK trials Covid-19 vaccination passport

The UK is to trial a digital Covid-19 immunity and vaccination passport. Participants in the trial will receive a free app enabling them to prove that they have received one or both doses of the vaccine or that a test result is negative but they won't have to reveal their identity. The app will link to the NHS's existing infrastructure and should help businesses and employees to get back to work or families and friends to meet more responsibly than before. The digital passport is to undergo two trials in the NHS before the end of March with a view to rolling it out after that.

nfcw.com, 13 January 2021 (Phillips)

Merck gives up on Covid vaccine

Merck, a leading vaccine maker, has abandoned its attempt to make a Covid-19 vaccine after failing to produce strong immune responses with its experimental products. The company is noted for having developed a mumps vaccine in a record four years. It also created the first approved Ebola vaccine and the first vaccine to prevent cervical cancer. The company now plans to develop drugs to treat Covid-19. Sanofi, another leading French pharma company, has also suffered setbacks with its experimental vaccine being developed in partnership with GSK. This leaves just two of the five largest vaccine companies (apart from Pfizer) in the running: Johnson & Johnson and Novavax.

ft.com, 25 January 2021 (Kuchler and Abboud)

IT and telecoms

New security legislation for IoT products...

New proposals from the UK Government require manufacturers of IoT consumer devices to comply with new security requirements for products that are distributed in the UK. The aim is to create a "consistent, future-proofed cyber security baseline" for smart devices, laptops, smartphones and PCs. The security standard also seeks to be technology "agnostic" so that it can adapt to innovation. It is likely that manufacturers will be allowed just nine months to comply with the rules. They will have to not only comply with the first wave of legislation, but with any other measures in the European Standard on IoT Cyber security which the UK may introduce. Manufacturers and designers should watch out for future developments as these could

affect their designs and production processes.

lexology.com, 15 January 2021 (Bray)

... as demand for cyber security on the rise

The rise in homeworking has presented more opportunities for hackers which in turn has increased demand for cyber security analysts. A survey last year by ISC2 revealed that an additional 3.1m people are needed in the sector globally and 22% of companies have reported a shortage of dedicated cyber security staff. Women currently account for just a quarter of the industry's employees, mainly because the industry has been very male- and tech-focused, according to Jane Frankland, a cyber analyst. Apart from the lack of women in the sector, companies tend to prioritise revenue-generating areas of their business, while relegating cyber security to the IT department. Yet cyber-attacks cost companies an average of \$3.9m according to a 2020 global survey of mid-sized companies by IBM Security.

ft.com, 26 January 2021 (Kantor)

Leisure and tourism

Will we see "vanilla" pubs?

Last year Great Britain lost 6,000 pubs, according to a report by CGA and AlixPartners. Now big pub chains are planning to acquire some of the pubs that have disappeared during the pandemic. JD Wetherspoon has just raised £94m to part fund, "the acquisition of new properties, which are likely to be available at favourable prices, as a result of the pandemic". Greene King is planning to spend £200m on buying up small pubs and bars under the name Redcat Pub Company. This trend could see reduced diversity and the loss of freehouse establishments with their unique identities. There are fears that this could lead to "vanilla pubs".

business-live.co.uk, 24 January 2021 (Finch)

Materials and mining

Investing in mining tech

The coronavirus has speeded up investment in automation and technology by mining companies, enabling them to reduce the numbers of staff on site. Even before the pandemic, miners were upgrading their equipment to deal with lower grade material and deep mines. They have also been under pressure from investors to reduce CO₂ emissions. One shift has been the increasing use of electric trucks and every big mining company has a net zero target. Helena Hedblom, CEO of Sweden's Epiroc, the world's largest mining drilling equipment manufacturer, says the pandemic has boosted the transition to new technology. The average age of mining equipment is rising and Epiroc has an opportunity for new sales and servicing, which could include adding autonomous technology.

ft.com, 25 January 2021 (Milne)

Media

Games

Wallace and Gromit – new storytelling app

In a new AR storytelling app called "The big fix up", Wallace and Gromit are tasked with fixing up Bristol, the city where maker Aardman Animations is based. In the app, Wallace and Gromit start a new business venture, Spick and Spanners. The app takes the user through AR gameplay, CG animations and XR portals and comic strips. The app is ad-free and free to download but there are in-app purchases. Some of the proceeds will be donated to The Grand Appeal, a children's charity.

campaignlive.co.uk, 19 January 2021 (Douglas)

Internet

Online searches – increasing click-through

Why do consumers click on search engine results and how can marketers adapt their techniques accordingly? Marketers tend to focus their digital advertising towards the end of the consumer journey, at the purchase stage. A series of six studies has found that targeting consumers at the start of their journey can boost click-through rates. The authors explore the different mindsets and goals during the consumer journey and show how marketers can analyse the text of online search queries, using the information to increase click-through rates and satisfaction. The research is described in a forthcoming article: *Construal Matching in Online Search: Applying Text Analysis to Illuminate the Consumer Decision Journey* (Humphreys et al, 2020) in the *Journal of Marketing Research*, available to CIM members on Ebsco.

ama.org, 13 January 2021 (Krotz and Shipley)

Newspapers

Australia wants big tech to pay for news...

Australia is introducing the first law in the world that would force Google and Facebook to pay media outlets for their news content. This could be a test case for how other Governments try to regulate the big tech firms. The Australian code would mean that Google and Facebook would have to enter into negotiations with publishers about the value of their news content, if don't reach an agreement first. The US tech firms have threatened to withdraw their services, with Google describing the law as "unworkable". The Australian Government argues that the tech firms attract customers because people want to read the news and therefore news outlets should be paid a "fair" amount.

bbc.co.uk/news, 22 January 2021

...while Facebook launches some paid News

Facebook has just announced that Facebook News will be launching in the UK in partnership with Channel 4, Sky News, *The Guardian* and others who

will provide the social network with content. The move is an attempt by Facebook to tackle the long-term dispute between it and news publishers over advertising spend, which has increasingly shifted to big tech firms and away from the news outlets. Facebook says it will pay publishers "for content that is not already on the platform" and that publishers will have greater advertising and subscription opportunities.

bbc.co.uk/news.co.uk, 26 January 2021

Social media

Social media – ten recommendations

The special Covid-19 edition of *The CMO Survey* has found that social media has become more powerful than ever as a marketing tool during the pandemic. It reveals that social media spending rose by 74%, from 13.3% of marketing budgets in February 2020 to 23.2% in June 2020. As spend on traditional advertising declines (by an estimated 5.3% over the next 12 months), CMOs and marketing managers must consider the new marketing landscape and plan their marketing strategies for the future. This article sets out ten recommendations based on the survey, for maximising marketers' return on social media investment.

hbr.org, 19 January 2021 (Moorman and McCarthy);
<https://cmosurvey.org/results/>

TikTok – risks and rewards

TikTok is undoubtedly very popular, but before jumping on the platform, you should first decide whether it is suitable for your brand. The author offers some advice for determining whether it is right for you. He points out that nine out of the top ten most-followed accounts on TikTok are personalities rather than brands, which means that a brand would need to find personalities to help carry the brand message. He also considers brand awareness and brand reputation; whether TikTok is just a "fad" and the viral vs quality debate. There is a warning that Governments might ban the app, as India has done.

clearvoice.com, 19 January 2021 (Buleen)

Television

Brand-funded TV

The pandemic has accelerated the trend for brand-funded content among broadcasters, according to a new report from K7 Media. *Brand Funded Programming: Why it Matters Now* includes interviews with 26 industry experts and presents a global picture of branded entertainment. Brands have been moving away from traditional advertising for some time and brand funded programming has benefited from this, according to report author Clare Thompson. The report looks at which models of brand-funded content are most successful according to territory, platform, genre and audience.

prolificnorth.co.uk, 21 January 2021 (Chapman)

2020 a record year for Netflix

Netflix now has over 200m subscribers thanks to an additional 8.5m new paid subscribers during the fourth quarter of last year. It was a record year of growth for the streaming service which saw membership rise by 23% year-on-year. Netflix has over 500 titles in post-production or preparing to launch, and expects to release at least one original film every week this year. However, it has had to move fast to stay ahead of "legacy competitors" such as Disney, WarnerMedia and Discovery.

marketingweek.com, 20 January 2021

Packaging

New machine bags the shopping market

Mondi has launched Europe's first dedicated paper machine for creating speciality kraft paper made from fresh and recycled fibre. The €67m-machine at its mill in the Czech Republic will produce one of the largest portfolios of consumer shopping bags in Europe. The EcoVantage two-ply paper is 100% recyclable. The European speciality kraft paper market is predicted to grow strongly due to legislation to reduce waste caused by plastic shopping bags and consumer desire to move away from single-use plastic.

packagingsolutionsmag.co.uk, 21 January 2021

Retailing

UK retailers could burn goods sent to EU

UK retailers might ditch or even burn goods that they have sent to the EU rather than get consumers to return to them. The high duties imposed on return goods following Brexit, at a time when retailers are struggling, could deter them from retrieving the goods. It's "cheaper for retailers to write off the cost of the goods than dealing with it all, either abandoning or potentially burning them" says Adam Mansell, head of the UK Fashion and Textile Association (UKFT). In addition, many EU customers have been faced with a customs invoice when signing for goods from the UK. Some small companies have stopped exporting to the EU because of the new customs processes.

bbc.co.uk/news, 22 January 2021 (Browning)

Retail footfall up in January

Footfall in UK retail destinations that were still open, rose by 9% in the week to 23 January, according to data from Springboard. This is up from -10.9% the previous week and the first rise in footfall since the week beginning 13 December. Diane Wehrle, insights director at Springboard, attributes the rise to, "the first indications of lockdown fatigue".

theguardian.com, 25 January 2021

Boohoo buys Debenhams but stores to close

Online fashion retailer Boohoo has acquired Debenhams' brand and website for £55m but is not taking on its 118 high street stores or their employees. Boohoo has already acquired other high street brands such as Oasis, Coast and Karen Millen, but not their physical stores. Boohoo executive chairman Mahmud Kamani describes the Debenhams deal as "transformational" and a "fantastic opportunity as e-commerce continues to grow". He says Boohoo's ambition is to create the UK's largest marketplace.

bbc.co.uk/news, 25 January 2021

Services

Foxy Games socially irresponsible

Ads which present gambling as an answer to people's financial problems breach advertising rules, says the ASA. A Google search ad from Foxy Games, which appeared last year, stated: "Earn Money Online – Foxy Games – Play Online". The ASA ruled that the ad breached the CAP Code which says that advertising must not suggest that gambling is an answer to people's financial worries and could provide an income stream. The ASA deemed Foxy's ad to be socially irresponsible and said it must not appear again in the same form. It is a reminder to gambling advertisers not to portray their service as a source of income. Paid-for Google search ads must not be shown in connection with searches linked to money-making or financial security.

lexology.com, 15 January 2021 (Bray)

Nearly 6,000 licensed premises lost in 2020

Last year nearly 6,000 licensed premises closed in Britain, as the hospitality sector struggled during the pandemic. Birmingham's hospitality industry was the worst hit, with a loss of 8.5% of its bars, pubs and licensed restaurants or hotels. In total, some 5.1% of licensed premises in Great Britain (excluding Northern Ireland) declined, according to industry analysts CGA and AlixPartners. However, in contrast to previous years, the closures were not replaced by a roughly equivalent number of new openings.

theguardian.com, 22 January 2021 (Davies)

Transport and travel

EVs close to mass adoption tipping point

Electric cars are reaching a "tipping point" for rapid mass adoption, according to experts. Last year global sales rose by 43% but the fall in the price of batteries should bring the price of electric cars down to that of diesel or petrol vehicles. According to latest forecasts, this could happen as early as 2023 or 2025. In Norway this point has already been reached: last year battery-powered cars had a share of 54% and electric cars are now cheaper than conventional ones, thanks to tax breaks. Two barriers to the mass uptake of electric cars are the high price and "range anxiety" but factory production of batteries that give a 200-mile charge in just five minutes has already begun.

theguardian.com, 22 January 2021 (Carrington)

Emirates to pilot vaccine passport

Emirates is to trial a digital vaccine passport to help its staff verify that passengers have received their Covid-19 vaccination. From April it will use the IATA Travel Pass mobile app to test people's pre-flight Covid-19 test status for those travelling from Dubai. Later on, it aims to use the technology for passengers to prove that they have received the vaccine. Emirates was one of the first airlines to launch free pre-flight Covid tests.

marketingweek.com, 20 January 2021

Written by CIM's Knowledge Services Team

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