

Cutting Edge: Our weekly analysis of marketing news

3 March 2021

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

Quick [links](#) to sections

Marketing trends and issues

Advertising

Be socially responsible when advertising

The pandemic has led to a big shift in advertising and marketing. During lockdowns many people have been receiving content digitally. Regulators have the challenge of protecting consumers from companies that seek to profit from the coronavirus and the ASA has published a number of decisions and guidance for advertisers. Here is a summary of some of the decisions it has taken and lessons that can be learned by advertisers. The conclusion is that ads should be created with a socially responsible mindset especially at a time when consumers are so vulnerable. All advertisers should take care when making direct or indirect claims about Covid-19 in their advertising.

[lexology.com](#), 18 February 2021 (Artinian and Rigg)

Authenticity better than shares?

Inspired outdoor advertising regularly goes viral on social media, which is providing a platform for OOH ads to extend their reach. But is this detracting from the true value of the medium in "reaching real people?" Last year saw a substantial revenue decline for OOH (down 44.8% year-on-year in the first half) as marketers focused on targeting at-home screens. Yet, digital OOH sites have doubled in the UK over the past four years thanks in part to the channel's versatility and ability to reflect location, time, weather and events. Good OOH creative can promote good PR as people engage with and share the ads. This article mentions the BBC's award-winning Dracula campaign; Carlsberg's beer-tap billboard; the Pepsi Max "Unbelievable Bus Shelter" campaign; and McCann's Fearless Girl, which has "a tangible solidity in a way social channels can't", says Nick Ellis of brand agency Halo. (See also under

Food)

[thedrum.com](#), 24 February 2021 (McCarthy)

Agencies

Publicis launches apprenticeship scheme

Publicis Groupe is launching an Open Apprenticeship Scheme which aims to attract 10,000 people including those from ethnic minorities and low-income backgrounds. Next year it will include other underrepresented groups, such as disabled people. It also wants to create new jobs for those on the programme. UK CEO Magnus Djaba says that the industry is currently, "full of people who look the same and have similar backgrounds" but, "the irony is it's also an industry looking for new solutions and innovation, from all the same pools of talent".

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

Brands and branding

Upscaling – creating a global brand

Growing a small business into a global brand is no easy task but it is better if you start the business on the basis that you will eventually want to expand into other countries or regions. If, however, your business is too far advanced for this, you can build a global brand in a number of ways, either in existing markets or new markets, or with existing or new products. This article focuses on market development and diversification in new markets, either using an existing brand or developing a new brand to sell overseas. Here are eight strategies for marketing your brand into other markets or regions.

[business2community.com](#), 23 February 2021 (Hausman)

Emotive names achieve higher revenues

New research suggests that businesses with emotive brand names have higher revenues. The study, conducted by UK Domain, looked at the most popular brand names of this century and found that



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companies with emotive names, such as Red Bull, have significantly greater turnover than those with invented names or acronyms. Brands with compound names tended to achieve the lowest revenues.

marketingweek.com, 25 February 2021

Conferences and events

Live streaming – audience engagement

Video has become an effective marketing tool, with video streaming gaining in popularity. A March 2020 report from GlobalWebIndex found that over 50% of Millennials and Gen Z have an interest in live streamed events. Recent years have seen brands and marketers using live streaming for press conferences, product launches, presentations and demos. Many social platforms have invested in live streaming, enabling brands to tell stories and showcase products and services. A key metric for successful live streaming is audience engagement. The author offers some tips for increasing engagement among your target audience.

toolbox.com/marketing, 19 February 2021 (Kashyap)

The future of meetings

At a recent online event, The Future Meeting Space innovation network presented the results of its latest study, which looked at the future role of events in the overall communications mix of organisations. Its main findings were that the relevance of events in the comms mix will continue to grow but that the increasingly hybrid nature of events means that both the virtual and analogue worlds should be smartly connected. At the same time, you should take into account the fact that people still want authentic experiences in the real world. It also argued that events as a “hub” for international relations cannot be reproduced only in the virtual world since this aspect still requires personal and physical interactions. The complete study on *The future role and purpose of business events* is expected to be available for download soon.

eventindustrynews.com, 24 February 2021 (Parry);
<https://qcb.de/trends-inspiration/future-meeting-space.html>

Consumer behaviour

Generation Snapchat

The *2021 Snapchat Generation Report* (from Snap itself) looks at the potential impact of Snapchat users on brands and businesses. This article explores the major findings, including the fact that the Snapchat Generation will have a two-way relationship with their favourite brands; that the pandemic has instilled a renewed appreciation for friends and family; and that three out of four Snapchatters say they are more inclusive than non-Snapchatters. The study also finds that the Snapchat generation is better informed about world news and events and are 30% more likely than non-

Snapchatters to volunteer and help drive social change.

toolbox.com/marketing, 22 February 2021 (Nalawade)

Customer relations

Loyalty programmes – hard but effective

A loyalty programme is a way for retailers to acquire new customers as well as creating long-lasting relationships. But setting up a programme can be challenging, even for those who outsource the work. In a Clarus Commerce poll of US marketers, most cited competing priorities as one of the biggest barriers: since loyalty often sits within marketing or customer experience, the loyalty budget could conflict with money needed for other marketing efforts. Some 24% of respondents also said they lacked the internal resources to build and manage a programme. But, as research reveals changing consumer behaviour and less brand loyalty than previously, now is a good time to launch a loyalty initiative. Jeremy Goldman, eMarketer principal analyst, says that “Ultimately, brands that provide a better customer experience have been proven to win in the market” and loyalty programmes have the potential to offer “standout” customer experience.

emarketer.com, 26 February 2021 (Kats)

Direct marketing

Lead generation or lead nurturing? – use both

It is sometimes difficult to distinguish between lead generation and lead nurturing even though the two processes are quite unique. Lead generation is the process of attracting the attention of a prospective buyer via integrated marketing efforts which include inbound marketing, such as events, content and social media. Lead nurturing is the business of building a relationship using different interactions over a period of time, with the aim of converting the leads into buyers. Marketing efforts commonly include email marketing and targeted digital activity. They also involve follow-up content such as a “drip” email series or e-newsletter. A business should use lead generation and lead nurturing together to achieve sustainable success.

business2community.com, 26 February 2021 (Tuttle)

DMA launches ADHD guide

The DMA has produced an *ADHD Employer Guide* to offer advice on the adjustments that employers in the creative, marketing and data industries can make to the recruitment process for those with attention deficit hyperactivity disorder. ADHD is one of the commonest behavioural disorders in the UK, affecting around 5% of children and 3% of adults. Kate Burnett, DMA General Talent general manager, writes that, “the guide is intended as a starting point for employers to make positive change within their organisation”.

dma.org.uk, 25 February 2021

Marketing

When consumers pick their own prices...

Marketers have been experimenting with pricing strategies that involve consumers. A recent study in the *Journal of Marketing* investigates in what circumstances “participative pricing” might improve purchase outcomes. It points out that a pay-what-you-want (PWYW) strategy can have disadvantages, which are referred to as the “Control-effort trade-off”. The researchers predict that a PWYW pricing strategy has an overall negative effect because of the amount of effort required to decide a final price. However, they expect a positive outcome from a pick-your-price (PYP) strategy which allows consumers to select from a set of price options. The two strategies are tested through five studies in various contexts to identify in what circumstances PWYW and PYP will be more or less effective.

ama.org, 18 February 2021 (Wang et al)

Nostalgia marketing

In a series on the transformative developments for 2021, eMarketer turns to nostalgia marketing. As the pandemic drags on, the desire for a return to normal is strengthening, which is why nostalgia marketing will be important this year. Nostalgia was reflected in advertising during the recent Super Bowl; while more than one in three Americans said they went back to playing the classic video games of their childhood during the pandemic. Others turned to homemade bread, jigsaw puzzles and classical music. It is likely, therefore, that the current trend for nostalgia marketing will continue. While this might suggest a return to low tech, “new technology is actually making many of these nostalgic indulgences possible”, argues Victoria Petrock, principal analyst at Insider Intelligence.

emarketer.com, 25 February 2021 (Goldman)

David vs Goliath: competency vs empathy

This article looks at the advantages that nimble companies (the Davids) have over their legacy competitors (the Goliaths). The Goliaths think a reactive response will maintain growth in the face of events: such as Covid-19 or the racial justice movement. The Davids, on the other hand, know that it is not about how they market to people but how much they prioritise competency over empathy. Nimble companies can use real-time data to find out how much their brand matters and adjust their marketing spend accordingly. These are the companies that have achieved the most positive financial impact. Chipotle, for example, was fast to offer free delivery and higher salaries as well as giving burritos to frontline workers. As a result, its competence scores rose and it saw the highest rise in brand meaningfulness and uniqueness in its category among Millennials.

Adweek, Vol 62(3), 22 February 2021, p10 (Santos)

Market research

Designing effective customer experiences

As companies try to gain a deeper understanding of customer preferences and behaviours, they continue to use “aging survey-based measurement systems” that have underpinned customer experience (CX) initiatives for years. Increasingly, however, it is recognised that survey-based measurement systems do not meet CX needs, although surveys are still an important tool. This article, based on a recent McKinsey survey of US CX leaders, explores how data and analytics are beginning to transform customer experience. It presents new research on the shortcomings of survey-based measurement systems. It then looks at how some leaders have implemented data-driven CX systems to reduce churn, increase revenue and lower costs. It offers advice on how to get started and includes four key steps for CX leaders as they shift to data-driven insight.

mckinsey.com, 24 February 2021 (Diebner et al);

<https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/prediction-the-future-of-cx>

Tackling the inclusion gap

Most research companies have diversity, inclusion and equality (DI&E) policies in place and are careful to ensure that they comply with legal requirements. However, discrimination is still occurring and there is still a significant inclusion gap as revealed by a recent survey by MRS. In particular, it has identified a gap in experiences and perceptions of diversity and inclusion between white men and other groups. To date, 25 research company leaders have committed to working towards safer and more representative workplaces, which includes publishing annual pay statistics and working towards women and ethnic minorities at board level. But why is there still an inclusion gap and how do you close it?

mrs.org.uk, 25 February 2021

Public relations

Tackling unjustifiable reviews

Good customer reviews can give a boost to a business but it only takes one negative review to damage its reputation. It is especially difficult when the business has received an unjustified or malicious review. A recent case between a disgruntled client and a law firm (Summerfield Browne Ltd) shows what action can be taken to tackle unjustified reviews on review sites or social media. The client’s comments that the law firm was “a total waste of money” and a “scam solicitor” were found to be unjustifiable and he was ordered to pay £25,000 in damages as well as having to remove the offending remarks. The case is a reminder that businesses can use the argument that they have suffered “serious harm”. It is also a reminder that reviews should be genuine opinions and not defamatory.

lexology.com, 25 February 2021 (Peyman)

PR and affiliate marketing

Affiliate marketing (where third-party publishers or affiliates are paid for promoting products and services) is becoming more common and PR pros might view it as a bit of an upstart tactic “playing in their backyard”. The reality is that PR and affiliate marketing can form a symbiotic relationship that leads to mutual success. It gives brands the opportunity to use the content space in ways which didn’t previously exist. This article compares and contrasts PR and affiliate marketing and identifies areas where the two can coexist.

prdaily.com, 26 February 2021 (Nolan)

Sponsorship

Peroni Libera is brand partner of Aston Martin

Aston Martin has returned to Formula 1 racing for the first time in 61 years as the Aston Martin Cognizant team. Tech giant Cognizant is the title sponsor, but Peroni Libera, an alcohol-free Italian beer, will also partner with the brand. It will appear on Aston Martin vehicles at each of this season’s 23 Grands Prix. Richard Ingram, global brands director at Asahi, Europe and International, which owns Peroni, says that the Aston Martin partnership is a good match because, “we are both icons of style and our values are for passion, for flair, and for attention to detail.” Asahi is planning a number of city activations which will create “aspirational experiences”.

campaignlive.co.uk, 25 February 2021 (Gwynn)

Dettol partners for a good, clean game

Dettol, the disinfectant brand, has entered into a sponsorship deal with the Football Association with the aim of promoting good hygiene in the sport. This follows a survey of football clubs in which 90% identified cleaning and disinfection as an issue. As the Official Hygiene Partner of the England Men’s and Women’s senior teams and the wider sport, Dettol will provide educational materials as well as a range of Dettol products. (See also under Household)

marketingweek.com, 25 February 2021

Agriculture, fishing and forestry

When “ugly” becomes attractive to consumers

Each year in the US, farmers throw away up to 30% of their edible produce, due to visual imperfections, which is clearly bad for the environment. Many retailers use labels such as “ugly” or “produce with personality” to sell imperfect produce. A new study in the *Journal of Marketing* seeks to understand why consumers reject unattractive produce and whether “ugly” labelling increases the propensity to purchase. They find that consumers expect unattractive produce to be less tasty and even less healthy. However, they also discover that consumers

are more likely to buy the produce when it is labelled “ugly” and that it generates greater profit margins than when it is labelled as unattractive. They also find that “ugly”, rather than “imperfect” labelling, is more effective at generating click-throughs in online ads.

ama.org, 23 February 2021 (Mookerjee et al)

A pig of a problem – UK pork exports

Pig farmers are struggling with excess stock due to Brexit and problems with China. While British consumers prefer to eat lean pork meat (loin, legs, back), Europeans like the fattier cuts (belly and shoulder) while China will eat the so-called “fifth quarter” (heads, trotters, etc). Trade has collapsed due to several British processing plants being hit by Covid-19 last year and a ban from China. Meanwhile the Brexit deal means that British producers have to fill in multiple health certificates in the language of every country their produce travels through and it has to be signed off by a vet every step of the way. There is a chance that all this bureaucracy could lead to European processors using local suppliers instead. This could lead to rising prices and a shrinking British pig industry!

economist.com, 27 February 2021

Morrisons to launch high-welfare poultry

Supermarket Morrisons is to work with its farmers to launch an “affordable” range of high-welfare chickens that will meet the criteria of the Better Chicken Commitment (BCC). The latter is a scheme backed by animal welfare groups across Europe aimed at improving bird welfare and raising standards by 2026. Morrisons will collaborate with its farmers to introduce a new breed of slower-growing Redbro chicken to the UK. However, the supermarket has not actually signed up to the BCC and Waitrose and M&S are the only major UK supermarkets to have done so.

thegrocer.co.uk, 26 February 2021 (White)

Building industry

Construction data

Construction Enquirer has produced a new construction data page which sets out “easy-to-access” market data. It includes contracts league tables for the top 50 contractors and clients in January and the top 100 for the year. There is also information on public tenders, rates of pay, news and construction insight.

constructionenquirer.com, 26 February 2021;
<https://www.constructionenquirer.com/contract-leagues/>

Wates portal fosters promotes innovation

The Wates Innovation Network (WIN) portal is the first of its kind, according to the Wates Group. The new portal will showcase smarter solutions for

designing, constructing and maintaining buildings and help companies to achieve sustainable solutions. It also wants to use the portal as a way of expanding the marketplace for green technologies that can be used in the built environment. John Dunne, group health, safety, environment and quality director at Wates Group, says that companies who do not invest in sustainable innovations will fail to compete. The portal was launched to support, "the Government's target of net-zero buildings, and fostering the growth of sustainable, innovative SMEs in the UK", says Dunne.

pbctoday.co.uk, 1 March 2021

Businesses and strategy

Conducting digital business post-pandemic

What is the difference between businesses that will survive after the pandemic and those that won't? If you want to succeed post-pandemic, you need to audit your business operations "from the ground up" because things you did in the past may not be effective now. Here are eight ways for conducting your digital operations to ensure your business survives. One piece of advice is to keep some of your employees working remotely. For example, could the marketing department work from home? There is also an emphasis on the importance of user experience testing (only 55% of companies currently do this); considering customer priorities; and retaining loyal customers.

business2community.com, 20 February 2021 (Hecks)

Swap your SWOT for better results

The SWOT analysis is a well-known tool for businesses but is often carried out ineffectively. This is partly because the first focus tends to be on internal attributes, namely strengths and weaknesses. Yet, by starting with external factors (threats and opportunities) you can achieve a better analysis and more actionable strategic recommendations. This can be followed by an assessment of strengths and weaknesses which will allow you to produce recommendations based on one simple sentence: "Given the condition of [external factor], our ability to [internal factor] leads to our recommendation that we [recommendation]."

hbr.org, 23 February 2021 (Minsky and Aron)

Being an agile leader

In a post-pandemic world, agile will not be just an advantage but an essential. Companies were investing heavily in agile working even before the pandemic but since then it has become increasingly important in helping to shift business models, especially with remote working becoming the norm. Now business leaders should focus on agile principles. As well as using agile to manage emerging issues, they must prevent their companies

from "slipping back into command-and-control modes" which would hold back a post-pandemic recovery. However, leaders who want to embrace agility must first change their own behaviours. To do so, they must: start at the top; empower with control; and change what managing means.

bcg.com, February 2021

Charities and NGOs

Choosing a website platform

In a digital world it is essential that every charity has a good website. A website can help establish and maintain relationships; provide information and advice; raise awareness; share stories; and much more. This article explains what a website platform is and offers advice on choosing one. It then highlights a few of the available options together with their pros and cons and pricing.

charitydigital.org.uk, 26 February 2021 (Rubens)

Consult supporters before holding events

Charities should consider what their supporters want before restarting fundraising events, according to the Chartered Institute of Fundraising (CIOF). CIOF's head of policy and external affairs, Daniel Fluskey, cautions that it is too early for charities to start putting plans in place for fundraising activities. They should also have discussions with their supporters about what they would feel comfortable with. The event must offer the right kind of experience in terms of "making the right connection" with the cause and "being inspired to donate". It must be, "the right kind of event for the right charity at the right time".

thirdsector.co.uk, 23 February 2021 (Ricketts)

Durable consumer goods

No more "Mr" Potato Head

In a bid to move away from gender norms, toy manufacturer Hasbro is to rebrand Mr Potato Head as simply Potato Head. The gender-neutral branding, featuring family sets with two fathers and two mothers in addition to a heterosexual couple, aim to promote inclusivity. While Mr and Mrs Potato Head will continue for this year, the new "Create Your Potato Head Family" will launch in the autumn. Other toy manufacturers have previously revised their ranges, such as Mattel's Barbie, which has a range of gender-neutral dolls and Thomas The Tank Engine, which has launched some female locomotives. Mr Potato Head first went on sale in 1952.

**fastcompany.com, 25 February 2021;
marketingweek.com, 26 February 2021**

Economy

Business and consumer confidence

This House of Commons Library bulletin summarises the latest confidence surveys to give an indication of the economic outlook. An ONS survey for the two weeks ending 21 February found that 79.9% of respondents had high or moderate confidence that their business would survive for the next three months. The CBI quarterly *Industrial Trends* survey for February reveals that more manufacturers still believe that output will fall over the next three months than that it will rise. However, the difference was just -2% for February, up from -24% in January. GfK's *Consumer Confidence Index* measures a range of consumer attitudes. The Index was -23 in February, up from -28 in January. The bulletin includes links to the original sources.

commonslibrary.parliament.uk, 25 February 2021 (Brien)

Education

Higher education numbers

Headline student numbers have reached new highs since the 2012 reforms which led to a dip. However, there are still concerns about less positive trends among groups such as part-time undergraduates, postgraduates, overseas students from some countries, mature students and some disadvantaged groups. There are also concerns about the effect of the pandemic and the impact of Brexit on EU student numbers. This paper examines trends in the size of the student population and changes in the number and make up of entrants and courses. There is a link to the full report, *Higher education student numbers*.

commonslibrary.parliament.uk, 26 February 2021 (Bolton);

<https://researchbriefings.files.parliament.uk/documents/CBP-7857/CBP-7857.pdf>

The US online education market

Even before the pandemic, online education was a significant contributor to the growth in higher education but Covid-19 has speeded up the process. In one of its weekly charts, McKinsey shows that growth in online education has been very uneven among institutions in the US, with the top ten players accounting for 20% of the market. The top ten by online enrolment are headed up by Western Governors University, Southern New Hampshire University and University of Phoenix which are all building market share. The chart is taken from a longer article entitled *Scaling online education: Five Lessons for colleges*.

mckinsey.com, 25 February 2021;

<https://www.mckinsey.com/industries/public-and-social-sector/our-insights/scaling-online-education-five-lessons-for-colleges>

Energy and utilities

Powerpaste the answer to hydrogen storage

Hydrogen is a good fuel alternative because it produces water rather than CO₂ when burned and it is possible to fill a tank with hydrogen much faster than it is to fill an empty battery with electricity. The downside is storage which is difficult in large quantities. Now researchers in Germany have come up with hydrogen "goop" which can be stored in a cartridge and used to produce hydrogen when needed. They call their invention "Powerpaste". While it is unlikely to be used in the car industry, where battery-powered vehicles have become well-established, it could be used in small vehicles such as scooters or drones. Its use in miniature camping stoves is another possibility. A pilot plant in Lower Saxony will eventually produce four tonnes of the paste a year.

economist.com, 27 February 2021

Energy firms overcharged during switching

Ofgem, the energy regulator, has accused energy firms of overcharging more than one million people during the process of switching suppliers. Some 18 suppliers have been identified as overcharging to the total tune of £7.2m. The biggest culprits were: OVO Energy, Shell, Scottish Power, British Gas and SSE. The case sends a message to all suppliers that Ofgem will take action where necessary and that customers should be confident of not being overcharged when they switch supplier.

bbc.co.uk/news, 2 March 2021 (Peachey)

Environment

Ad Net Zero gets under way

WPP and Publicis Groupe are among the list of ad companies supporting Ad Net Zero, the industry initiative set up in 2020 following the Advertising Association's Climate Action Group report on addressing the climate crisis. In February the group met as a collective for the first time to drive the action plan. Led by the Advertising Association, ISBA and IPA, it aims to achieve a net zero target by 2030. The focus will be on tracking emissions from ad operations, reducing emissions from advertising productions and "greening up" the industry's awards and events.

campaignlive.co.uk, 25 February 2021 (Douglas)

Study sets out fossil fuel waste

Fossil fuel cars waste at least 300 times more raw material than battery electric cars, according to a study by Transport & Environment (T&E), a campaign group. Its analysis reveals that a lithium ion battery will lose only around 30kg of raw material during its lifetime compared with the 17,000 litres of oil lost by a conventional motor. T&E claims that battery EVs perform better than petrol

and diesel for raw material demand, energy efficiency and cost, as well as eliminating harmful emissions.

[theguardian.com](https://www.theguardian.com), 1 March 2021 (Jolly)

Fashion

The imperative to move online

The pandemic has reduced some of the exclusivity of London Fashion Week, which finished on 23 February, having been fully digital. As well as a live-streamed show, it included a dedicated podcast, fashion films and interviews. Fashion has been digitised for years and Burberry has been streaming its show online for a decade. VR and 3D technology have provided numerous opportunities for brands to enhance their collections. Yet some designers are still choosing not to get involved in digital. Others are questioning whether we need fashion weeks at all but, opting out and waiting for things to return to normal may not be the best route. People are keen to discover and share online so fashion brands that don't invest in both digital and live experiences may struggle to survive. Luxury fashion brands "need to be where the customer is" and that means online!

[fashionlive.co.uk](https://www.fashionlive.co.uk), 24 February 2021 (White)

For Days – creating a closed-loop system

Websites, such as ThredUp and Depop, will buy second-hand clothes that are in reasonable condition. For Days, a zero-waste fashion start-up, has launched a new system called "Closet and Credit" which gives people store credit for disposing of clothes they no longer wear. It offers \$10 to fill up a "clean out crap" bag with clothes from other brands. The company began by offering a subscription program in which customers were sent a set of T-shirts that could later be swapped for new ones while the old clothing was recycled. The new credit system includes other types of garments with fixed buyback credits that can be used for anything on the website. Founder Kristy Caylor argues that the fashion industry needs to incentivise consumers to send clothes back.

[fastcompany.com](https://www.fastcompany.com), 26 February 2021 (Segran)

Financial services

Atom plans IPO

Challenger bank Atom has become profitable from its mortgage and business lending. Now it is planning an IPO for the 2022-2023 financial year. The app-based bank says it will have increased lending to SMEs to over £700m by the end of March 2021, which means it will have tripled its business loans year-on-year. Atom launched in 2016.

[prolificnorth.co.uk](https://www.prolificnorth.co.uk), 25 February 2021 (Chapman)

Women directors paid much less than men

A significant pay gap still exists between men and

women in financial services firms, according to new research by law firm Fox and Partners. It found that average pay for female directors in the UK's largest financial services firms was two-thirds (66%) less than that paid to male directors. Most (86%) of the female company directors have non-executive roles, according to the research, which means they also have less responsibility and involvement in the business.

[theguardian.com](https://www.theguardian.com), 1 March 2021 (Partridge)

Mobile wallet overtakes cash in-store

Last year contactless in-store payments using a mobile wallet overtook in-store cash payments for the first time. This is according to the *Worldpay from FIS Global payments Report 2021* which says that the number of contactless digital wallet payments is growing at a faster rate than payments made with physical cards. In-store cash payments fell by 50% or more in Canada, the UK, France, Norway, Sweden and Australia. The report predicts that by 2024 cash will make up just 13% of payments worldwide, with digital wallets accounting for 33% of in-store payments. Traditional payment methods, such as card and cash-on-delivery, are rapidly losing share and forecast to make up less than 40% of e-commerce payment methods by 2024.

[nfcw.com](https://www.nfcw.com), 1 March 2021 (Phillips)

FMCG

Beverages

ASA sides with Johnnie Walker over whisky ad

A complaint against Diageo's Johnnie Walker brand, that its ad encouraged irresponsible drinking, has been dismissed. The complainant claimed that the glass shown in the ad contained a large amount of neat alcohol and that the woman in the ad was drinking from it at length. Johnnie Walker argued that the whisky was a standard 50ml serving. The fact that the ASA sided with Diageo on this occasion is good news for drinks advertisers. A 50ml serving of a 40% ABV spirit contains less alcohol than a pint of 4% ABV beer so a different decision could have had serious implications for the way in which drinks are shown in ads. However, it is also a reminder to spirits companies to use standard measures in their ads and not to show multiple servings.

[lexology.com](https://www.lexology.com), 19 February 2021 (Helmer et al)

Cosmetics and toiletries

Lockdown lines

According to research by Boots skincare brand, No 7, almost 60% of women have become more aware of wrinkles since the beginning of the pandemic while 55% believe that other factors, such as lack of sleep, have caused their skin to age by up to five

years. No 7 says its Line Correcting Booster Serum was one of its biggest lockdown sellers last year.

marketingweek.com, 25 February 2021

Food

Marmite explodes and goes viral

Marmite's "love/hate" positioning has become so well-known that Marmite has entered the language as an adjective. Now the brand has launched a new high-impact OOH ad to promote its Dynamite variant, which is already generating some conversation. It features a billboard showing a huge lidless jar of Marmite while the giant lid is wedged into the windscreen of a real car. The ad, which has appeared in Woolwich, has already gone viral ensuring that it will attract more eyeballs than a single poster ad could ever do (See also Advertising)

campaignlive.co.uk, 25 February 2021 (Iu)

Jaffa Cakes return to TV after 15 years

McVitie's Jaffa Cakes is returning to TV for the first time in 15 years with a resumption of its long-running biscuit vs cake dispute and an ad with the strapline: "Be what you want to be". The campaign ties in with a year of innovation for Jaffa Cakes, which launched cherry and passion fruit flavours in January.

campaignlive.co.uk, 15 February 2021 (Douglas)

Household

Dettol cleans up small businesses

Dettol has teamed up with CleanedUp, a sanitation company, to help small businesses "stay clean" when they reopen. It will offer free sanitiser, wipes and dispensers to businesses that sign up. The initiative will be accompanied by Dettol-branded marketing materials including floor and door stickers to let consumers know that areas are clean. Dettol added £38.4m to its value last year with growth of 56.7%. It has just signed up with the Football Association as Official Hygiene Partner. (See under Sponsorship)

thegrocer.co.uk, 26 February 2021 (Woolfson)

Tobacco

Still marketing nicotine

BAT has launched a £1 billion marketing campaign that uses social media, concerts and sporting events to promote its heated tobacco and oral nicotine. Although it insists that these products target current adult smokers, there are fears that the campaign could encourage young people to use them. This report by the Bureau of Investigative Journalism looks at the marketing tactics used by tobacco companies, such as portraying products as cool and aspirational; paying social media influencers; sponsoring music and sporting events; and offering free samples.

campaignlive.co.uk, 24 February 2021 (Chapman)

Health and pharmaceuticals

Emotion vs clinical data

In consumer advertising it is generally recognised that emotionally-driven initiatives help to win the hearts and minds of audiences. In healthcare, however, it is widely believed that clinical data on its own should be good enough to convince doctors about a product. Yet doctors are human beings who have to make numerous decisions, so they rely heavily on system 1 thinking (the idea that 80% to 90% of decision-making is based on subconscious factors). Marketers basically need to "hack" system 1 when targeting doctors, to get their attention and help them understand the details of what they are offering. This is where powerful communications and emotion can help because it taps into subconscious beliefs. This article cites the case of Viagra and its competitor drug Cialis. By appealing to love and romance and placing emotion over clinical data, Cialis eventually overtook Viagra in annual sales.

campaignlive.co.uk, 24 February 2021 (Everson)

Getting the right work balance?

Bellicon, a company best known for its mini-trampolines or "rebounders" for fitness workouts, is now suggesting making trampolines a central part of working life. Office workers could take time off for a rebound or, better still, work standing at a desk while bouncing! Bellicon says a sedentary lifestyle is unnatural and that our hunter-gather ancestors would have found it odd that people spent so much time sitting around. Even before the pandemic, Bellicon was trying to persuade businesses to ditch the desk chair which it calls, "the most dangerous device in your office". The company claims a long list of health benefits for its rebounder.

fastcompany.com, 26 February 2021 (Visram)

IT and telecoms

How smart is your vacuum cleaner?

Smart home appliances still have some way to go before they can be considered fool-proof. iRobot's Roomba robot vacuums have been behaving badly following a software update. Customers have been complaining on social media that their Roomba, "is acting like a drunk on a two-day binge" or is, "wandering off and is unable to return home". Updates are intended to add new features or fix security bugs but "they don't always go to plan though, sometimes introducing new bugs" says Ken Munro, a cyber-security expert. Owners of such machines are reliant on the manufacturer to fix bugs, "so are smart devices ever 'truly' yours?"

bbc.co.uk/news, 1 March 2021 (Kleinman)

Leisure and tourism

Travel restrictions – seasonal jobs could go

The UK travel industry is warning that thousands of jobs are likely to go, particularly among seasonal staff employed at EU travel resorts, because of the end of freedom of movement after Brexit. ABTA estimates that 2,000 Britons are employed in the UK's "outbound" travel industry but the lack of provision in the UK-EU trade deal to help labour mobility will impact this sector. Tom Jenkins, CEO of the European Tourism Association, says the new rules will be "catastrophic" for many workers. There are also concerns that smaller UK travel operators will be damaged because they won't be able to find enough staff.

ft.com, 1 March 2021 (Foster)

Global Travel Taskforce meets to set out plan

Grant Shapps, secretary of state for transport, has just chaired the first meeting of the new Global Travel Taskforce to set out a plan for returning to international travel. Key industry players from aviation, maritime, cruise, rail and the tourism sectors will play a key role in developing recommendations and a new risk-based framework for international travel. The taskforce will report to the PM on 12 April with a view to resuming safe international travel no earlier than 17 May 2021.

gov.uk, 2 March 2021

Materials and mining

Surge in 3D printing industry this year

3D printer and additive manufacturing companies are scaling up in preparation for a predicted "boom". While overall manufacturing is a \$12 trillion market, additive was just \$12 billion at the end of last year giving it a 0.1% share. "This is like being in the semiconductor industry in the early 70s", says Ric Fulop, CEO of Desktop Metal. 3D printing will have to scale up if countries want to manufacture within their own borders, increase employment and reduce their impact on the environment. This article looks at how 3D printing companies are starting to bulk up and concludes that 3D printing and additives are amongst the industries to watch this year.

zdnet.com, 28 February 2021 (Dignan)

Media

International media consumption 2021

YouGov's latest white paper, *International Media Consumption Report 2021*, presents a global view of how people have changed what they watch and listen to, read and use to socialise. The report also forms the basis of a seminar taking place on 25 March. The report covers 17 global markets including an in-depth look at the US and Britain, examining how media consumption levels have changed. In Britain, where it reports a surge in

popularity of news and entertainment content, it concludes that brands should ask new questions about how to reach consumers and what messages to use.

prolificnorth.co.uk, 25 February 2021 (Spargo);
<https://yougov.co.uk/topics/media/articles-reports/2021/02/16/global-media-2021>

Internet

Clicking on search results is down to mindset

How can you get consumers to click on search results or online ad content? In an article entitled *Construal Matching in Online Search: Applying Text Analysis to Illuminate the Consumer Decision Journey* (Humphreys *et al*, 2020) researchers describe six studies which reveal that at different stages of their journey, consumers adopt different mindsets (abstract or concrete). Consumers also generate textual search queries that align with their mindset, known as the "fluency driven matching effect". A consumer with an abstract mindset is more likely to use abstract language when searching for information. Marketers can analyse the text of online search queries and match the search results to mindset. Consumers are more likely to click on search results and ad content that matches their mindset, which in turn increases their satisfaction.

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

Newspapers

Reaching for online as print papers decline

Reach, the largest regional news group in the UK, has reported falling revenues (down by almost 15%) and profits (down 8%) in the year ending December 2020. In contrast, digital sales rose by just over a fifth to £118m and the company says it expects online sales to double in the "medium term", although they currently represent just a quarter of print newspaper revenues which suffered badly during the pandemic. Reach has so far operated without paywalls, choosing instead to encourage readers to register so that they can be tracked across its various publications.

ft.com, 1 March 2021 (Nilsson)

Radio

Commercial radio and the WFH audience

Nearly eight million adults who are working from home, listen to commercial radio to help them through their working day, according to new research from Radiocentre. *New Ways of Working, new Ways of Connecting*, Radiocentre's fifth listener study since the start of the pandemic, examines how commercial radio can help advertisers connect to 56% of the full-time working from home audience. In particular it looks at the financial status of this audience and reveals that 84% of them are ABC1 with two-thirds owning their own home. They also have high incomes, on average 45% greater than the national average. The research looks at the

listeners' spending trends, their receptivity to advertising by local companies and how brands can reach them.

radiocentre.org, 2 March 2021;
https://www.radiocentre.org/wp-content/uploads/2021/03/Working-Connecting_v2-1.pdf

Television

What happened to TV and video last year?

Prior to 2020, TV viewing had remained fairly stable although there had been a decline in live TV viewing. Last year TV and video trends were turned on their heads as the latest analysis from Thinkbox, *How did 2020 change the video world?*, reveals. In 2020 all forms of TV grew, including live TV. In fact, broadcaster TV advertising made up 91% of all video advertising while YouTube accounted for 5.6%. TikTok came from nowhere to take 3.5% of video viewing time and 1.4% of video advertising. Overall, broadcaster TV continues to have the largest single portion of video viewing, including among younger people aged 16 to 34.

thinkbox.tv, 25 February 2021

Video

DisneyPlus – a winning strategy – for now

DisneyPlus is shunning Netflix-style tactics, such as allowing consumers to binge-watch an entire season or churning out a constant stream of new productions. It has just announced that it is developing a "Magic Kingdom cinematic universe". Disney, which has the luxury of being able to draw on a huge library of film, is "merging old-school marketing with the modern streaming world", according to one commentator. For example, people are being fed one episode of *The Mandalorian* at a time. It banks on the publicity that comes from people talking about it and reviews in the media, just like an "old-fashioned PR marketing tactic". All this seems to be working well, with DisneyPlus reaching almost 95m users in just over a year. But when its services start to mature, it may need more than *Star Wars* to keep it relevant...

fastcompany.com, 27 February 2021 (Laporte)

Packaging

Tetra Pak uses recycled polymers

Tetra Pak aims to create the "most sustainable food package in the world" by using recycled polymers in its cartons. It is working with Ineos, the chemical company, to convert waste plastic into polymers to produce a material that has the same level of purity as virgin plastic. The new plastic could be used in caps, tops, coatings or cartons. The initiative has resulted in Tetra Pak becoming the first company in the food and drink packaging industry to be awarded Advanced Products certification from the Roundtable on Sustainable Biomaterials.

thegrocer.co.uk, 26 February 2021 (Dawson)

Retailing

Legal and policy issues to watch out for

This edition of *Retail Compass* from law firm RPC (Issue 4, February 2021) is a guide to the forthcoming legal and policy decisions affecting retail. It covers retail credit rating downgrades; the UK-EU trade and Cooperation Agreement, including four key dates to watch out for; national minimum wage legislation; pre-pack administration regulations; zero tariffs; plastic waste; and other developments. It also sets out some key retail statistics and offers some tips for entering the US retail market.

lexology.com, 12 February 2021 (Hendy and Drew)

Tackling shopping cart abandonment

Shopping cart abandonment is a huge problem for online retailers, with abandonment rates reaching 88% of all e-commerce sites last year. It is a mystery why shoppers spend hours comparing prices and making decisions, only to abandon their prospective purchases at the last minute. To tackle cart abandonment, brands need as much insight into consumer behaviour throughout the customer journey as possible. Automated data gathering tools can help glean the information to enable sellers to respond to customers at important "disruption points", which research from McKinsey suggests ways to help to reduce abandonment rates. Gaining insight into consumer research activity, forums and social media can give retailers the information they need to offer incentives and encouragement to close the sale.

toolbox.com/marketing, 18 February 2021 (Michaely)

Sainsbury's changes slogan

Sainsbury's has swapped its brand slogan from "Live Well for Less" to "Helping everyone eat better", which aligns with its focus on being healthy, sustainable and affordable. Sainsbury's has become the main supermarket for the 2021 United Nations Climate Conference (COP26) in Glasgow. This follows a variety of initiatives to reduce its environmental impact. It aims to invest £1 billion over the next 20 years to achieve net zero by 2040.

thegrocer.co.uk, 25 February 2021 (Calnan)

Services

Bunzl profits up amid Covid hygiene spike

Bunzl, the specialist distributor, has seen annual pre-tax profit rise by a 23%, largely thanks to the huge demand for disposable gloves, masks and hand sanitisers last year. Revenues, up by 8%, passed the £10 billion mark for the first time. The company has warned that this year's profits and sales are likely to be lower as the "virus-driven bump" declines. However, it predicts that some changes brought about by the pandemic will persist,

such as “enhanced hygiene trends across most of our business areas”. The company is forecasting a resurgence in its food service and retail businesses in the second half of the year as economies reopen.

ft.com, 1 March 2021 (Dempsey and Steer)

Transport and travel

Aston Martin losses – banking on DBX

Aston Martin has sustained pre-tax losses of £466m, up from £120m a year previously. This reflects write-offs of almost £100m in abandoned projects including plans for an EV. The company was also affected by the postponement of the latest Bond film, *No Time To Die*, in which the car features. The company is hoping that its DBX SUV, which has so far sold well, will help to boost revenues. Under its new boss, Canadian billionaire Lawrence Stroll, Aston Martin has returned to Formula 1 after 61 years (See also under Sponsorship). Despite the losses and expense of the F1 team, Aston is predicted to sell 6,000 vehicles this year and 10,000 by 2025.

businesslive.co.uk, 25 February 2021 (Mullen)

New Morocco-UK direct shipping route

To get around post-Brexit trading problems with the EU, a new direct shipping route is being set up between Morocco and the UK. Operated by United Seaways, it runs non-stop between Tangiers and Poole and aims to reduce the time taken to transport Moroccan goods from over six days by road to just three. Zeyd Fassi Fehri, MD of United Seaways, says the service will create a “sustainable and environmental alternative” to lorry transport. Most Moroccan exports to the UK consist of fruit and veg but the amount of fruit and veg that the UK receives from the EU is vast in comparison. With full border checks on EU imports due to begin in July, the UK may be looking at other opportunities for sourcing fresh produce.

thegrocer.co.uk, 26 February 2021 (Holmes)

Electric boats

Electric boats are not a new idea but now they are making a comeback with a number of manufacturers hoping to become the Tesla of a new generation of electric motor boats. Danish firm Rand has a range of traditional motorboats, while Cayman Islands’ Serenity Yachts has produced a hybrid with 30 solar panels on the roof. Candela, a Swedish company, uses hydrofoils to reduce friction and energy use by 80%, the price is €265,000 but it seems that early adopters are happy to pay as they were with the first Tesla cars!

economist.com, 20 February 2021

Volvo to be all electric by 2030

Volvo cars plans to go all electric by 2030 with the phasing out of internal combustion engine cars including hybrids. It will also invest heavily in online sales and simplify its product lines. Selling online will mean that customers can order cars to their own specifications although there will still be dealerships. Volvo had previously set a target for half its sales to be fully electric by 2025. Global carmakers, which are being pressured by governments to scale up their EV plans, have been forming alliances to reduce the cost of transitioning to electric cars and tackling other issues such as emissions targets and autonomous cars.

bbc.co.uk/news, 2 March 2021

Written by CIM’s Knowledge Services Team

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[Third Sector](#) (selected articles available)

www.toolbox.com/marketing

www.zdnet.com

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