

Cutting Edge: Our weekly analysis of marketing news

21 April 2021

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

Quick [links](#) to sections

Marketing trends and issues

Advertising

Five habits for effective advertising...

Kantar's 2020 Creative Effectiveness Awards looked at over 10,000 ads around the world to assess the best TV and digital ads as judged by consumers. The research showed that people wanted advertising to continue during the pandemic as it gave them a sense of normality. It also revealed five habits of the winners, which ensure that advertising delivers for the brand in both the long and short term and which can apply to all advertisers. These are to: be distinctive; place the brand at the heart of the creative; be "meaningfully" different; produce an emotional response; and listen to your consumers. Another aspect of successful ads is their use of diversity and their challenging of gender stereotypes because progressive ads can produce greater ROI.

[kantar.com](#), 13 April 2021

...Heineken tackles gender stereotyping

Heineken's "Cheers to all" has been named the most "creatively innovative and impactful" ad of 2020 by Kantar for its 2020 Creative Effectiveness Awards. The ad, which challenges gender-related drinks stereotypes, features a bartender who makes the mistake of offering a cocktail to a woman and a bottle of beer to a man. In second place was Bosch's "Atino" and in third place Burger King's "Consignes 2 Sécurité – The Retour". The winners come from a variety of products and categories but: "The commonality they share is a commitment to creative excellence and a focus on ensuring their work performs exactly as intended", says Daren Poole of Kantar.

[marketingweek.com](#), 14 April 2021

The end of third-party cookies

The demise of third-party cookies could mean that the \$152 billion US digital ad market could lose most of the third-party data which powers programmatic advertising. Marketers, ad agencies, publishers and media will be left with little data with which to target audiences. Instead, they will be forced to rely heavily on their own first-party data and will need to redesign their data solutions. The challenge will be to create and maintain customer relationships based on a value exchange (supplying content in exchange for personal data) that is based on trust. McKinsey estimates that the ad industry will have to replace as much as \$10 billion in ad revenue, with first-party data gathered through paywalls, registration, contextual targeting and audience modelling. This article explores the challenge of rebuilding ad targeting and data strategies.

[mckinsey.com](#), 12 April 2021 (Brodherson et al)

Agencies

Pitching and post-pandemic stress

Campaign predicted a "flurry of new-business activity" this spring, as brands reconsidered their agency relationships. Some advertisers didn't pitch during the pandemic because of the lack of face-to-face meetings and many brands postponed their 2020 pitches. Many agencies are concerned about the sheer volume of pitching this year especially with employees still working at home. According to surveys by The Great Pitch Company, there are concerns from agencies about work overload and virtual pitching. But shouldn't marketers that run pitches take their share of the responsibility for the welfare of pitching agencies? *Campaign* asks four agency executives for their opinions.

[campaignlive.co.uk](#), 14 April 2021 (Oakes)



Chartered CPD Programme

Don't forget, reading this publication can count towards your annual CPD record.

www.cim.co.uk/membership/cpd/

Brands and branding

Authentic brand activism

Purpose-driven marketing has developed a focus on brand activism and brands are increasingly getting involved in controversial issues. Almost half of consumers regard this as a positive trend, a third believe it can bring about change and over half say it influences buying behaviour or brand impression. Yet it isn't easy to get brand activism right, as executives at Procter & Gamble and Lush explained at a recent MMA Global Virtual Impact conference. Authenticity is key: Lush, for example, has been built on activism and two of its founders campaigned against animal testing before launching the brand. Being authentic involves applying the principles of the cause being supported to the company supporting it. As part of its trans rights campaign, Lush took steps to be more trans inclusive while P&G has been prioritising diversity and inclusion for years.

marketingdive.com, 8 April 2021 (Kelly)

What do we mean by brand equity?

This article, the first in a series exploring brand equity, explains what brand equity is and the confusion that often surrounds it. An instantly recognisable brand might not be the one chosen by the consumers. Instead, it is the power of brand equity that is revealed in their choice and their predisposition towards that brand. The article explains how brand equity is the "core element" of brand strength and that, whatever the environment, strong brands will win. In addition, brands with strong clarity (standing for something that is "universally understood and perceived by consumers") can contribute 70% more to sales. However, the biggest success stories are the brands that stand out and stand for something. The bottom line is that brand equity has a strong relationship to sales.

kantar.com, 15 April 2021

The new deepfake brand ambassadors

Deepfakes have their advantages, especially for brands that use celebrities in advertising. Deepfakes, supported by AI technology, allow digital people and voices to be recreated faster and more cost-effectively than ever before, while maintaining authenticity. This article looks at the development of deepfake technology and the growing appetite for digital avatars. The technology allows for the creation of ever more realistic digitised versions of celebrity faces, allowing brands plenty of scope for innovation to create customisable and ownable brand ambassadors with infinite possibilities.

campaignlive.co.uk, 16 April 2021 (Murray)

Conferences and events

Zoom fatigue worse for women

Many workers have been complaining of "Zoom fatigue" after sitting through hours of virtual meetings over the past year. Videoconferencing can take its toll in terms of aches and pains from sitting in the same position, and low self-esteem from staring at one's own face for too long! New research from the University of Gothenburg suggests that this fatigue is worse for women than for men. The researchers used a Zoom Exhaustion and Fatigue (ZEF) scale to reveal that about 14% of women experience very to extreme fatigue compared with less than 6% of men. This could be because women tend to have longer meetings and shorter breaks than men. Women may also feel under more pressure to maintain their appearance. Staring at one's own image was found to have a particularly negative effect on women. Younger people and non-white workers have also reported higher levels of fatigue from videoconferencing. The advice is to use audio-only calls where possible and to turn the self-view function off!

economist.com, 17 April 2021

Government trials "near-normal" events

The UK Government is trialling the return of "near-normal" events with no social distancing and face coverings. On 2 May 5,000 music fans will get to see the group Blossoms live in Liverpool's Sefton Park (normal capacity 7,500). Culture secretary Oliver Dowden says: "We're one step closer to a summer of live events now our science-led programme is under way". Sporting events are also being trialled, notably the FA cup semi-final between Leicester City and Southampton at Wembley stadium (a crowd of 4,000) on 18 April and the World Snooker Championships with an audience of 213. Large events will be able to restart from 17 May, according to the Government's roadmap, but there will be limits on audience numbers.

**eventindustrynews.com, 19 April 2021 (Parry);
bbc.co.uk/news, 18 April 2021**

Customer relations

From cookies to zero-party data

Cookies enable companies to track customers' web activity and collect data with which to personalise ads and products. However, they are also a privacy concern, which is why regulators are starting to tighten up the rules. Many companies are adopting a new approach to collecting and using customer data, namely "zero-party data". This refers to information that is proactively shared by consumers via channels such as surveys and interactive social media stories. This allows consumers to keep control of their data and enables companies to offer more effective personalisation. This article argues that zero-party data not only offers a new way of targeting ads and email campaigns, but also changes the way in which

companies engage with their most valuable stakeholders, namely their customers.

hbr.org, 8 April 2021 (Glomb)

Loyalty – tackling the boomerang effect

Customers are more likely to buy from a retailer whose loyalty scheme programme they belong to than non-members. Yet, when loyal members experience service failures, they become more upset than non-members, according to research from the Wharton Business School and the Verde Group. Because they use the brand more often than non-members, they may encounter problems more often; the increased use of online shopping, where service failures are more common, has made the problem worse to the point where loyalty programmes can actually cause damage. This is what the researchers have called the “boomerang effect” and they suggest three steps to mitigate the problem.

Harvard Business Review, Vol 99(3), May-June 2021, pp21-25 (Robertson and Courtney)

Law

Advice on influencer marketing

We have previously reported on the recent *Influencer monitoring report*, in which the ASA found that social media influencers continue to break consumer and advertising laws. It concludes that neither influencers, nor the brands they are promoting, are taking care to ensure that consumers know when something is an advertorial. In this article the report’s findings are summarised in relation to the following issues: inconsistency of disclosure across Instagram Stories; inconsistent disclosure across Stories, IGTV, Reels and posts; visibility of ad labels; affiliate content; and own brand ads. It offers advice for influencers and brands on how to comply.

shoosmiths.co.uk, April 2021

What is targeting?

Consumers can view and purchase goods from anywhere in the world. A consequence is that there is an inconsistency between trademarks that are territorial and online marketplaces which are global. In other words, global websites may be selling goods under a trademark that infringe a national mark. EU and UK courts have attempted to address the issue by accepting jurisdiction only if it is proved that the website targeted consumers in the country in question, but it is hard to establish that actual “targeting” has taken place. A number of factors have emerged from various legal cases arising from this problem. The authors comment on two of these cases and mention the use of influencers and other factors to be aware of as online marketplaces continue to develop and diversify.

internationallawoffice.com, 12 April 2021 (Nener and Bourne)

Marketing

Proving the value of marketing

It is important to provide clarity about marketing’s contribution to the business but marketing leaders often struggle to effectively measure and demonstrate the value of marketing’s performance. This in turn reduces confidence and credibility with senior management. To remedy this, marketing must have a mindset that turns challenges into opportunities by: embracing “the innovation, not the hesitation”; the “demonstration of progress over perfection”; and building relationships with others.

cmocouncil.org, 16 April 2021 (Mah)

Embracing commerce marketing

Marketing has traditionally been divided into functions across the purchase funnel. In its simplest form, brand marketing uses mass media at the top of the funnel and the shopper closes the sale at the bottom. While the marketing funnel remains important, things have become a lot more complicated, with e-commerce and social media blurring the lines between brand and shopper marketing. The evolving media landscape favours commerce marketing with its ability to create integrated physical and digital media campaigns and to remove the divide between “shopper” and “brand”. The problem is that many FMCG companies have legacy structures and a lack of agility. Challenger brands, on the other hand, have limited departmental divides and often just one marketing team, enabling them to adapt quickly. Brands that continue to see brand and shopper as separate disciplines across the funnel are likely to lag behind because their marketing won’t be connected.

thegrocer.co.uk, 14 April 2021 (Lee)

Market research

Reassessing insight

The pandemic has forced businesses to adopt a “two-speed” mindset: focusing on the short-term while “anticipating” the longer term. This approach has allowed brands like Disney+ to scale up quickly while more traditional brands, such as Diageo, have experimented with a direct-to-consumer (DTC) approach. Covid-19 has also forced the research industry to reassess its tools and approaches. Andrew Geoghegan, global head of consumer media planning at Diageo, explains how it has adopted “precision marketing” to get beyond the short-termism of “performance” marketing. He also discusses the need for clearer KPIs, new research processes and the move from insight to intelligence.

marketingweek.com, 19 April 2021 (Geoghegan)

Success in market segmentation

Market segmentation involves grouping customers based on particular characteristics, enabling marketers to create more effective, targeted

marketing messages. But there are endless ways in which to segment your customers, apart from the usual age, income and gender aspects. Jen Anderson, VP of marketing for Overhaul, places the focus on three key terms: the total addressable market (TAM); the serviceable and obtainable market (SOM); and the ideal customer profile (ICP). Once you get an idea of your audience and its preferences, you need to create actionable insights. But you must also be constantly aware of what makes the audience tick; what they can't get enough of; and what trends they are likely to follow, according to Megan Pratt, principal product manager for AdRoll.

clearvoice.com, 12 April 2021 (Weingarten)

Public relations

Measuring organisational authenticity

Often the only messages that are able to cut through the clutter are "infuriating, shocking, hilarious or authentic". Being authentic is arguably the least stressful option for brands and communicators are increasingly looking at ways of measuring authenticity. Customers aren't just looking for value for themselves; they are also looking at the values of the organisation. The best way for a company to differentiate itself is to show that it is following those values in everything it does. This has led to the creation of indexes and tools aimed at rating an organisation's authenticity but the problem with invented indexes is that authenticity is a perception of the person observing the company. In order to measure it, you need to ask stakeholders what they really think. Here is some advice for doing just that.

prdaily.com, 14 April 2021 (Delahaye)

Content that employees will read

Internal communicators can spend hours compiling content which simply doesn't grab employees' attention. Following extensive research among employees in various industries and geographies, the author concludes that the answer is to tell employees about things they are interested in. These include: future plans for the company and their function; company updates; other employees; and employee needs. The research found that many employees don't read communications because of the time involved and information overload, but there were some useful solutions: replace text with graphics or images; use visuals to reinforce key points or to simplify ideas; add bold headings; use bullet points; keep e-news messages short; make links easy; and keep wording clear and simple. So, when crafting internal messages, keep content relevant and easy to consume!

Public Relations Strategies and Tactics, Vol 4(4), April 2021, pp1-3 (Walter)

NHS benefits from backlash

Benefit Cosmetics' policy of refusing to serve key workers at its eyebrow bars has been met with a backlash on social media. The cosmetics company had been turning away NHS workers because of its "blanket policy" of refusing to service people who have been in contact with "anyone suspected of having Covid", to protect its staff and customers. Benefit quickly backtracked after receiving criticism, saying it had "listened" and changing its policy to allow key workers to receive treatment.

marketingweek.com, 16 April 2021

Sponsorship

Sponsorship prepares for post-pandemic era

Things won't be the same even when audiences return in person to sports venues. The Tokyo Olympics will take place without foreign fans being present and stadiums won't be back to full capacity for Euro 2020. The nature of sports sponsorship has changed despite sport becoming increasingly reliant on sponsorship income in the absence of fans. The value of deals fell by almost half last year, from \$22bn in 2019 to \$12.9bn in 2020, according to data company Sportcal. FMCG brands have prospered during the pandemic, which has allowed them to get involved in sponsorship and to demand more flexibility; in fact, research from MKTG suggests that: "The fixed sponsorship package is dead". This feature-length article includes data on sports sponsorship. It also covers the topics of: hygiene brands, such as Dettol, food and drink brands; valuable deals; and direct-to-fan experiences. It mentions Yoplait, Babybel, Tennent's, Pepsi and Uber Eats.

thegrocer.co.uk, 19 April 2021 (Nott)

Dulux sponsorship spurs apology

Last week's announcement that Dulux was to be the first official paint supplier to Tottenham Hotspur FC went a bit pear-shaped after the brand's Twitter account started making fun of the football team. It commented that the Dulux dog would perform better in defence than the current Spurs players. Dulux was forced to make a humiliating public apology emphasising that the posts "do not reflect how proud we are to be the Official Paint Supplier of the Club. We're investigating what happened and apologise to all Spurs fans". The cynical posts are likely to emanate from a fan of Arsenal, Spurs' rival.

campaignlive.co.uk, 16 April 2021 (Farey-Jones)

Agriculture, fishing and forestry

Using social media for sustainable adoption

Pesticides have a bad press in that they are linked to health and environmental concerns. Promoting the use of new pesticides is important for ecological security but it can be hard to get a new product

adopted. A new study in the *Journal of Marketing* shows that social media can be used to tackle customer uncertainty, which is a major barrier for the adoption of new technology. The study, which involved villages and farmers in rural China, looked at how customers in these environments face different types of uncertainty about a new eco-friendly pesticide. The findings offer insights to managers and policy makers who want to use marketing to achieve social goals. Marketers must convince consumers to adopt products that are good but to do this they need to overcome barriers. They should think carefully about how to use social media efficiently. One solution is to use an influencer who can vouch for the credibility of the product and has tried it out.

ama.org, 8 April 2021 (Zhang and Chintagunta)

More farmland going to green investors

There has been an increase in the number of people buying farmland so that they can manage it to improve biodiversity or gain carbon credits, according to property company Strutt & Parker. It reports a rise in demand from green investors who are looking at land uses other than food production. The proportion of land bought by farmers has fallen to 52%, its lowest level since Strutt & Parker's survey began 20 years ago, but the proportion bought by "lifestyle" buyers and private investors now accounts for 47%.

agriland.co.uk, 17 April 2021 (Kellett)

Building industry

RIBA Workload Index highest since 2016

The monthly RIBA *Future Trends Workload Index* rose by 12 points in March to a balance of +29, the highest *Workload Index* balance figure since May 2016. Among the main findings are the fact that 40% of architect practices expect workloads to increase over the next three months while 49% expect them to stay the same. The proportion expecting workloads to fall now stands at just 11% compared with 84% a year ago.

architecture.com, 14 April 2021

Arup partners for circular construction plan

Arup has entered into a partnership with online platform Madaster to support a circular construction model whereby products and materials can eventually be reused. The system will help businesses to develop "material passports" for an asset, which will include information on the quality, origin and location of material in a building or structure. This could help to extend the lifecycle of the materials and ensure they are reused in the best way. Materials databases are, "one of the pillars to unlock the transition towards a more circular economy" says Paul Martin of Arup Europe.

theconstructionindex.co.uk, 19 April 2021

Businesses and strategy

The innovation readiness gap

BCG's recent the *Most Innovative Companies 2021: Overcoming the Innovation Readiness Gap* report reveals that the number of companies reporting innovation as among their organisation's top three priorities has risen by 10% this year, to 75. However, it also found that only just under a half of companies are investing in their innovation aspirations, the so-called "committed innovators". This year BCG used a benchmarking framework to assess the readiness of innovation systems. A ranking of the year's most innovative companies shows Apple in pole position followed by Alphabet, Amazon, Microsoft and Tesla. The main qualities exhibited by the top 50 are identified.

bcg.com, 15 April 2021 (Manly et al);
[Overcoming the Innovation Readiness Gap](#)

Designing for agility – the Clarins experiment

Prior to the pandemic, cosmetics company Clarins had been working on a digital transformation but faced challenges, such as its reliance on intermediaries and its slowness to adopt digital marketing compared with start-ups and new brands. During the pandemic, the company realised that it had to speed up its modernisation plans so it decided to focus on three virtual, cross-functional teams called "squads"; these could work in parallel with each other, with the support of the rest of the organisation. Its experience shows the need for organisations to speed up their transition to models that enable flexibility and adaptability. But flexibility is not easy to achieve, as Clarins found. This article explores "The Clarins experiment" and lessons for agility.

strategy-business.com, 12 April 2021 (Girod and Králik)

HSBC axes Canary Wharf executive offices

HSBC has announced that its leadership team at Canary Wharf have lost their offices and will be required to hot-desk along with other employees in an open-plan office. HSBC plans to reduce its overall office space by 40% and chief executive Noel Quinn says the whole bank is to adopt "hybrid working". He says that an open plan office will allow him to reconnect with colleagues and friends. The senior management offices will be turned into client meeting rooms and communal spaces. Other companies in the sector, such as Nationwide Building Society, have also announced hybrid working.

bbc.co.uk/news, 19 April 2021

Recreating the fragrance of the office

Missing the office? Then perhaps you would be interested in a new line of innovative scented candles. The range, aptly called Eau d'Office, was first launched as a goodbye gift to colleagues but

were so popular that they've gone into mass production. There are six scents to choose from, including "Breakfast Leftovers in Edit Suite 1", "Warm 96 Page Deck Left on the Printer" and "Afternoon Rush at the Coffee Bar". Consumers have become nostalgic for their former lives and brands have been trying to recreate scents and sounds that take people to another place. The smells don't have to be good to be evocative. For example, earlier this year Miller Lite launched a set of candles called "Bar Smells" using scents such as tobacco and fermented yeast.

[fastcompany.com](https://www.fastcompany.com), 16 April 2021 (Smith)

Charities and NGOs

Fundraising – hybrid events are the future

People are beginning to view digital fundraising as standard practice and charities need to plan for this by developing hybrid fundraising models. This is according to Enthuse's quarterly *Donor Pulse Report*, which reveals that only 26% of people want to use cash for donating in the future while 51% say that online fundraising methods are their preference for donations. The report also identifies a strong link between direct donations and the strength of a charity's brand in the eyes of the public. Brand recall is essential for long-term giving and charities are advised to invest in their websites to realise this potential. The report concludes that successful fundraising campaigns will involve a hybrid model using both physical and virtual elements. This article is sponsored by Enthuse.

charitydigital.org.uk, 14 April 2021 (Paterson);
[Donor Pulse Report: Spring 2021](#)

Online donation surges during pandemic

Online giving in the UK rose by 115% by volume and 97% by income over the past 12 months, according to the *Online Donations Report* from WPNC. The data are based on donations to WPNC's online donations platforms such as goDonate. The four key findings from the report are that: there has been a big surge in online donations despite the challenges to domestic finances caused by the pandemic; one-off donations and regular donations are on the rise; a successful strategy is to link to a Covid-related cause; and digital wallets are taking share from card payments.

decisionmarketing.co.uk, 19 April 2021; [2021 Donations Report](#)

Durable consumer goods

National gnome shortage

There is a shortage of garden gnomes due to the surge in popularity of garden centres during lockdown and the recent blockage of the Suez Canal. Ian Byrne, assistant manager at Highfield Garden World, reports not having "seen a gnome in six months". He says that gnomes have become more popular over the past couple of seasons with a

"massive upswing" in sales and a "different clientele" that wants to buy them. Garden Centre Association CEO Iain Wylie also comments on problems in the supply chain for other items such as garden furniture.

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

Economy

GDP – latest forecasts

The latest official figures on UK GDP reveal that it fell by 1.6% for the December 2020 to February 2021 period compared to the previous September to November period. February 2021 GDP was 7.8% below that of February 2020. Despite this, the services sector grew by 0.4%, production by 1% and construction by 1.6% in February. The Office for Budget Responsibility's March *Economic and fiscal outlook* predicts GDP growth of 4% this year and 7.3% next. The Treasury's March 2021 "survey of independent forecasts" shows an average of 4.8% for 2021 and 6.1% for 2022.

commonslibrary.parliament.uk, 16 April 2021 (Powell)

Population up but small increase

The UK population grew to 67.1m by mid-2020, up by 0.5% compared with mid-2019, which was one of the smallest increases "in the context of historical trends", according to this ONS blog. The numbers reflect the high number of deaths and the continued decrease in births which have been offset by a rise in net international migration. The data come with a health warning since it is still not known what has happened to the population and migration since the onset of the pandemic.

blog.ons.gov.uk, 16 April 2021 (McKeown)

Education

Foreign students – not the predicted decline

Foreign students remain keen to study at British universities despite warnings last year that numbers could fall by a half. Foreign students pay substantially more than British students, so this would have left a gaping hole in university finances. In December UCAS reported that the number of undergraduate places offered to foreign students had risen by 11% year-on-year. Britain's success may be at the expense of its competitors. US universities have seen a more than 40% fall in foreign student enrolments while Australia has suffered a 20% decline. However, the number of Europeans enrolling in British universities is expected to fall sharply this year due to changes in tuition fees following Brexit. The numbers of students coming from other parts of the world could offset the European decline. The slump in job markets could also be helping to drive the demand for British university qualifications...

[economist.com](https://www.economist.com), 10 April 2021

Energy and utilities

Patagonia supports local renewable power

Outdoor clothing brand Patagonia's "We the Power" campaign focuses on community energy, where local people produce their own renewable power and share the benefits within their community. This will help to reduce dependence on big energy monopolies and reduce carbon emissions. The UK is different from mainland Europe because of its restrictions relating to the creation and sale of energy to the community. Power for People, a not-for-profit, campaigns for the UK to reach 100% clean energy and for this to benefit local communities. It also supports the Local Electricity Bill. If this becomes law, people will be allowed to buy energy directly from their local communities.

marketingweek.com, 15 April 2021

Going for the gold green standard

Messaging from the Government during the pandemic largely succeeded in changing people's behaviour in the interests of public health. But how can you persuade people to play their part in tackling climate change? It is a mission that a new breed of energy retailers is taking on. Ovo and others are introducing new tariffs aimed at helping consumers to be greener. However, messages, such as "100% green energy", are commonplace even though Renewable Energy Guarantees of Origin (REGO) do not justify a green claim. There are inevitably many accusations of "greenwashing" but the industry is moving to tackle this with acquisitions and deals among vendors aimed at accessing genuinely renewable energy. Meanwhile comparison site Uswitch has launched an accreditation scheme which divides green electricity tariffs into three standards. Only where 100% of electricity is acquired directly from its source can vendors claim the gold standard...

utilityweek.co.uk, 16 April 2021 (Wallin)

Environment

P&G to help consumers act sustainably

P&G's latest campaign aims to show how small actions at home can make a difference to the environment. This follows a US study in which 72% of people say they want to be more sustainable at home but less than half make environmentally-conscious choices as often as they would like to. Some 80% said they expect brands to help them with a more sustainable lifestyle. The campaign features a short film entitled "It's Our Home". P&G has said it will undertake 2,021 good acts this year as part of its "lead with Love" campaign.

marketingweek.com, 16 April 2021

Getting past the carbon-abatement cost curve

The need to eliminate greenhouse gas emissions

could be one of the most difficult issues for organisations in the post-pandemic era. But decarbonisation is no longer just an option and companies that want to stay in business for the long term should already be on their journey to net-zero. The process would be straightforward if it weren't for the "carbon-abatement cost curve" which predicts transition risks and the substantial costs which could effectively put companies out of business. Yet large reductions in emissions can be achieved without large-scale value destruction. For example, Unilever's Sustainable Living Brands grew 69% faster than its other brands in 2018. This article explores getting beyond the cost curve to implementation.

mckinsey.com, 13 April 2021 (Blum et al)

Fashion

Buy less, buy better – the case for luxury

Sustainable consumption is increasingly important among consumers, especially Gen Z. Trends have emerged such as "buy less, buy better" and "slow-fashion". Some consumers are trying to buy fewer, more expensive products which will last longer but this is the exception rather than the rule and the fashion industry continues to be one of the largest polluters, accounting for 10% of global CO₂ emissions. A new study in the *Journal of Marketing* proposes that luxury goods have a "unique, sustainable trait of being durable". Yet consumers find it hard to perceive luxury and sustainability as compatible. Many luxury brands are increasing their commitment to sustainability by promoting the longevity of their products. An effective marketing strategy could be to focus on the durable aspects of both sustainability and high-end products; this might help to nudge consumers into buying fewer, better products.

ama.org, 6 April 2021 (Sun et al)

Hotter Shoes for the third act

Hotter Shoes' latest campaign targets women in their 40s and 50s who are going into "the third act of their lives". Research shows that many women in their mid-life are doing new things and re-energising. Yet 69% of people in this age group feel ignored by fashion brands while 82% say that clothes for their age range are old-fashioned. The "Hello Comfort, Hello You" campaign features two films entitled "Quitting" and "Dull Steve" which shows women in their 50s refusing to compromise on careers or relationships.

marketingweek.com, 19 April 2021

H&M offers free suit hire

H&M is to offer free suit hire to men to help them fare better in job interviews. The "One/Second/Suit" programme allows people to rent a suit for 24 hours for free and then return it after the interview. The

campaign is accompanied by a film which starts with the line: "A first impression is made in less than one second". H&M is also offering tips to help increase confidence and to prepare for job interviews, on its website.

campaignlive.co.uk, 16 April 2021 (Kiefer)

Financial services

UK competing in international fintech market

The global fintech market is predicted to be worth £380 billion in revenue by 2030, with the UK accounting for £38 billion of this. There is plenty of competition, not only from leaders such as the US and Singapore, but also from the Netherlands, Sweden and Ireland. The UK Government's *Kalifa Fintech Review* sets out three broad recommendations for the UK to remain competitive internationally. One of these is the Fintech International Plan 2.0 which includes launching an international fintech portal, increasing the promotion of the UK as a country of choice and launching an international fintech brand strategy. The scope of the other recommendations is also explored in this article.

lexology.com, 16 April 2021 (Cook and Wong);
[Kalifa Fintech Review](#)

Citigroup reduces consumer banking

Citigroup is to exit consumer banking in 13 markets, leaving just four hubs in Singapore, Hong Kong, the UAE and London which will offer services to larger clients and institutions. Jane Fraser, CEO, says that the bank "does not have the scale" to compete in markets in Asia, Europe and the Middle East. While Citigroup may be cutting back in Asia, other banks have been expanding. HSBC, for example, is targeting wealthy customers in China and plans to take on 3,000 bankers over the next five years.

bbc.co.uk/news, 16 April 2021

Visa sees a billion more contactless payments

Last year 29 European countries increased their contactless transaction limits due to the pandemic. Since then, there have been one billion additional touch-free payments, 400m of these taking place in the UK where the limit rose to £45 in March 2020. This year it will rise again to £100. Over 80% of in-store Visa payments across Europe are now contactless and it seems that contactless has become the norm for European consumers. Its speed and convenience make it popular as does the fact that contactless cards attract the lowest fraud rates of any payment type.

nfcw.com, 7 April 2021 (Phillips)

FMCG

Beverages

Bombay Sapphire partners Design Museum

Bombay Sapphire has teamed up with the Design Museum to create a shop installation focusing on creativity. The "Supermarket" installation aims to attract visitors to the museum shop while the museum itself remains closed. Its shelves will be stocked with essential supermarket items packaged in art created by ten emerging artists. The product packaging will integrate "Bombay Sapphire blue" with all proceeds from sales going to the Museum's Emerging Designer Access Fund.

campaignlive.co.uk, 19 April 2021

The shroom boom

Many more US consumers are consuming "adaptogenic" mushrooms which are reputed to boost immunity and other aspects of health. This so-called "shroom boom" is fuelling sales of beverages in the form of mushroom lattes, coffees, seltzers and energy drinks. Younger people in particular are open to trying new functional, non-alcoholic beverages. Although fungus is appearing various food stuffs, beverages are expected to be a particular area of growth. This article examines the brands and consumers that have responded to the trend.

thedrum.com, 20 April 2021 (Hein)

Cosmetics and toiletries

L'Oréal benefits from strong Chinese market

L'Oréal has reported like-for-like sales growth of 10.2% for the first three months of the year. It attributes total sales of €7.6 billion to "remarkable" growth in the Asia-Pacific region, with sales in China up by 37.9%. It has also benefited from online shopping which has grown by 47.2% globally and now accounts for 26.8% of sales. The company's consumer products division has fallen behind other divisions because of the slowdown in sales of makeup. Chairman and CEO Jean-Paul Agnon says that L'Oréal can outperform the market this year. While sales in Western Europe have been underperforming, the beauty market is recovering, he says.

marketingweek.com, 16 April 2021

Food

Colin vs Cuthbert – M&S challenges Aldi

Marks & Spencer is to take legal action against Aldi on the grounds that the latter's Cuthbert the Caterpillar cake infringes M&S's Colin the Caterpillar trademark. M&S says that Aldi's cake "rides on the coat-tails" of M&S's reputation and that it could confuse consumers into thinking that the cakes are of the same standard. With three trademarks related to Colin, M&S believes that the product has acquired

a distinctive character and reputation. Colin has been around for about 30 years and has remained largely the same except for a few changes for special occasions. Colin also forms part of M&S's partnership with cancer charity Macmillan.

bbc.co.uk/news, 15 April 2021

Household

Start-up reduces pawprint with insect trend

Insects seem to be the latest trend in pet food. Last week we reported on Mars Petfood's Lovebug cat food made from black soldier flies. Now Aardvark, a start-up, is launching dry food for cats and dogs made from black soldier fly meal mixed with seaweed and sweet potato. It will be packaged in recyclable and compostable paper bags. The company, which has been crowdfunded, plans to expand its offering into wet meals and age-specific food.

thegrocer.co.uk, 19 April 2021 (Selwood)

Health and pharmaceuticals

Merck develops sustainability tool

German pharma company Merck has published its *2020 Sustainability Report* which covers its approach to the global pandemic and sustainability. The company aims to integrate sustainability into all its value chains by 2030 and to achieve climate neutrality and reduce resource consumption by 2040. To measure the positive and negative impact of its products and business activities on society, Merck has developed a Sustainable Business Value (SBV) method which examines seven aspects of the supply chain. So far it has created over 1,100 "greener alternatives to conventional life science products" for its customers.

emdgroup.com, 13 April 2021; [Sustainability Report 2020](#)

Birmingham to have life sciences hub

Plans have been approved for the building of a £210m health and life sciences campus in Birmingham. David Hardman, MD of developer Bruntwood SciTech, says the region has everything needed in terms of universities, specialist NHS trusts and a growing number of SMEs in the sector. The campus forms part of wider plans for the area which will include offices and lab spaces.

constructionnews.co.uk, 19 April 2021 (Price)

The first alcohol-free sanitiser

Cheshire-based Spheritec has just received approval to sell its "world-first" alcohol-free hand sanitiser, which it claims is 20% more effective than other gels. Spherilyse, which uses tiny microparticles to kill Covid-19, remains on the hands for "the majority of the day" and requires fewer applications. The firm, based at the Health Business and Technical Park in Runcorn, is also involved in projects such as manufacturing artificial blood to keep transplant

organs alive and creating polymers to regenerate bones.

business-live.co.uk, 16 April 2021 (Houghton)

IT and telecoms

Virgin Media and O2 merger to go ahead

The proposed merger between Virgin Media and O2 has received provisional clearance from the CMA. The 50-50 joint venture will create a telecoms business that will be in a strong position to challenge BT. Virgin Media has 5.3m broadband, pay-TV and mobile users while O2 has 34m mobile customers. The CMA had launched an investigation over concerns that the merger could reduce competition in the UK telecoms market which could lead to higher prices and lower quality.

theguardian.com, 14 April 2021 (Sweney)

5G networks could power IoT

The Internet of Things (IoT) works on the premise that many objects will become computerised. Arm, a British designer of chips, estimates that there could be a trillion connected objects by 2035, that is over a 100 for every person on Earth. But how are they all to be powered given that this will involve a lot of batteries? Researchers at the Georgia Institute of Technology in Atlanta have designed a small, flexible antenna which can harvest power from 5G mobile phone masts. This means mobile phone networks could double up as a wireless power grid for the low-power chips required by the IoT.

economist.com, 14 April 2021

Leisure and tourism

TUI banking on summer holiday season

Friedrich Jousen, head of travel company TUI, believes that vaccine programmes will help the summer holiday season to take place. The company's March bookings reached 2.8m and it expects to operate 75% of its normal summer schedule this year. The travel industry as a whole saw income plummet by nearly \$4.5 trillion last year, with over 62m people out of work, according to the WTTC. It wants international travel to restart in June to prevent more job losses. Jousen says he expects countries to ask for proof that people have been vaccinated, but believes that a negative test result would be just as effective.

bbc.co.uk/news, 16 April 2021 (Robertson)

Materials and mining

Paper mills close amid falling demand

Stora Enso is to close two paper mills in Finland and Sweden with a loss of €600m in annual sales. The closures reflect the poor state of the paper industry. Stora Enso is shifting its focus away from paper towards cardboard packaging, biomaterials and wood for buildings. Following the closures, paper will

account for just over 10% of its sales. The paper industry has been declining for over a decade due to lower demand for newspaper, magazines and office paper. The pandemic has also accelerated changes in consumer behaviour which has resulted in paper overcapacity in Europe. It hasn't been all bad for big paper groups, such as Stora Enso and UPM-Kymmene, because their packaging businesses have benefited from the online shopping boom.

ft.com, 20 April 2021 (Milne)

Media

Film

The future of cinema

Cinemas and cinema advertising have been hit badly by the pandemic, so can they return to "normal" or will the crisis have lasting implications? Cinema is more than just going to see a film as people enjoy the experience of shared viewing. In fact, cinema is consistently mentioned as one of the activities people are most keen to return to when restrictions are lifted. UK cinema ad spend fell by 80% last year compared with 2019. While ad spending is expected to return over the next few years, it may not reach 2019 levels until 2025. Despite cinema chains closing and a much-talked-about transition to digital-first releases, big film openings are still in favour because of their role in the financial success of the film. What might change, however, is the length of time between the cinema and VOD release, which could be reduced to as little as five or six weeks.

thedrum.com, 16 April 2021 (Sutcliffe)

Product placements can be digitally added

Product placements can be added digitally, regardless of how old the film is. In *The Great Escape*, Steve McQueen is seen pausing beside an ad for a beer brand, which would not have been present when the film was made. Now the ad industry can use technology to insert computer-generated images and switch products for other brands. This type of digital placement is expected to become widespread and could be used in the music video industry as a way for musicians to boost revenues. The next step could be the ability to add product banners to live sports or concerts in real time, according to Stephan Beringer, CEO of Mirriad, a company that uses the technology. However, the process comes with the risk of PR backlashes and legal questions over changes to copyrighted work.

bbc.co.uk/news, 19 April 2021 (Bloom)

Games

The rise of the gaming grandparent

Video gaming has become so popular among 55- to 64-year-olds that this is where the sector is seeing most growth (up by 32% since 2018), according to research by GWI which looked at 19,000 individuals

across 15 countries. It also noted trends such as the fact that more gamers play to socialise with friends (26%) than to escape reality (22%). The report also identifies increased gaming among women, family units, "gaming grandparents" or "OAGs" and multi-console ownership among parents.

decisionmarketing.co.uk, 19 April 2021

Music

Music industry in open letter to PM

In an open letter to Boris Johnson, 156 musicians, including Paul McCartney, Led Zeppelin and Annie Lennox, are calling for changes to the streaming model which: "For too long" has "exploited performers and creators without rewarding them fairly". Their proposal depends on changing the wording of the 1988 Copyright Act to bring royalty payments in line with radio. This means that streaming companies would have to make "equitable remuneration" through a rights collection company, a method already used for music played on the radio. Spotify and its peers are likely to fiercely contest any attempts to increase royalty payments.

theguardian.com, 20 April 2021 (Beaumont-Thomas)

Social media

Marketers should hold fire on social audio

Social audio (voice only) is becoming increasingly popular but marketers should probably look at the downsides of entering the medium right now. Size is a key factor and social audio usage is still a tiny fraction of social media and podcasting which eMarketer estimates will have 212.1m and 117.8m monthly users respectively in the US this year. This compares with Clubhouse (social networking app based on audio-chat) which had just 12.2m downloads worldwide by March 2021. Other negative points are: that early marketing initiatives may realise a small payoff; there are few ways to measure and track results from social audio; and there are brand safety concerns.

emarketer.com, 14 April 2021 (Williamson)

Television

TV – impact for SMEs

Thinkbox has produced a set of slides aimed at SMEs, which show the impact that they have on the TV ad market and how TV can be an affordable option. Smaller brands experience the greatest uplifts in sales even though their investment may be low. For example, a £0.5m TV campaign can increase sales by 10% for a business with a brand value of less than £50m. TV can boost sales, revenue and traffic for SMEs in both the short and longer term and can help to enhance the impact of other media channels by up to 54%. TV is also important for creating trust and reach for small brands.

thinkbox.tv, 14 April 2021

Packaging

Eco-labelling for food

Consumers are more aware than ever of the environment and the effect that products have on it, which is why designing packaging that allows them to make an informed choice is good practice. This year the Oxford Museum of Natural History is due to put on an exhibition entitled Meat The Future which will look at the impact of growing and producing food as well as eco-labelling. This article defines eco-labelling, looks at the problem of conveying information using limited space and not overwhelming the consumer with "a wall of green". Technology can be used to create a hierarchy of information on a pack and QR codes could be used to expand the limits of labelling.

designweek.co.uk, 13 April 2021 (Long)

Retailing

Customers want a "wow" experience

Retailers can increase shopper repurchase intent by almost 60% by consistently delivering a "wow" experience, according to a recent study from Wharton's Baker Retailing Center and The Verde Group. A great experience depends on the shopper and type of store, but the top priority is "hassle-free" customer support. The survey of 9,400 customers reveals that what "surprised and delighted" shoppers most is exceptional customer service. Other "wow" factors are: fast, free shopping; easy returns; problem-free shopping; well-stocked inventory; a great app or website; and attention to detail in the packaging.

knowledge.wharton.upenn.edu, 13 April 2021 (Robertson and Courtney)

5G for payments and mobile commerce

As retailers capitalise on their digital transformations and encourage consumers to return to stores, they will use their investments in 5G to improve the customer experience both in-store and online. eMarketer predicts that "digital-first retail experiences with zero-touch checkout" will become more common this year. Consumers are already showing more interest in mobile payments and mobile app orders (30% and 28% respectively of US consumers) according to a June 2020 McKinsey survey. Digital-first concepts, such as Amazon Go, are expected to expand as more technology is added to the offering. In September Amazon unveiled its Amazon One handprint scan technology. Such shop-and-go experiences are expected to become more commonplace, with payments made easier and more secure thanks to 5G.

emarketer.com, 16 April 2021 (Davis)

Services

Amazon to open hair and beauty salon

Amazon is to branch out into hair and beauty with the launch of a two-floor Amazon Salon in Spitalfields, London. It will use technology and AR to help with styling and customers will be able to experiment with virtual hair colours. They will also be able to watch entertainment on tablets at each styling station. The service is initially being offered to Amazon employees before being opened up to the general public. This initiative follows the opening of a professional beauty section on Amazon's website.

telegraph.co.uk, 20 April 2021 (Onita)

Transport and travel

SMMT urges new eco-vehicle sales

With the reopening of car showrooms, the SMMT has conducted analysis into green cars in Britain. Of 462 individual car models available, 152 are capable of zero emissions (one in three models), giving consumers a wide choice. But the SMMT warns that new vehicle uptake is essential if the UK is to reach its emission goals. Last year the average new car emitted 21.7% less CO₂ than in 2010. New car registrations for Q1 2021 were down by 37.1% compared with the average for 2010 to 2019 and it is unlikely that sales levels will return to "normal" by the end of the year. The automotive industry has lost £22.2 billion in turnover during the pandemic.

smtt.co.uk, 12 April 2021

Urban air mobility getting closer

Urban air mobility (UAM) companies are attracting an increasing amount of investment. In March German flying taxi start-up Lilium said it aimed to raise \$830m to support its aim of flying from vertiports around Orlando in Florida by 2024. It also plans to build ten vertiports across Europe. More traditional companies, such as General Motors, are joining in. In January it presented the idea of a "flying Cadillac" in the form of a vertical take-off and landing drone. But there are barriers and risks: flying cars will have to move, "from being technologically feasible to commercially viable to socially acceptable"...

ft.com, 15 April 2021 (Thornhill)

Written by CIM's Knowledge Services Team

© Copyright 2021 CIM

The views expressed in *Cutting Edge* are not necessarily those of The Chartered Institute of Marketing.

Sources

We created this edition of *Cutting Edge* from the sources listed in the next column. As a member you have access to a discrete range of them through the CIM website, some are freely available on the internet, but there will be others that we can only supply you with through our photocopying service.

To access the journals you have available to you as a member:

- Go to www.cim.co.uk/more/marketing-library/ and log in to the site.
- You will then have access to the links to Ebsco, Emerald and e-books available via Ebook Central.
- A user guide for the electronic resources is available on this page.

Please note: the titles as they appear in *Cutting Edge* are *not* the same as in the original article. If the journal is within Ebsco, you can search by publication, which then allows you to choose the date. This page will also clearly show if there is an embargo on the title or if there is a short delay.

Key

**Full text available on Ebsco – although there may be an embargo

*Abstract available on Ebsco

+Full text available on Emerald

~Available online if you register

Please contact Knowledge Services if you would like any further assistance or would like more information on our photocopying services (charges apply).

Tel +44 (0)1628 427333

Email knowledge@cim.co.uk

www.agriland.co.uk
www.ama.org
www.architecture.com
www.bbc.co.uk/news
www.bcg.com
www.blog.ons.gov.uk
www.business-live.co.uk
www.campaignlive.co.uk
www.charitydigital.org.uk
www.clearvoice.com
www.cmocouncil.org
<https://commonslibrary.parliament.uk/>
www.theconstructionindex.co.uk
www.constructionnews.co.uk
[The Daily Telegraph ~](http://TheDailyTelegraph.com)
www.decisionmarketing.co.uk
www.designweek.co.uk
www.thedrum.com
www.economist.com
www.emarketer.com
www.eventindustrynews.com
www.fastcompany.com
[The Financial Times ~](http://TheFinancialTimes.com)
www.thegrocer.co.uk
[The Guardian](http://TheGuardian.com)
Harvard Business Review**
www.hbr.org
www.internationallawoffice.com
www.kantar.com
<https://www.wharton.upenn.edu/>
www.lexology.com
www.marketingdive.com
www.marketingweek.com
www.mckinsey.com
www.nfcw.com
www.prdaily.com
Public Relations Strategies & Tactics**
www.shoosmiths.co.uk
www.smmmt.co.uk
www.sportbusiness.com
www.strategy-business.com
www.thinkbox.tv
www.utilityweek.co.uk

Contents

To fast forward click on the following links:

[Agriculture, fishing and forestry](#)

[Building industry](#)

[Businesses and strategy](#)

[Charities and NGOs](#)

[Durable goods](#)

[Economy](#)

[Education](#)

[Energy and utilities](#)

[Environment](#)

[Fashion](#)

[Financial services](#)

[FMCG](#)

[Beverages](#)

[Cosmetics and toiletries](#)

[Food](#)

[Household](#)

[Health and pharmaceuticals](#)

[IT and telecoms](#)

[Leisure and tourism](#)

[Marketing trends and issues](#)

[Advertising](#)

[Agencies](#)

[Brands and branding](#)

[Conferences and events](#)

[Customer relations](#)

[Law](#)

[Marketing](#)

[Market research](#)

[Public relations](#)

[Sponsorship](#)

[Materials and mining](#)

[Media](#)

[Film](#)

[Games](#)

[Music](#)

[Social media](#)

[Television](#)

[Packaging](#)

[Retailing](#)

[Services](#)

[Transport and travel](#)