

Cutting Edge: Our weekly analysis of marketing news

28 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

Digital ad market

The UK digital ad market grew by 5.2% last year to £16.47 billion, largely due to video and social media spend, according to IAB UK's *Digital Adspend* report. While spend fell in the first half of 2020, it quickly returned to growth in the second half of the year. This is the first time that the report has included digital audio and podcasting spend and it reflects the growth of audio within the digital environment. The overall digital audio market grew by 17% with podcasting spend up by 43%. Social display is the fastest-growing digital ad format (up 19%) while search still enjoys the largest share of spend with 51% of all digital ad-spend growth, following the surge in e-commerce. Spend on smartphones grew by just 10% while classified adspend fell by 30% partly due to the pandemic but also as a result of "longer-term structural decline".

[iabuk.com](#), 21 April 2021; [IAB Digital Adspend report](#)

Inclusion and diversity

Kantar has highlighted inclusion and diversity as one of *The 5 habits of highly effective advertisers*. Not only is being inclusive morally right, it is also good for brand ROI. What's more, 65% of consumers say that it's important that they buy from companies which actively promote inclusion and diversity, according to Global MONITOR. It's possible to be inclusive in an implicit or explicit way. Heineken explicitly addresses gender stereotypes through the choice of drinks in its latest ad; while the use of a female postal worker in an eBay ad is less explicit. Beyond gender and race, there is still the need to tackle disability and LGBTGI+ inclusion. In addition, many marketers tend to target ads at the under 50s, which means missing out on groups that have more

disposable income.

[kantar.com](#), 20 April 2021

Apple ramps up ad transparency

Apple is introducing a new App Tracking Transparency feature to its iPhones and iPads this week. It already has an IDFA (identifier for advertisers) which companies selling mobile ads, including Facebook, use to target ads and estimate their effectiveness. However, the new feature will force app developers to ask permission from users to use the IDFA. It is estimated that up to 80% will refuse. Apple isn't so bothered about customer data because it makes money out of selling devices and in-app purchase rather than advertising. It also promotes itself as a privacy-first company. Facebook argues that Apple's app update will reduce the money earned through its ad network and that small businesses could be hit. Many advertisers have been preparing themselves for the next "privacy-focused era of digital advertising". Apple argues that it is supporting the ad industry with free tools that tell them how successful their campaign has been.

[bbc.co.uk/news](#), 26 April 2021 (Wakefield)

Agencies

MediaCom launches Google Practice

MediaCom North, the largest media agency in the UK. Has launched a dedicated "Google Practice" that will offer a specialist service for advertisers across the Google ecosystem. Services will include media/ad tech and organic search; web analytics; user experience and conversion; and first-party data. The service, which has 250 employees, will compete with specialist digital media agencies, such as Jellyfish and Brainlabs, which also focus on Google marketing services. This comes at a time when third-party cookies are due to disappear following a raft of privacy issues.

[campaignlive.co.uk](#), 20 April 2021 (Oakes)

Brands and branding

Feminine names – the brand advantage

The name of a brand has linguistic characteristics which can communicate certain qualities regardless of the brand name's meaning. The length of the name, its sound and stress can signal masculine or feminine associations. Six studies investigate the influence of gender associations on attitudes, choice and performance outcomes for a brand. They reveal that feminine names increase perceptions of warmth, which improves these outcomes. Feminine brand names enhance attitudes and choice share as well as improving brand performance. Coca-Cola, Tiffany & Co, Burberry and Nike are all found to be linguistically feminine names. They tend to be longer and end in a vowel sound while masculine names tend to be shorter and end in a consonant, such as Ford. The research also points out that the top global brands include more feminine names.

ama.org, 15 April 2021 (Pogacar et al)

Foreign brands in China – backlash aftermath

Foreign brands in China have for years suffered from social media backlashes as consumers accuse them of cultural insensitivity or lack of political tact. A boycott of Western companies who were concerned about alleged human rights abuses in Xinjiang province led to H&M being blocked on major Chinese e-commerce platforms and 20 of its stores being closed. China tends to target some companies more than others. For example, those with a high-profile retail presence may suffer more than brands with a lower profile. Some cultural mishaps, such as that of Burberry, which offended customers with its Chinese holiday ads, can be healed. However, Dolce & Gabbana is still suffering from its 2018 videos depicting a Chinese model struggling to eat Italian food with chopsticks. D&G's Asia Pacific market has subsequently fallen from 25% to 22% of group turnover. Political comments can create a much more serious problem. Although the boycotts generally don't last forever, it can be painful for the companies concerned.

bbc.co.uk/news, 25 April 2021 (McDonald)

Children

Children's data case brought against TikTok

Anne Longfield, former children's commissioner for England, has brought a complaint to the high court against TikTok concerning the millions of children who have used the app since March 2018. She accuses it of contravening the "UK and EU children's data protection law and deceiving parents about how exposed their children's private information is when they use the app". There have been previous concerns over TikTok's handling of children's personal information but this case could affect over 3.5m children in the UK alone. Ofcom reckons that 44% of eight to 12-year-olds in the UK use TikTok

even though under-13s are not meant to do so. Governments have started to ramp up their efforts to protect children online. The UK's draft Online Safety Bill sets out duty of care requirements for tech platforms, which could lead to a framework for social media companies' responsibilities towards children.

lexology.com, 22 April 2021 (Ward)

Conferences and events

In-person events – can they be sustainable?

We are moving closer to a summer of in-person events, some of which are already sold out, but how can we minimise their impact on the environment? Brand experience agencies have a responsibility to educate clients about the impact of their events and include sustainable practices in their proposals. This could range from using virtual registration to building sets using sustainable materials and preventing food wastage. The past year has seen some of the benefits of virtual events, such as allowing anyone anywhere to attend and having a far smaller environmental impact. The industry should work together to develop frameworks to standardise sustainability goals. Now is the time to apply your pandemic learnings to in-person events...

campaignlive.co.uk, 19 April 2021 (Stephenson)

Preparing for the hybrid event of the future

Virtual experiences are here to stay but at the same time people are keen to get back to in-person events. This means that hybrid events will take centre stage by creating new opportunities and challenges for comms and event marketing teams. Successful events rely on good communications and three ways in which comms and event teams can create effective event strategies are: to create strong partnerships between comms and event marketing; deliver engaging content; and personalise the experience for both in-person and virtual attendees.

prdaily.com. 23 April 2021 (Maisels)

Consumer behaviour

Employee justice and propensity to buy

The role of the relationship between companies and their employees and its effect on a consumer's purchase intentions has not been well researched. This study examines consumer perceptions of the way in which employees are treated and how this is likely to affect consumer intention to buy. In particular, it looks at the impact of electronic WoM on consumer perceptions of justice. It finds that negative WoM has a significant impact on consumer perceptions of the procedural justice of the company and their likelihood to buy. Overall, the research suggests that consumers are interested in the way that employees are treated.

Journal of Marketing Theory and Practice, April 2021, pp1-22 (Williams et al)

Customer relations

New sensory stimuli can enhance loyalty

This research looks at consumer responses to olfactory and visual stimuli in an environment that wouldn't normally be associated with these types of sensory stimuli. The research was conducted in a well-known optician's franchise located both in a shopping centre and on the high street. The results show that olfactory stimuli can enhance the image of the store and are more relevant when there is congruence between the store and the fragrance. It also demonstrates that the response to olfactory and visual stimuli creates an image that is important for building customer satisfaction which in turn leads to stronger loyalty.

Journal of Strategic Marketing, Vol 29(3), May 2021, pp264-280 (Beerli et al)

Sainsbury's criticised for changes to Nectar

Changes to Sainsbury's Nectar loyalty scheme reveal the, "delicate balance between customer loyalty and alienation". The supermarket has decided to remove weekly offers from its reward scheme and customers have taken to social media to vent their rage. One customer pointed out that "loyalty schemes work both ways". MoneySavingExpert has shared screenshots from Sainsbury's website showing how the words "every week" have been removed from its "offers" section. Yet Sainsbury's claims to know its customers better than anyone else. After all, it has more than 18.5m Nectar members and 33m customer records! It also uses machine learning technology to find out what customers want.

decisionmarketing.co.uk, 26 April 2021

Law

Chanel loses latest logo battle

Chanel has lost its latest trademark battle with Huawei which wants to use an EU-wide trademark that Chanel says is too similar to its own. However, the EU General Court in Luxembourg has said that the logos, "share some similarities but their visual differences are significant". The Court also said that Chanel's logo was more rounded, had thicker lines and "a horizontal orientation". Huawei applied for the EU trademark back in 2017 for its computer hardware but Chanel argued that the two intertwining semi-circles were very similar to its own logo. It can still appeal the decision at the ECJ.

bbc.co.uk/news, 23 April 2021

Marketing

The sustainability-marketing gap

New research from the World Federation of Advertisers (WFA), entitled *Marketing and Sustainability: closing the gaps*, reveals that just 10% of marketers claim to be well advanced in the "sustainability maturity journey" compared with 29% of the business as a whole. This is despite 88% of consumers saying that they expect brands to help

improve the environment, and 95% of marketers believing the marketing function can make a difference to the sustainability journey. Top challenges in achieving sustainability ambitions are cited as: conflicting business priorities (39%), a lack of dedicated internal resources (27%) and pressures on growth (profit) from shareholders (26%). The WFA has developed a "Planet Pledge" aimed at helping its members introduce measures that they can action.

marketingweek.com, 23 April 2021;

<https://wfanet.org/marketing-and-sustainability-report>

Avatar marketing

Avatars are increasingly being used in marketing – their use is expected to rise by 241% in the travel and hospitality industry and 187% in the consumer goods sector – but their effectiveness can vary greatly. This article starts by identifying and evaluating the term "avatar" and provides a typology of avatars: simplistic; superficial; intelligent and unrealistic; and digital human. It suggests that the alignment of the avatar's form realism and behavioural realism across different situations can help to explain their effectiveness. The authors develop a theory of avatar marketing and outline a research program to test propositions and insights.

ama.org, 16 April 2021 (Miao et al)

Market research

Qual segmentation with limited resources

Social marketers often have limited resources which means that they can't use expensive quantitative segmentation methods. This study looks at the use of qualitative research to identify groups that can be used for social marketing planning and programme implementation. Six focus groups were conducted among participants living and working on a site to research a single water use market. Manual coding was used to identify the major segments within the market which were dubbed: comfort users, careless users, price-sensitive users and contradictory users.

Journal of Strategic Marketing, Vol 29(3), May 2021, pp247-263 (Ibrahim et al)

Online surveys – a representative sample

Market researchers often use online surveys but the digital universe is changing so rapidly that it is hard to find a representative audience. Yet, if you don't ensure that your online audience is representative, you are in danger of introducing biases and collecting unreliable data. Here are five things to consider when conducting surveys online: design them to be mobile first; recruit from a variety of sources; use inclusive profiles that take account of behaviours and demographics; take care when approaching quotas and sample sizes; and beware of fraudulent respondents.

kantar.com, 22 April 2021

Public relations

Should you be proactive or reactive, or both?

Businesses are struggling to stand out and gain some competitive advantage in a congested digital environment. This has benefited the PR market which is predicted to grow by a CAGR of 7% from 2021, to reach \$117.8 billion by 2023, according to a survey from Wise Guy Reports. However, this can make it harder to attract the attention of journalists, over 42% of whom claim to receive 11 to 100 pitches a day. PR pros have to decide on the most effective methods for catching the attention of the media. A good media relations strategy should cover both proactive and reactive approaches to raise a client's profile. The author examines the pros and cons of both approaches and considers how to get the right balance.

prdaily.com, 21 April 2021 (Garrett)

Arsenal scores for crisis comms

The six English Premiership teams who joined the European Super League (ESL), only to perform a U-turn, have not exactly enhanced their reputations. *PR Week* scores them out of ten on their crisis communications. The worst score (2/10) goes to Tottenham Hotspur which expressed "regret" for the "anxiety and upset" but no actual apology. While Chelsea was the first to pull out of the ESL, there was no "abject apology" at the time of writing but, in its favour, Chelsea has done much to improve its reputation by, for example, tackling racism and investing in women's football (score 4/10). Top scorer is Arsenal, which posted a short apology and said it had joined because it, "did not want to be left behind to ensure we protected Arsenal and its future" (6/10). Separately, *Raconteur* looks at "avoiding the PR mistakes" of the ESL and concludes that the 12 clubs have a way to go to rebuild reputational damage. According to Brand Finance, the clubs' combined value could have suffered to the tune of €2.5 billion!

prweek.com, 22 April 2021;

raconteur.net, 23 April 2021 (Forsdick)

Sponsorship

Does fake news impact sponsor brand trust?

This study examines how fake news sponsored by brands affects consumers' trust in those brands. The results initially suggest that the difference in brand trust between fake and real news conditions is not significant. However, further analysis identifies a link between perceived news credibility and brand trust in the fake news context. The influence of news credibility on brand trust is also influenced by product involvement and social media usage. The conclusion is that fake news consumption is a complex behaviour that might not automatically result in negative brand outcomes.

Journal of Brand Strategy, Vol 9(4), Spring 2021, pp446-465 (Chan-Olmsted and Qin)

Agriculture, fishing and forestry

Fall in dairy and meat exports to EU

British food exports were down by over a fifth in February compared with a year ago as sales to the EU fell by 41%, according to a Food and Drink Federation (FDF) update. Sales of milk and cream to the EU were down by 96% and chicken and beef by over three-quarters. Imports from the EU also fell while imports from the rest of the world rose by almost 6% in February. EU import requirements for composite products have just come into force which will add greater complexity and cost for UK exporters, says Dominic Goodie, head of international trade at FDF.

farminguk.com, 26 April 2021

Beef farmers must demonstrate sustainability

The National Farmers Union (NFU) wants farmers to use Great British Beef Week (23 to 30 April) as an opportunity to show the Government why it should support the promotion of, "world-class, sustainable British beef both at home and abroad". In the run up the COP26 Climate Conference, British farmers need to demonstrate their credentials, "to be world leaders in sustainable red meat production" and to become net zero by 2040, says Minette Batters, NFU president.

agriland.co.uk, 23 April 2021 (Kellett)

Animal Equality targets Morrisons

Animal Equality, an animal rights group, has been campaigning to get retailers to sign up to the Better Chicken Commitment (BCC), a Europe-wide scheme aimed at improving bird welfare. Animal Equality has collaborated with presenter Chris Packham in a petition to get supermarkets to move away from stocking fast-growing breeds of chicken by signing the BCC pledge. Now it is targeting Morrisons, which says its poultry will meet BCC standards, but has not yet signed the BCC. Last year Tesco introduced a BCC-compliant range but marketed it as "RSPCA Assured Room to Range". Only Waitrose and M&S have signed the BCC.

thegrocer.co.uk, 23 April 2021 (Sandercock)

Building industry

Construction to grow by 13%

Construction activity is predicted to grow by 13% this year, according to the Construction Product Association which has been forced to downgrade its forecasts due to supply constraints for imported products and uncertainty over demand. Although construction rose in the first quarter, growth varied by sector. Infrastructure is predicted to grow by 29% to reach its highest ever level largely thanks to HS2 and activity relating to water, roads, electricity and broadband. Meanwhile, private housing output

is expected to rise by 14% this year, private housing repair, maintenance and improvement (RM&I) by 12% and public housing RM&I by 15%. In contrast, by the end of 2023, commercial output is expected to be 10.5% lower than in 2019 due to lack of investment in new projects, notably in Central London.

constructionenquirer.com, 26 April 2021 (Morby)

Businesses and strategy

Digital business models

Brands are in the process of changing from analogue to digital. Digitally-enabled business models have taken advantage of the massive amount of connectivity over recent years and lessons can be learned from how such companies are structured and their potential for growth. But you don't have to be a tech company or start-up to innovate, build a brand or grow through these new digital business models. Here are three levels of digital model explained: the simplest (the digital interface model) is exemplified by Domino's Pizza; the platform ecosystem model is used by the likes of Airbnb and Pelaton; and the most advanced model (the interaction field model) has Tesla as a prime example.

managementtoday.co.uk, 19 April 2021 (Joachimsthaler)

CSR communication

It can be complicated for marketers to assess the impact of CSR initiatives on a business due to the variety of methods for communicating and the range of stakeholders involved. Social media helps to increase the visibility and credibility of CSR communication and offers new ways to reach stakeholders. This study uses data from the Facebook pages of the "Top 100 Global Brands" to create a new measure for the effectiveness of CSR communications: CSR productivity communication (CCP). The findings suggest that CCP has a positive impact on firm performance and that, when external stakeholders are involved in CSR initiatives, both CCP and firm performance are enhanced.

Journal of Business Ethics, April 2021, pp1-17 (Yang and Basile)

Lessons for digital transformation

How do you undertake a digital transformation? While it means different things for different businesses, there is some commonality across sectors. *B2B Marketing* spoke to three B2B business leaders (Jürgen Winterholler, head of IT and digital solutions at Rolls Royce Power Systems; Leo Pickford, head of transformation at Yusen Logistics; and Alex Wodzicki, group digital marketing director at warehousing firm Segro.) to establish seven key learnings for accelerating B2B digital transformation. The discussion covers: changing mindsets; eliminating waste to get noticed; challenging legacy

systems; justifying innovations; picking the right partners; thinking customer first; and being "bold and visionary".

b2bmarketing.net, 23 April 2021 (Brierley)

Charities and NGOs

Improving individual donor giving

Individual giving is one of the main sources of funding for many non-profit organisations yet nearly half of new donors only give once. Non-profits need to increase repeat giving by individuals as well as to retain committed donors. A study in the *Journal of Marketing* looks at the challenges of fundraising for non-profits. The research is based on a large non-profit whose work relates to an animal species. It divides its individual givers into two groups: donations and memberships. Members receive various benefits whereas donors receive no benefits and give mainly because of the "warm glow" it gives them, as well as tax deductions! The researchers develop a predictive model which can help to identify individuals that are more likely to become member donors in the future, with whom they can nurture longer-term relationships.

ama.org, 13 April 2021 (Kim et al)

Innovative fundraising campaigns

It looks as if online fundraising is here to stay even when things return to "normal" and in-person events can take place. Charities have become increasingly innovative in their online fundraising campaigns. Charity Digital reflects on five of the more innovative recent campaigns: 70-year-old Frank Rothwell's solo row across the Atlantic in February to raise money for Alzheimer's Research UK in which he kept followers updated on social media; Comic Relief's hunt for supervillain Doomy McGloomy; Reclaim These Streets' campaign to raise money for women's charities; Cancer Research UK's Race for Life At Home; and Marie Curie's Day of Reflection.

charitydigital.org.uk, 22 April 2021 (Lepper)

Durable consumer goods

A pandemic boom in toy sales

Mattel has reported its strongest first quarter for six years thanks to demand for its Barbie dolls and *Jurassic World* action figures. Net sales have risen by 47% thanks to a boom in pandemic toy-buying. Parents have been entertaining children by splurging on dolls, fluffy toys and outdoor games. In the US 52% of parents spent more on holiday gifts last year, with Mattel reporting its best holiday sales in four years. Global sales of dolls and action figures, building sets, games and other items rose by 69% year-on-year.

ft.com, 22 April 2021 (Rocco)

Economy

UK economy to grow at fastest rate on record

The UK economy is forecast to grow at 6.8% this year, according to the EY Item Club, making it the fastest rate of growth since 1973. Chief economic advisor Howard Archer says the economy has, "proven to be more resilient than seemed possible". The projected growth contrasts with a record 9.9% decline last year. EY expects the UK economy to return to the size it was before the pandemic by the second quarter of 2022. Meanwhile unemployment is predicted to be 5.8% by the end of the year, down from 7% predicted in January.

bbc.co.uk/news, 26 April 2021

Services recovering...

Last year the service industries made up 81% of the UK's total economic output. However, in the three months to February 2021, services output fell by 1.9% compared with the previous three months and by 8.3% compared with the three months to February 2020. The UK services Markit/CIPS PMI, which paints a rosier picture, was 60.1 in April 2021 compared with 56.3 in March; this was its fastest expansion since August 2014 thanks largely to consumer services during the pandemic.

commonslibrary.parliament.uk, 23 April 2021 (Brien)

...as is manufacturing

Total manufacturing output for the three months to February 2021 fell by 0.4% compared with the previous three months and by 3.8% compared with the same period last year. However, it rose by 1.3% in February compared with January 2021 with output increased in seven out of 13 subsectors, the largest increase being seen in computer electronic and optical products. By contrast, the manufacturing Markit/CIPS PMI for April 2021 was 60.7, up from 58.9 in March 2021, showing that recovery is under way. Production volumes rose by their greatest amount since August 2020, with strong contributions from the food and drink sectors thanks to the reopening of hospitality businesses.

commonslibrary.parliament.uk, 23 April 2021 (Hutton)

Older workers suffer more unemployment

The decline in employment rate for the over-50s has been twice that of people aged 25 to 49 due to the pandemic, according to a report from the Resolution Foundation. It also finds that older people take the longest to find work after losing their jobs. It suggests that the pandemic has created "U-shaped" employment in which younger and older workers are suffering more than those who are middle-aged. ONS data show that 109,000 more people aged 50 to 64 were unemployed between December 2020 and February 2021 than in the same period a year ago. When older workers return to work, they also

find their salaries have fallen more than workers in other age groups.

bbc.co.uk/news, 26 April 2021

Education

Sustainable rankings

The *Times Higher Education* has published its third university *Impact Rankings 2021* which it describes as the, "only global performance tables" to assess universities in the context of the United Nations' Sustainable Development Goals (SDGs)". The universities are measured across four areas: research, stewardship, outreach and teaching. Of 1,115 universities around the world, the University of Manchester comes out on top, the first time a UK university has done so. Two Australian universities take second to fourth places: the University of Sydney (RMIT) and La Trobe; while Queen's University Canada is in fifth place. Interestingly, Russia is the most-represented nation with 75 institutions, followed by Japan with 73.

timeshighereducation.com, April 2021

Pearson adapts to online learning

The pandemic has led to a surge in online learning which has helped to boost educational publisher Pearson's Q1 sales by 5%. Andy Bird, company CEO, said it was "making good progress in our shift to digital". The company also achieved "modest" growth in its online management business which provides digital degrees in collaboration with colleges and universities. Pearson has been struggling to adapt, as new ways of learning have damaged sales of its core American university textbook business.

thetimes.co.uk, 26 April 2021 (Gosden)

University-business collaborations...

Research England's first iteration of the Knowledge Exchange Framework (KEF) has been published. Aimed at improving knowledge exchange and continuous improvement in universities, it compares universities on a like-for-like basis by grouping together English universities in "KEF clusters" based on criteria such as size and research activities. It also compares knowledge exchange activities, such as public and community engagement, working with business partners and how research is commercialised. The whole thing is underpinned by a series of metrics for which each university receives a score. Encouraging universities to see how they compare with others helps in continuous self-improvement. A website displays the information in a simple dashboard.

ncub.co.uk, 8 April 2021 (Soetan); <https://kef.ac.uk/>

...as northern unis commercialise start-ups

Northern Gritstone, an investment company launched by the universities of Leeds, Manchester

and Sheffield, plans to raise money from corporate partners and investors to help commercialise university spinouts and start-ups. Such businesses are traditionally founded by, or linked to, universities in sectors such as advanced materials and manufacturing; health and life sciences; AI and data sciences. The three universities originally collaborated in 2018 as the Northern Triangle Initiative.

prolificnorth.co.uk, 26 April 2021 (Hardaker)

Energy and utilities

Light bulbs help smarter energy choices

The National Grid, a “principal partner” of COP26, the UN climate Change Conference due to take place in Glasgow in November, has launched The Green Light Signal campaign. The campaign focuses on low energy light bulbs, which have been sent to 100 “key” individuals including MPs and media. The bulbs glow green when the electricity supply in the home is at its cleanest. Consumer research commissioned for the launch identified an “energy awareness gap” in people’s knowledge about fossil fuels and low carbon energy sources: 42% of Britons think that the country derives just 10% of electricity from low-carbon energy, whereas in reality the figure is around 55%.

prweek.com, 23 April 2021 (Harrington)

Environment

Peanuts film for Earth Day

Charles Schultz’s Peanuts world has been entertaining people since 1950 with comic strips, TV shows and films. This year Peanuts Worldwide created a short film for Earth Day, called *Choose to Resuse*, which is the fourth part of its “Take Care” initiative. The films reflect the brand’s philanthropic nature in social messaging, educational activities, community and environment. In the latest film, Snoopy is seen collecting juice boxes and recyclable items to make a bird condo for Woodstock and his friends.

adweek.com, 23 April 2021 (Miller)

Fashion

Nike and Levi’s – a step in the right direction

Earth Day (22 April) has sparked some creative initiatives in the clothing industry. For example, Nike has launched “Refurbished”, a scheme encouraging customers to send their old trainers back to Nike to be repaired and cleaned up within 60 days. Nike has pledged to achieve zero carbon emissions so this will go some way to supporting its goal. Meanwhile, Levi’s “Buy once, wear always”, which launched this month, encourages people to wear second-hand jeans or have their clothes repaired in store. Levi’s has also partnered with Good-Loop, an ad platform

that exchanges charitable donations for media spend.

prweek.com, 23 April 2021 (Harrison-West)

First investment company for African brands

African designers’ ability to expand internationally has just been boosted by the launch of Birimian, the first operational investment firm to connect African luxury and heritage fashion brands with international investors. Aiming to tackle the problems faced by African designers, such as production and international distribution, it will work with brands across fashion, accessories, beauty and cosmetics. It is starting with four apparel and accessories brands, which include Christie Brown from Ghana, whose products have been worn by Beyoncé and Alicia Keys. Africa’s textile and clothing market is growing and currently estimated to be worth over \$31 billion.

fashionunited.uk, 26 April 2021 (Wightman-Stone)

Financial services

A guide to fintech

This House of Commons library briefing, *Fintech: a guide to financial technology*, provides an overview of what “fintech” is, what kinds of products and services it provides and the type of technology used by fintech companies. It also compares the UK fintech sector with the international picture; looks at the opportunities and challenges presented by fintech; and how the Government has responded to it, including reference to *The Kalifa Review of UK Fintech (2021)*. It points out that fintech offers benefits such as employment and investment opportunities; fast, more efficient processing; and more competition and personalised services. However, there are also risks, such as digital exclusion; “algorithmic discrimination”; challenges to effective regulation; and new risks for consumers.

commonslibrary.parliament.uk, 22 April 2021 (Evans and Browning); [Fintech: a guide to financial technology](#)

FCA publishes data on financial promotions

The Financial Conduct Authority (FCA) has started to publish quarterly data on the number of financial promotions amended or withdrawn for non-compliance. In the first quarter of the year, it reviewed 441 promotions which resulted in 105 promotions being amended or withdrawn. Of these, 47% were for retail lending, 26% for retail investments and 18% for retail banking. Most (three-quarters) related to website or social media promotions, which shows “the need for firms to be vigilant when using these media types to promote products”, says Andrew Barber of law firm Pinsent Masons.

pinsentmasons.com, 15 April 2021 (Barber)

FMCG

Britain's biggest brands – tried and trusted

In its *Britain's Biggest Brands 2021*, *The Grocer* reports that the top 100 brands gained £2.06 billion in value after shoppers stocked up during lockdown. Cadbury, in first place (up by 8.3%) gained an extra £140m in sales. Others in the top five are: Coca-Cola (+6.8%), Nestlé (+7.1%), Walkers (+5.7%) and Heinz (up by a colossal 17.6%). Of the top brands, 76 grew in value and 47 rose in double digits. In 2019 just 53 brands grew, with seven in double digit figures. Success wasn't just down to lockdown buying: it was also the reliance of consumers on, "FMCG names they knew and trusted". However, the coming year will present new challenges and NielsenIQ predicts that grocery sales in 2021 will be "flat at best". FMCG brands will need to work out how to maintain or regain cut-through in a changed environment...

thegrocer.co.uk, 23 April 2021

Beverages

Coca-Cola to hold back some marketing spend

Coca-Cola CEO James Quincey has said that marketing spend will be put on hold in markets where vaccination is slow and Covid-19 cases are rising. He was speaking at the announcement of the company's Q1 2021 results, when he warned that lockdowns will influence how marketing spend is distributed this year. The company will, "re-accelerate the restitution of marketing spend" as demand rises and there is more reopening; and "hold back on marketing" where there is weaker demand, he said. Coca-Cola's revenue growth of 5% in Q1 was helped by markets such as China where activity has almost returned to pre-pandemic levels.

marketingweek.com, 19 April 2021 (Phan)

Food

JBS expands into European vegan market

JBS, described as the world's largest protein producer, has entered the European vegan market by acquiring Vivera, Europe's third-largest producer of plant-based foods. The Dutch company has 50 product lines in over 27,000 supermarkets. In September the company announced a €30m investment to more than double its capacity in the Netherlands.

thegrocer.co.uk, 23 April 2021 (Mattinson)

Yakult in Japanese gardening campaign

Yakult's latest marketing campaign, "Grow with Yakult", is offering seeds to up to 10,000 people so that they can grow five Japanese vegetables. They will also have access to guides on how to grow them and recipes from chef Yuki Gomi. This follows research published by the King's Fund which claimed that gardening and being mindful of the outside was

good for health and being outdoors could boost levels of Vitamin D.

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

Household

Pet products benefit from buying "mania"

Over three million households in the UK have bought a pet during the pandemic, according to research on behalf of the Pet Food Manufacturers Association. The trend is reflected in the ONS's inflation basket to which dog treats were added last month. Shares in Pets at Home have risen as people spent more on pet care products and veterinary services last year. There are questions over whether this boom can continue. For example, over half of new pet owners in Britain are under the age of 34, according to a PFMA/Kantar survey. This could mean that they spend less on their pets as they return to other leisure activities. Others argue that the pet industry is undergoing a "premiumisation trend" which could last beyond the pandemic. This, combined with homeworking, could encourage even more people to buy pets.

ft.com, 27 April 2021 (Rovnick)

Nose-scanning app – not to be sniffed at

Research from Petfinder suggests that one in three pets will be lost at some point in their lives. Now Iams, the pet food brand, has launched a mobile app called NoseID which uses nose-scanning technology to help reunite lost dogs with their owners. Every dog's nose is unique so the app can scan the nose to develop a unique biometric record which is saved to a database. The app launched last week in Nashville but aims to go global.

campaignlive.co.uk, 22 April 2021 (McGonagle)

Government and public sector

Most secret job – Navy digital OOH campaign

The Royal Navy has launched a digital OOH recruitment campaign featuring a large pixelated image which can be scanned to take the viewer to the recruitment website. The image takes the form of a submarine which disappears below the waves after it detects audiences looking at it for more than five seconds. "The most secret job in the world hides in plain sight" campaign aims to promote the Navy's most classified division.

campaignlive.co.uk, 21 April 2021 (Douglas)

Health and pharmaceuticals

Marketing a scientific organisation

Customers of scientific organisations are "very unique" so companies need to promote their products and services carefully to make more people aware of them. Marketing the product will set them apart from competitors and increase sales and

return on investment. Relationships are extremely important in the scientific industry and PR is one of the best ways of creating a positive image and helping to build relationships. Here is a range of ideas for how a scientific organisation can market itself, including: online ads, social media, banner ads, webinars, email marketing, personal selling, inbound marketing and print.

orientation.agency, 22 April 2021 (Jones)

Medicines – post-Brexit changes in protection

Medicines are in the spotlight due to the roll-out of Covid-19 vaccines and changes to the approval of medicines following Brexit. One of the differences brought about by Brexit has been a change to processes for obtaining marketing authorisations for medicinal products. This in turn has an effect on supplementary protection certificates (SPCs) in the UK. SPCs can extend patent protection for an approved medicine by up to five years. This article considers changes to the SPC regime, changes to the UK marketing authorisation regime and the SPC manufacturing waiver in the UK. Although the changes may be minor, there may be consequences for pharmaceutical manufacturers that supply both the UK and EU markets.

internationallawoffice.com, 26 April 2021 (Taylor and Davies)

IT and telecoms

XR expands into new markets

Extended reality (XR) technologies, such as VR and AR, are still in their infancy but are evolving rapidly. Many are used in gaming, entertainment and social media but they are expanding into other applications. Many consumers have been forced to stay at home for work, socialising and shopping, hence the growth in use of XR to replace in-person experiences. Now VR and AR are increasingly seen as acceptable replacements for in-person training, meetings, events, customer service, healthcare and more. XR is also a growth area for Big Tech. Facebook is becoming a VR leader in the US with Oculus; while Apple, Google, Microsoft and Samsung are all introducing their own solutions in response to growing demand. The rollout of 5G wireless should also boost the viability of XR.

emarketer.com, 21 April 2021 (Petrock)

Chip shortages stoke concerns over supply

Chuck Robbins, CEO of networking company Cisco, warns that the shortage of computer chips could go on for a year due to the pandemic and other factors. The shortage of semiconductors affects areas including 5G, cloud computing, the Internet of Things and AI, all of which are experiencing rising demand. Dan Ives, a tech analyst at Wedbush Securities, says that, "demand is probably 25% higher than anyone would have expected". Intel has

announced that it will be expanding production, with new plants in Arizona. However, 75% of global manufacturing capacity is in East Asia with TSMC of Taiwan and South Korea's Samsung being the dominant players. European politicians are keen to have more chips manufactured locally over fears of Chinese interference in Taiwan. However, TSMC plans to spend \$100 billion in expanding capacity over the next three years.

bbc.co.uk/news, 25 April 2021 (Josephs)

RPA – the new growth tech

As workers continue to stay at home, many of the processes that would have taken place in the office have had to be automated, which has boosted the "robotic process automation" (RPA) market. UiPath, a little-known Romanian company in this field, has just raised \$1.3 billion in a New York IPO, valuing it at about \$30 billion which is more than Spotify when it listed in 2018. The RPA market is still small, with sales of around \$3 billion last year, according to Gartner. As UiPath and its competitors automate more processes, the demand for "hyperautomation" will rise. Gartner estimates that RPA could be worth \$30 billion annually within the next three to five years and UiPath could have a third of that, but it may have to fight to keep its share as the "Microsofts and SAPs" of this world are already moving in...

economist.com, 22 April 2021

Leisure and tourism

IOC targets virtual sports audiences

The International Olympic Committee is hosting an Olympic Virtual Series (OVS) in the run up to Tokyo 2020. The initiative is happening in collaboration with five international sports federations and games publishers. The aim is to reach new audiences through engagement with virtual sport, e-sports and gaming enthusiasts. It is in line with the IOC's Digital Strategy which encourages sports participation and promotes Olympic values, especially among the young. E-sports has also seen strong growth due to a younger generation of gamers. *Campaign* asks five experts whether this could be the future of sport or just a trend.

campaignlive.co.uk, 23 April 2021 (Douglas)

Museums may have to find new models

Some of the biggest museums around the world, including Britain, had fewer than 20% of their usual visitors last year. While museums in some countries, notably Germany and France, are publicly funded, British institutions have seen dwindling government support over the years, encouraging them to become self-reliant. By 2019 the Tate galleries were raising £2 for every pound of state support they received. Normally money would be raised through expensive entry tickets, restaurants, shops,

conference facilities, sponsorship and private parties. Museums and galleries are trying to find ways of cutting costs but, when they reopen on 17 May, visitors will have to book slots. The British Museum will allow just 2,000 people a day compared with an average of 15,000 before the pandemic. Big London museums may have to find new business models!

[economist.com](#), 24 April 2021

Materials and mining

Knitting a greener road

A group of Swiss researchers have come up with a new solution to road building which involves "knitting". The researchers, from the Swiss Federal Laboratories for Materials Science and Technology, use a robotic arm to lay out string in elaborate patterns to which layers of stones are gradually added. The string entangles the stones to keep them in place, leaving a strong, stable structure. Traditional road surfaces, made with concrete or asphalt, are not environmentally friendly. Knitting roads results in fewer emissions and the stones and string can also be recycled. The new road surface would also be permeable and result in fewer potholes. However, it could be some time before the method is commercially viable.

[economist.com](#), 25 April 2021

Diamond Foundry to ramp up production

Diamond Foundry, a lab-grown diamond start-up, has raised \$200m to help it in its aim of quintupling production by the end of next year. Based in Silicon Valley, it challenges the traditional diamond industry and competes with the likes of De Beers. The company targets the high-end jewellery market and sells direct to consumers through its Vrai & Oro brand as well as through retail. It is also developing diamond wafers which can be used in the semiconductor industry. Meanwhile, mined diamond production has been falling: it declined by 20% last year largely due to the pandemic.

[ft.com](#), 27 April 2021 (Sanderson)

Media

Media habits during lockdown

There have been significant shifts in the media consumed during the pandemic and the way in which it is consumed. According to Ofcom, TV reach fell consistently in 2020 compared with other years as TV gave way to other sources of news and entertainment. In fact, there has been a significant rise in the number of older people turning to subscription video-on-demand (up by 14% among 65-75s) compared with 2019. According to Deloitte, there was a decrease in the daily use of phones during lockdown (down by 5% from April to July 2020) with desktop browsing being the main means of internet access. Despite this, the use of social

media apps remained constant. Meanwhile, according to Verizon, the video game sector saw a 75% increase as people turned to games to occupy themselves. Experts say it is unlikely that media habits will return to how they were pre-lockdown, and that content providers should prepare themselves for this.

[lexology.com](#), 23 April 2021 (Dhoot)

Books

Pandemic reading – publisher sales up

The total value of UK publisher sales of books, journals and rights rose by 2% to £6.4 billion last year. However, while print sales fell by 6% to £3.4 billion, total digital rose by 12% to £3 billion. Overall fiction rose by 16% to £688m, with audio downloads up by 37% to £133m. Stephen Loting, CEO of the Publishers Association, describes publishing as "incredibly resilient" and says that "many people rediscovered their love of reading last year". However, it has been a challenging year for education publishers and small publishers as well as authors. The full report, *Publishing in 2020*, is available to download.

[publishers.org.uk](#), 27 April 2021; [Publishing in 2020](#)

Music

First grime track with plant sounds

Subway has marked Earth Day with a partnership with grime artist P Money to create the very first grime track using plant sounds. Sound emissions from plants have been recorded using electrodes and plants grown for Subway's menu. The track has launched on TikTok and is due to be streamed on Spotify next month. Subway marketing manager, Angie Gosal, says that the launch reflects people's "plant-based lifestyles" and Subway's plant-based menus.

[marketingweek.com](#), 23 April 2021

Radio

Radio can help boost leisure and retail

New research by Radiocentre shows that radio can help entertainment and leisure brands to reach 40% of people while they are relaxing. It can also help retail brands by reaching consumers while they are in "shopping mode" or just before the point of purchase. In fact, the average retail radio campaign can raise brand trust by 23%. *Radio: The ROI Multiplier* also found that radio has an average ROI of £11 for every ad pound spent for brands in leisure and entertainment. However, radio ROI for retail is the highest-performing at £18.90 compared with TV (£11.50) and press (£6.50).

[radiocentre.org](#), 26 April 2021

Social media

Football boycotts social media for four days

Premier League, English Football League and Women's Super League clubs are to conduct a four-

day boycott of social media starting on 30 April. The initiative, which includes other organisations such as the charity, Kick it Out, aims to tackle abuse and discrimination in the game. The chairman of Kick it Out, Sanjay Bhandari, says: "We need social media companies to make their platforms a hostile environment for trolls rather than for the football family". Three weeks ago, Swansea City switched off its social media accounts for a week after a number of its players had been targeted.

bbc.co.uk/news, 24 April 2021

Television

Netflix subscriber growth slows

Netflix's impressive growth seems to have slowed as it reports a slackening in new subscriber numbers for the first three months of 2021. During the first quarter it attracted 3.98m new subscribers, far short of its target of six million. The company blames production delays caused by the pandemic and predicts a strong recovery in the second half of the year. Last year Netflix increased its subscribers by 65% compared with 2019 but it is experiencing stronger competition, such as that from Disney+, which has signed up 100m subscribers in only 1.5 years. This compares with Netflix's 207.6m subscribers.

marketingweek.com, 21 April 2021

Packaging

Packaging and the rise of omnichannel

Elin Li, business development manager at Swedish paperboard company Holmen Iggesmund, shares her views on how packaging can help create a successful omnichannel strategy. The discussion covers topics such as the creation of separate packs for retail and e-commerce, shipping products and unboxing as part of the e-commerce experience. It also looks at linkages between in-store and online shopping experiences, the impact of the pandemic on the rise of omnichannel and future developments. Ultimately, it is all about creating a seamless brand experience which should be the same whether you buy in-store or online. Brand recognition through graphics, shape and size can help to drive repurchasing, especially if you have a short time in which to reconnect with consumers.

packagingeurope.com, 27 April 2021 (Skoda)

Hellmann's to switch to 100% recycled plastic
Hellmann's is moving to 100% post-consumer recycled plastic by the end of 2022. The bottles, which have already been recycled, will also be 100% recyclable. It claims to be the first food brand in the UK to use 100% post-consumer recycled plastic. Parent company Unilever says it will save 1,480 tonnes of virgin plastic a year once the switch has been made.

packagingnews.co.uk, 22 April 2021

Retailing

AR in retail – removing product uncertainty

New research reported in the *Journal of Marketing* identifies four uses of augmented reality (AR) in retail settings that correspond roughly to the customer journey. These are to: entertain customers; educate customers; facilitate product evaluation; and enhance the consumption experience. The results suggest that the availability and usage of AR has a positive impact on sales, albeit small, although some products benefit more than others. The impact of AR is also stronger for products and brands that are less popular and for more expensive products. Customers who are new to an online channel or product category are more likely to make a purchase after using AR. Overall the conclusion is that AR is more effective when "product-related uncertainty" is high. Using AR to remove this uncertainty can help to boost sales.

ama.org, 20 April 2021 (Yong-Chin Tan et al)

Footfall slows after reopening rush

UK retail footfall fell by 3.4% in the week commencing 18 April following the initial rush during the first week (12 April) when non-essential shops reopened. Total footfall was also 19.9% lower than the same week in 2019, according to retail specialists Springboard. High streets saw the smallest dip in footfall (0.8%) compared with the previous week, while shopping centre footfall fell by 8.4%. Springboard believes that there are signs of recovery and that the initial opening surge was helped by factors such as the school Easter holiday.

retailgazette.co.uk, 26 April 2021 (Jahshan)

Services

Drone trials given go ahead

The Civil Aviation Authority (CAA) has announced new trials of drones in the UK which could eventually lead to the transformation of the logistics industry. Drones are not currently allowed to fly beyond the line of sight of their pilots which means that drone deliveries in urban areas have not been possible. Now the CAA is allowing Sees.ai, a Sussex-based firm, to operate regular, beyond-the-line-of-sight flights at three UK locations to test their safety. It means that the pilots can be based hundreds of miles away. Regulators are racing to catch up with developments in unmanned aerial vehicles. John Mckenna, CEO of Sees.ai, says he thinks, "shipping Amazon packages or delivering pizzas is coming but still a long way off".

ft.com, 20 April 2021 (Georgiadis)

Fastest growing app categories 2020

Mobile apps have performed well during the pandemic with many consumers turning to them, especially for groceries, food delivery and health and

fitness, which were the three fastest-growing app categories last year. Grocery apps grew the fastest (40.9%) among smartphone users although eMarketer predicts that momentum will slow to around 5.8% this year. Food delivery apps also did well with services like DoorDash and Uber Eats benefiting. The other top categories of app were: health and fitness (up 28.5%), dating apps (+21.3%) and news apps (+17.5%). All categories are expected to see reduced engagement this year although they are predicted to end up with more users than in 2019.

emarketer.com, 23 April 2021 (Kats)

Business law faces Brexit and competition

With £36.8 billion in fee income, Britain has the second largest legal market in the world after America. English commercial law, which has been exported around the world, attracts huge fees. The number of commercial cases in London has more than doubled since 2015 while the number of barristers who look after foreign clients has doubled in a decade. Yet the dominance of English commercial law is being threatened by Brexit and greater competition. The proportion of British clients is growing, and British lawyers have lost the automatic right to practice in Europe. This could lead to fragmentation and some litigation is expected to move to Europe. English-speaking commercial courts have already opened in some European cities and there is growing competition in the UAE, China and Singapore. Video hearings, which were common during the pandemic, could be one answer...

economist.com, 24 April 2021

Transport and travel

A new breed of EV makers

The first big global car show since the start of the pandemic opened in China on 21 April. Auto Shanghai saw the usual automotive exhibitors but there was also a batch of Chinese tech companies looking to capitalise on the demand for electric vehicles. Some 1.3m EVs were sold in China last year, accounting for two-fifths of worldwide sales. China's government wants all new cars sold by 2035 to be electric. Companies like Huawei and drone-maker DJI hope that their software will contribute. Both have developed advanced laser-based detection systems which could be used in passenger cars. Some tech firms are partnering with car groups. Baidu, for example, has teamed up with Geely, owner of Volvo, to mass-produce "intelligent" EVs.

economist.com, 22 April 2021

Lotus to produce electric sports cars in UK

Lotus is to build electric sports cars in the UK as part of a £2.5 billion plan to sell "tens of thousands" of

cars a year by the middle of the decade. Currently it sells just 1,378 cars annually but it aims to revamp its entire product range by expanding into SUVs and electric sport cars. Lotus's owner, Geely of China, is looking to rejuvenate the famous racing brand, which has been struggling financially. It is the latest high-performance brand to expand into SUV territory, since Aston Martin, Porsche and Lamborghini have already launched their own models.

ft.com, 27 April 2021 (Campbell)

Written by CIM's Knowledge Services Team

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