

Cutting Edge: Our weekly analysis of marketing news

18 November 2020

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

Quick [links](#) to sections

Marketing trends and issues

Advertising

Publishers – shaping up for digital advertising

Digital advertisers have experienced a year of change, which includes new privacy regulations, the forthcoming elimination of third-party cookies and a shift to remote work, all of which is affecting digital tracing. Advertisers are now looking for the next best way to target, which has left publishers in a good position to reposition themselves and monetise a digital audience by becoming a preferred provider of targeted advertising. Publishers should start preparing now by: building up their first-party data; enriching their data with third-party providers to meet advertiser targeting requests, especially in B2B; and organising the data for activation. While large publishers will have the advantage, smaller publishers may need to adopt a hybrid approach.

[marketingdive.com](#), 10 November 2020 (Palozzi)

Ad industry responds ad ban proposal

The ad industry has expressed its opposition to the proposed ban of online ads promoting food and drink that is high in fat, salt and sugar. A joint statement from the AA, ISBA, IPA and IAB refers to the “untold harm” such a ban would do to brands and the creative sector. This comes as the Government launches a consultation into the proposed ban of junk food advertising. The industry statement refers to the proposal as a, “disproportionate measure that goes far beyond the Government’s objective of protecting children...” and “...a huge blow to UK advertising at a time when it is reeling from the impact of Covid-19”. (See also Food)

[marketingweek.com](#), 10 November 2020

Agencies

The Grey-AKQA merger

Grey and AKQA have finally merged to form the AKQA Group which has 6,000 people in 50 countries and clients such as Coca-Cola, Netflix and P&G. But these are two quite different companies with different sets of clients. Grey Worldwide, founded in 1917, is well known for its story-telling and global brand building. By contrast AKQA, which was founded during the dot-com era, is known for its innovation and experience design skills. Here AKQA founder Ajaz Ahmed and Grey CEO Michael Houston speak to *The Drum* about how the merger will work.

[thedrum.com](#), 12 November 2020 (Hein)

Brands and branding

Brands act on social issues

The socio-political events taking place around us have prompted brands to take action in different ways. Marketing and advertising is responding to the Black Lives Matter movement, LGBTQ rights, #MeToo movement, the pandemic and much more. Many consumers expect brands to take a stand on such matters and to help achieve positive change. However, consumer feelings can be mixed: a June 2020 survey from Mindshare found that, while two-thirds of US adults said brands should play an important role in speaking out against racial inequality, six in ten thought that brands who spoke out were being opportunistic. Many brands are taking action: Nike was one of the first with its “For Once, Don’t Do It” tagline aimed at systemic racism. Walt Disney Co, Google, P&G and Unilever are among those to have run ads or made donations. Others have faced outcry and boycotts for not being seen to be more inclusive.

[emarketer.com](#), 11 November 2020



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

A strong brand for a strong brand experience

The author argues that a strong brand, defined as “one with a clear and compelling purpose, one with a clear set of emotional associations”, is essential for a strong brand experience. This means that branding practitioners must strengthen their brands so as to deliver powerful brand experiences. Experiences on their own will not be enough to strengthen a weak brand. This paper includes a set of tools and techniques to help brand experience designers incorporate this new type of thinking into their initiatives.

Journal of Brand Strategy, Vol 9(2) Autumn/Fall 2020, pp131-142 (Ho)

Conferences and events

Events have become two industries

In this webinar, Nick Gold, MD of Speakers Corner, argues that events have become “two separate industries, two different paths and two different revenue streams”. He also talks about the importance of getting your virtual event right and having interactive content. Even very experienced event planners will need to start from the ground up. They must look at how to get the most out of their content, whether this is through a live “front-row” experience, or making it feel like a one-to-one experience.

cit-world.com, 11 November 2020 (Gold)

DCMS inquiry into state of music festivals

Most music festivals have been cancelled due to the pandemic and the industry has suffered a 90% fall in revenues. Now the UK’s Digital, Culture, Media and Sports Committee (DCMS) has launched an inquiry into policies that might help to support music festivals next year. The DCMS recognises the “worldwide reputation” of the UK’s music festivals and the social and economic contribution they make. It is eliciting input from festival staff, attendees, musicians and other stakeholders on topics such as the impact of cancellations and Covid-19 risk reduction strategies.

lexology.com, 12 November 2020 (Fitzpatrick)

Consumer behaviour

Consumer spend down as they stay at home

In October consumer spending fell by 0.1% year-on-year due to new restrictions, colder weather and people not going to the high street. According to Barclaycard, spending on essentials grew by 4.2%, with 33% of respondents admitting to stockpiling in case of shortages. Meanwhile, online transactions rose by 29% during October, accounting for 45% of all retail spend and up from 43.4% in September. The “stay-at home mentality is likely to persist, as will the popularity of takeaways and digital subscriptions”, says Barclays head of consumer products, Raheel Ahmed.

marketingweek.com, 11 November 2020

Green consumers – not so green

There is inconsistency between consumers’ positive environmental attitudes and their actual purchase behaviour. The authors examine this gap in two ways: firstly, they model the discrepancy between stated attitudes and purchase behaviour towards environmentally friendly household goods in the context of supermarkets in Boston, Massachusetts; secondly, they explore the main purchase barriers for sustainable household goods, in particular product-specific attributes that deter consumers from buying the products. Overall, the findings indicate that even positively inclined consumers do not change their purchasing behaviour and this is mainly because of financial barriers.

Journal of Marketing Development and Competitiveness, Vol 14(4) 2020, pp76-100 (Lehmann and Sheffi)

Customer relations

QR codes – lessons from Asia pacific

QR codes have become a widely used tool for customers’ brand engagement in Asia Pacific but the spread of the pandemic has speeded up the pace of digitisation around the world and QR codes are back on the scene. Everywhere QR codes are helping people to access information and content. They are also helping companies to tell their brand stories. So, what can brands around the world learn from Asia Pacific? Experts discuss the impact of QR codes, focusing mainly on the mobile payments sector.

thedrum.com, 11 November 2020 (Lim)

Personalisation – offer a useful service first

Personalisation at a strategic level is about improving the conversation rather than being a one-to-one experience “with trumpets and glitter”. It is the experience of personalisation in the eyes of the customer that is the important thing and “anonymous personalisation” can be just as powerful as one-to-one. A good hotel with good service doesn’t need to know who you are to give you personal attention and great service, according to Econsultancy founder Ashley Friedlein. He argues that digital experiences can feel personalised, “without actually having to know who you are”. The author concludes that, when aiming for a great customer experience, “it’s better to be useful first, to offer great service”. Otherwise all the “bells and whistles” amount to nothing.

marketingweek.com, 10 November 2020 (Davis)

Direct marketing

Creating effective lead magnets

A lead magnet is one of the best ways of generating new leads. The more leads you have, the bigger your email list, so that you can increase sales and profit potential. A lead magnet is defined as a resource, product or service that is given away free in order to collect contact information from the target market. This might include a free trial, video

course or newsletter and they can work in almost any industry. Lead magnets can be displayed in a number of ways on the website and represent the top-of-funnel marketing strategy. Here are four qualities that make a good lead magnet; six steps to creating a highly effective lead magnet; and five lead magnet ideas for any kind of business.

clickfunnels.com, 4 November 2020 (Parkes)

Email – consumer expectations

A brand's need to send an email is often greater than the recipient's desire to receive it. Customer-centric emails are often the best performers and marketers should align their email organisation accordingly. Relevance is more effective than newness when it comes to persuading US consumers to buy something from a marketing email, according to a recent study: 59.4% of consumers cited product suggestions based on their purchase history versus 22.7% who said they'd be most likely to buy from an email devoted to a new product. Promotions also work well: in one survey 64% of consumers said they were more likely to open the email if the subject line mentioned a promotion or deal. Emails that are actionable can also be effective, with 33% of respondents saying they liked to receive requests for product reviews. At the end of the day, half of survey respondents say they have unsubscribed from emails because they don't contain useful or interesting content, which is something for marketers to bear in mind.

emarketer.com, 12 November 2020

Law

Mitigating factors reduce data breach fines

In October the ICO fined British Airways £20m and Marriott International £18.4m for breaching data security. Although the fines had been substantially reduced from their previous levels, they remain the largest fines ever imposed for a data breach. This article explains how remedial actions and mitigating factors led to the reduction in fines. For example, both companies had acted promptly to notify the affected data subjects and regulatory bodies of the breach. Marriott had acted quickly to reduce the risk of damage to its customers. In the penalty notice, the ICO set out measures that it would expect a business to implement in order to reduce risk and help mitigate or eliminate the risk of a cyber-attacker accessing the network.

lexology.com, 6 November 2020 (Pierides and Roxon)

Trademarks, Brexit and UK clones

The transition period under the Brexit Withdrawal Agreement ends on 31 December 2020. This means that from 1 January 2021, trademarks registered at the EUIPO, including those granted through the Madrid protocol system, will no longer give protection in the UK. However, the trademarks will generate a "cloned" UK national trademark

registration which means that protection will continue in the UK after Brexit. This article summarises the rules attached to the "cloning" system. Companies, which are conducting or considering business in the UK, are advised to review their EU and UK trademark rights to ensure that they are protected. They may also want to take additional measures!

lexology.com, 6 November 2020 (Edwards and Chan)

Marketing

Marketing – is it ready for what comes next?

Marketing has become more complex than ever which means that the marketing function must become more agile, interdependent and accountable. Yet research reveals that just 20% of marketers in traditional businesses are satisfied with the effectiveness of their departments and this figure is only slightly higher in digitally-native companies. The authors, who spent two years studying changes in marketing organisations, found that many initiatives to transform marketing were hampered by the lack of a structured methodology. They defined six areas of value that a marketing function can contribute to company growth and developed an inventory of 72 marketing capabilities required to create that value. They then set out an analytic process (presented here) which can define the marketing value proposition, select the capabilities needed and design a competitive next-generation marketing function.

hbr.org, November-December 2020 (Rodriguez-Vilá et al); <https://hbr.org/2020/11/is-your-marketing-organization-ready-for-whats-next>

Four shifts for agile marketing

There is a lot of hype about agile methodologies and many marketers are starting to adopt them as a way of improving productivity and to respond to disruptions such as Covid-19. But marketers must also make changes to their beliefs and behaviours so that agile becomes much more than just a fancy buzzword. Here are four important shifts that can be made to achieve this: shift the focus from outputs to outcomes; from campaigns to continuous improvement; from an internal focus to customer needs; and from top-down decisions to decentralised decision-making.

prdaily.com, 13 November 2020 (Ewel)

Using data for better decisions

The massive amount of data available to today's marketers must be brought together for the best decision-making. Today's unsettled environment, where consumers are behaving differently, has impacted the usual metrics that marketers rely on to make decisions. In practical terms this means that they need "all the data" but the only way to stay abreast of the masses of data is to use the right technology. There are many considerations when

deciding on a choice of system or platform. The advice is to: "get a handle" on what data you've got; synthesise the data to produce usable data sets; analyse it; and share it across the business.

ama.org, 9 November 2020 (Feldhaeuser)

Market research

Research and the sustainability narrative

The recent MRS Sustainability Summit focused on the role of market researchers and businesses in "helping to adjust the narrative" around sustainability. Panellists at the conference discussed the gap between attitudes and behaviour (what people say vs what they do) and how this relates to sustainability. Sustainability can be a daunting area so it needs to be broken down into "specifics" when researching it, according to Sally Hubbard of Fidelity International. The Market Research Society has introduced a sustainability pledge to tackle climate and environmental issues as part of which it aims to track and publish the industry's carbon figures. Jonathan Hall, managing partner of Kantar's sustainability practice, introduced the pledge at the Summit. He emphasised that sustainability is "at the heart of the system in which we operate and therefore all of our client conversations".

research-live.com, 9 November 2020 (McQuater)

Demand forecasting

Consumer packaged goods manufacturers and retailers need more accurate predictions of demand for their products but are faced with adapting to changing consumer behaviour during the pandemic. Forecasting has become paramount in the face of the constant shifts in consumer demand. The author sets out "six rules of demand forecasting" in the context of the current pandemic. These are to: forecast regularly; plan for the unexpected; prioritise the short-term view; invest or stagnate; one size doesn't fit all; and the role of technology in accuracy and speed. These will help CPG companies to stay ahead of the competition and limit the impact of the crisis.

researchworld.com, 12 November 2020 (Augier)

Public relations

Effective workplace communication

Ineffective communication in the workplace can cause confusion and anxiety, especially now that many people are working from home. The aim of communication is to achieve mutual understanding so that everyone is heading in the same direction. Constant connection to colleagues on Zoom while working remotely is not the same as effective communication. Here are some key points to consider when trying to communicate your point of view as well as hearing that of others: avoid making assumptions such as expecting your audience to have the same information as you; consider what you are trying to achieve (this can be helpful when

deciding on the mode of communication); be careful with the tone of the communication because the way you say something matters; and listen actively rather than passively.

fastcompany.com, 13 November 2020 (Tank);

<https://www.fastcompany.com/90574488/how-to-correct-communication-mistakes-that-spread-workplace-confusion>

Sponsorship

Risks associated with ambush marketing

The authors investigate whether ambush marketers face the risk of image corruption when consumers are able to distinguish between the true sponsors and the ambush marketers. The study, which was conducted among college students, found that a company's pseudo sponsorship (ambush marketing) activities resulted in more favourable perceptions when a disclosure revealing the company as an ambush marketer was not available. It also found that a highly reputable company, rather than a less reputable one, faced greater risks of worsening corporate perceptions when the company was correctly recognised as an ambush marketer. The authors concluded that ambush marketing can be detrimental to consumer perceptions of the company when the consumer recognises ambush marketer status.

International Journal of Advertising, Vol 39(7) October 2020, pp921-942 (Yun et al)

As sport becomes more data-driven...

Sports rights-holders have moved online to replace live sporting events this year which has allowed sports organisations greater opportunities to collect and use fan and customer data. Some sports organisations were already turning into data-driven businesses, but others are still working out how to make effective use of data. This is a trend that has accelerated and become more urgent due to the pandemic. *SportBusiness* speaks to four industry experts about what is happening among sports organisations, fans, broadcasters and sponsors at a time when sports consumption is aligned with digital delivery and data becomes more important.

sportbusiness.com, 12 November 2020 (King)

AMC to supply tennis clothing

AMC, the brand created by British tennis player Andy Murray, and sportswear company Castore, have been named as the official apparel partners of the Lawn Tennis Association (LTA). The LTA's apparel rights are currently held by Adidas, which is also the LTA's footwear partner. Under the new AMC agreement, some of the revenue generated from the sale of apparel will be reinvested in grassroots tennis in Britain. The LTA's income has been hit hard by the cancellation of events this summer, leaving it short to the tune of £30m.

sportspromedia.com, 13 November 2020 (Carp)

Agriculture, fishing and forestry

Paludiculture for a wet future

The Water Works project, based in the Cambridgeshire Fens, is testing new crops to suit future climate events such as increased rainfall. It forms part of a trial to introduce paludiculture (wet farming) to Britain. Using plants that thrive in saturated soil, it aims to demonstrate the commercial benefits of “re-wetting” the land, which includes locking carbon into the ground. Crops include bulrush (which can be used for animal fodder, fuel and building materials), and common reed (that can be used for fuel, packaging and snacks). The project organisers are in discussion with local farmers about growing crops in wet conditions.

[theguardian.com](https://www.theguardian.com), 12 November 2020 (Hillsdon)

When Wilma met Tom, Dick and Harry

The Small Robot Company, a farm robotics business, is expanding its existing agri-robotic fleet with the launch of a commercial AI system. The company currently has three robots: Tom, who scans crops; Dick, who kills weeds electronically; and Harry, who can precision drill the next crop. Now it has created Wilma, who will provide “per plant intelligence”. Wilma will create a crop map of the field and recognise the disease and nutrient status of each plant to allow for precision weeding and application of nutrients or fungicides, minimising the need for pesticides. The system should help with carbon sequestration, biodiversity and food security.

[fwi.co.uk](https://www.fwi.co.uk), 12 November 2020 (Gillbard)

Arla says Lurpak won't be relocated

Arla, the dairy co-operative, has said it cannot relocate Lurpak to the UK if there is a no-deal Brexit, despite Defra secretary Georg Eustice's assertion to the contrary. Ash Amirahmadi, CEO of Arla, has made it very clear that: “Lurpak is subject to legal origin protections which means it must be made in Denmark using Danish cream”. Eustice's claims have upset the 2,300 British dairy farmers who are part owners of the Arla co-operative.

[thegrocer.co.uk](https://www.thegrocer.co.uk), 17 November 2020 (Holmes)

Building industry

Modular housebuilding contracts

Modular housebuilding has suffered during the pandemic, with contractor output being down by 20% compared with 2019, according to a new report from AMA research. The market for this type of offsite construction was worth £753m in 2019 but its market value is expected to fall to £636m this year. On the positive side, AMA expects all types of offsite construction to return to full output faster than conventional building sites. AMA emphasises

the sustainability benefits of timber-based modular houses which, “can be built, on average, eight weeks faster when compared with traditional construction methods”.

[constructionnews.co.uk](https://www.constructionnews.co.uk), 13 November 2020 (Bingley)

Wooden buildings – reducing CO₂ emissions

Buildings generate almost 40% of global greenhouse gas emissions. An obvious solution is to use wood, a material that naturally sequesters carbon from the atmosphere. A new study suggests that, in just 20 years, 420m tons of CO₂ could be sequestered within wooden buildings in Europe (the equivalent of annual emissions from 108 coal plants). There is potential for wooden buildings to become “long-lasting carbon sinks”, according to Ali Amiri of Aalto University in Finland, one of the authors of the study.

[fastcompany.com](https://www.fastcompany.com), 13 November 2020 (Berg)

Businesses and strategy

Speed and agility

Two business drivers that have been highlighted by the pandemic are speed and agility. E-commerce company Etsy demonstrated these back in April when, within just a few days, it managed to attract over 20,000 mask sellers to its platform. This was a product that everyone wanted, yet had barely existed two weeks earlier. Etsy's sales show what can be achieved when both agility and speed are combined. Research reveals that both qualities boost organisational performance. Yet speed is a “complex, performance-enhancing” capability that requires a holistic approach. On its own, speed can only help a company to operate in established product areas. Companies must also show agility to allow them to pivot to adjacent or new product domains. This article defines speed and agility with examples.

sloanreview.mit.edu, 15 October 2020 (Dykes et al)

Good leadership

Good leadership is all about knowing how to get the best out of people to achieve the required results. Andrew Barraclough, VP of global design at GlaxoSmithKline, says there are three things that the best leaders do: they listen; they stretch people beyond what they think they can do; and they never give you an answer. Here he discusses his experiences of leadership.

[managementtoday.co.uk](https://www.managementtoday.co.uk), 12 November 2020 (Jones)

ICC campaign to save small businesses

Micro, small and medium-sized businesses account for a huge amount of employment and economic activity in many economies. Covid-19 has caused a macroeconomic shock and action needs to be taken to save small businesses. The International Chamber of Commerce (ICC), founded in 1919, was formed

on the premise that international commercial exchanges lead to greater global prosperity and peace among nations. Yet, a century on, and three key drivers of trade policy are having a significant negative impact on small business. Not least of these is the difficulty in accessing trade finance. The ICC's #SaveOurSMEs campaign asks governments to design interventions to help small businesses and multinationals to protect small businesses in the supply chain. By understanding the challenges faced by small businesses, a raft of policies can be developed to provide them with the right support.

International Trade Forum, Issue 3 2020, p18 (Denton)

Why you need a chief restructuring officer

This article explores when and why companies need a chief restructuring officer (CRO). The role requires a special mix of "analytical and functional" expertise to respond to external crises, such as the pandemic and economic uncertainty, and these skills will be increasingly in demand in the foreseeable future. As well as looking at what and who a CRO is, the article explains how CROs fix problems. It also explains what their four key objectives are, which is to: stabilise, plan, negotiate and execute.

mckinsey.com, 13 November 2020 (Gething et al)

Charities and NGOs

Fundraising as a strategic practice

Little is known about what fundraisers have to do to successfully carry out their jobs. The authors argue that fundraisers develop strategic competences within their organisations which they then put into practice in their relationships with stakeholders both inside and outside their organisations. Their findings suggest that one of the main ways in which fundraisers learn is by negotiating and overcoming barriers both within their organisations and externally, by tackling the perception of fundraising as a profession. They also argue for the importance of establishing a "fundraising culture" within organisational environments. This would be a "shared organisational competence" in which fundraising is "a legitimate and strategic type of practice". They offer a case study of fundraising in the UK's arts and higher education sectors.

International Journal of Nonprofit and Voluntary Sector Marketing, Vol 25(4) November 2020, pp1-10 (Herrero and Kraemer)

The anatomy of a charity brand

A fully functioning brand can help you to cut through the noise, define the value of your cause and inspire the actions needed to help the beneficiaries of your organisation. The author has identified a series of questions that will help to define the "anatomy" of your brand positioning. Firstly, you need to decide what it is your brand needs to achieve for your organisation; then you need to look at its context in the charity sector

landscape (do you own the sector, champion it, or do you need an alliance or merger?). If it exists in a highly competitive area, then the challenge is that of differentiation. Next you need to decide who it is you want to inspire, what their relationship is to the cause and what their value is. Finally, use the "three C" model to map your charity against the competition and the needs of your audience.

charitycomms.org.uk, 17 November 2020 (du Bois)

Economy

UK GDP – September 2020

Although UK GDP grew by 1.1% in September, its fifth consecutive monthly increase, it was 8.2% below the growth seen in February. The services sector was 8.8% lower than February levels, the production sector was down by 5.6% and construction 7.3% lower. This is despite overall UK GDP growth of 15.5% in Q3 (July to September).

ons.gov.uk, 12 November 2020 (McAuley)

UK and international GDP

This House of Commons Library bulletin places the latest UK GDP data in context by drawing international comparisons. UK GDP rose by 15.5% in Q3 2020 compared with Q2. However, compared with Q3 last year, GDP fell by 9.6% and compared with the Eurozone, UK GDP fell by 4.3%. According to the IMF's latest forecast, there will be a large contraction in the world's economy this year, with UK GDP expected to fall by 10.2% followed by growth of 6.3% in 2021. The OECD also projects a contraction in the world economy, with the UK down by 10.1% this year but growing by 7.6% next year. The bulletin includes links to the original sources of information.

commonslibrary.parliament.uk, 12 November 2020 (Harari)

Manufacturing – Key Economic indicators

Last year, manufacturing made up 9.7% of total UK economic output and in September 2019 it accounted for 8% of jobs. In the three months to September 2020, total manufacturing rose by 18.7% compared with the previous quarter but, compared with the same period last year, output fell by 8.8%. According to Markit/CIPS, the manufacturing PMI for October was just 53.7, down by 0.4 on September, but above the 50 mark which signals growth. Output and new orders for October also grew less than during the previous months while employment fell for the ninth consecutive month. This House of Commons Library bulletin includes links to the original sources.

commonslibrary.parliament.uk, 12 November 2020 (Hutton)

Education

Universities must prove value of degrees

Universities in England are to develop a charter to ensure that they take “consistent and transparent approaches in tackling low quality or low value courses”, according to Professor Julia Buckingham, president of Universities UK which is leading the initiative. Following the work of the advisory group, Universities UK will publish guidance that universities will be expected to follow. In the longer term, universities may turn to external assurance or independent reviews to strengthen their processes and to give the public extra confidence in the value of their degree.

universitiesuk.ac.uk, 16 November 2020

Admissions to be on basis of actual grades

The Government has announced that universities in England are to switch to offering places based on actual A level grades rather than predicted grades from teachers. Once the grades have been issued, students can decide which offers to accept or refuse. According to Branwen Jeffreys, the BBC’s education editor, the change will help pupils from more disadvantaged backgrounds: 23% of pupils from comprehensives are under-predicted by two or more grades compared with just 11% of those from grammar and private schools, according to research from University College London. There is still a lack of clarity about how the new system will work.

bbc.co.uk/news, 14 November 2020

Energy and utilities

The Green Recovery – a new report

The Government wants a green revolution to create jobs and support economic recovery. *Utility Week*, in collaboration with Addleshaw Goddard, has published a new report called *The Green Recovery*, which examines the role utilities can play. The report looks at the biggest opportunities in green investment, the policy changes that will be required, and the barriers for energy and water companies as they move towards net zero. Some of the key themes include: green generation; net zero networks; electric vehicles; reducing emissions in buildings; low carbon heat; and the net zero challenge for water.

utilityweek.co.uk, 10 October 2020 (Utility Week and Addleshaw Goddard); <https://utilityweek.co.uk/the-green-recovery-major-new-report-from-utility-week/>

Nuclear power – the need to decarbonise

The UK government is considering whether to support the construction of a new nuclear plant in Sizewell on the east coast of England. It would be similar to the Hinckley C plant currently being constructed in Somerset, the only nuclear power station to have been built in Britain in 25 years. Climate change has made nuclear power more

controversial than ever, with public concerns over radiation and the disruption caused. However, nuclear power can generate electricity without emitting CO₂; it is also more stable and does not fluctuate as wind and solar power do. Europe is bad at building new nuclear power plants, most of which are seriously behind schedule. Critics say Britain should focus on wind turbines but the country needs to decarbonise and bring down the cost of nuclear power.

economist.com, 14 November 2020

Environment

First automated textile recycling facility...

Sysav Group, a Swedish recycling specialist, has launched the world’s first automated, industrial-scale sorting facility for used consumer textiles. The plant has a sorting capacity of 24,000 tonnes of textiles a year and it is hoped that it will create new markets for textile waste, leading to a more sustainable textile and fashion industry, according to CEO Peter Engström. A new study has revealed that 82% of clothing and textile waste can be renewed and resold, which means that brands can make use of it as part of their supply chain. Meanwhile, the Textile Exchange’s Accelerating Circularity project says that textile waste must, “become the industry’s new raw material”.

just-style.com, 12 November 2020 (Wright)

...as more brands repair their garments

Barbour, the heritage brand, has launched its Christmas campaign, which for a second consecutive year is drawing inspiration from the children’s books of Raymond Briggs. The animated film shows a young boy whose dog has chewed his father’s Barbour wax jacket. When the boy asks Father Christmas to repair the jacket, he gets help from the Barbour team. It is based on the true story of Dudley the dachshund who chewed his owner’s Barbour jacket. Barbour has been repairing and rewaxing jackets in its South Shields HQ for over a hundred years. Some wax jackets are even handed down through families. Barbour is just one of a growing number of clothing brands that will repair items to extend their life so that they don’t have to be thrown away.

sustainablebrands.com, 11 November 2020

Fashion

Burberry Singin’ in the Rain with Christmas ad

Burberry’s Christmas campaign features four dancers in London’s Petticoat Lane performing to an edgy rendition of *Singin’ in the Rain*. Dressed in Burberry’s signature tartan and tweed, the dancers are bombarded with blocks of ice as they progress through the street. The idea came from Burberry’s roots, since Thomas Burberry created waterproof clothing that was worn by polar explorers. The

brand is keen to demonstrate that it is embracing the altruism of its founder and has formed a partnership with footballer Marcus Rashford to finance a string of British youth centres.

thedrum.com, 11 November 2020 (Glenday)

Online clothing sales rise in October

Online clothing sales rose in October in the UK, with sales in the last week up by 17.1% compared with the same period last year, as people awaited new lockdown restrictions. Footwear finally achieved positive growth, albeit a modest 2.7% compared with October last year. Overall online retail sales for October rose by 35.7% year-on-year, with sales reaching 43.4% by the final week. Lucy Gibbs, managing consultant at Capgemini, which tracks online sales performance, says that October marked a turning point in a “turbulent” year for retail. Clothing sales appear to be following the general retail trend but seasonal weather, lockdown and outdoor meeting rules have helped to boost demand.

just-style.com, 11 November 2020 (Wright)

Financial services

Virgin – new brand identity

Banks, especially big ones, have long been seen as lacking in identity, but now all types of banks, from smaller online ones to major credit card issuers, are trying to adopt a more friendly, human approach. Virgin Money is the latest to do so. Its new brand identity follows its merger with Clydesdale and Yorkshire Bank last year to create the sixth-largest bank in the UK. The new Virgin branding uses its trademark red as a primary colour, while incorporating secondary colours of green, magenta and blue. The most outstanding part of the new design is the typeface: Virgin Money Sans and Virgin Money Loop have been specially designed for the brand. The Loop typeface will be used on debit cards, website, app and merchandise.

fastcompany.com, 13 November 2020 (Smith)

Over 500m iPhone users activate Apple Pay

From September 2019 to September 2020 the number of iPhone users activating Apple Pay has risen by 66m to 507m. This means that 51% of iPhone users have now activated Apple Pay and the number of Apple Pay transactions has grown by over 30% over the past six months, according to Loup Ventures’ Apple Pay availability study. The study also reports a more than, “20%-plus increased adoption from banks and top retailers across desktop, mobile web and apps”.

nfcw.com, 12 November 2020 (Phillips)

FMCG

Beverages

In poor spirits – unregistered trade marks

Loch Ness Spirits Ltd, a craft spirits company on the shore of Loch Ness, has defended its trademarks against Duncan Taylor Scotch Whisky. Loch Ness Spirits had registered six UK trade marks bearing the Name “Loch Ness” but Duncan Taylor challenged these on the basis of its own unregistered rights for the trade mark LOCH NESS WHISKY. This article explains the difference between registered and unregistered trade marks. Duncan Taylor unsuccessfully relied on sales and marketing material dating back to 2008 as evidence of goodwill for its unregistered mark. It can be hard to prove an unregistered mark so the advice is to register your mark if you want to prevent others from using it!

lexology.com, 11 November 2020 (Newell)

Cosmetics and toiletries

Revlon in hard-hit category as sales fall

Revlon, the US beauty company, has seen sales fall by 20.1% in the three months to the end of September. Its fragrances division was the hardest hit, declining by 24%. However, during Q3 the company expanded its e-commerce business which now accounts for around 12% of net sales. Revlon was struggling to make a profit before the pandemic, but its heavy reliance on physical retail has made things worse. It, along with many other beauty brands, operate in some of the hardest hit categories, namely cosmetics and fragrances.

globalcosmeticsnews.com, 17 November 2020 (Caldwell)

Food

Consultation on HFSS online ad ban

The UK Government has launched a consultation to ban all online ads for HFSS products as part of its strategy to tackle obesity. This follows reports that “kidfluencers” on YouTube are promoting “staggering” amounts of junk food to children through paid ads. The UK Government estimates that children under 16 were exposed to 15 billion online HFSS impressions last year, up from 0.7 billion two years previously. HFSS ads are already prohibited on TV before 9pm. The proposed ban would cover a range of marketing communications, including emails and texts, websites and social media, display ads and paid-for listings. The proposals could result in the strictest digital marketing restrictions for HFSS anywhere in the world. The advertising industry has criticised the proposed ban. (See also under Advertising)

lexology.com, 12 November 2020 (Bradley)

Pasta – a staple during the pandemic

This year's surge in demand for dried food has been good for Italy, a country in recession. Italians are the biggest consumers of pasta globally, but 60% of the country's pasta is exported, mainly to Europe and America. Exports of pasta rose by 30% in the first half of 2020 compared with the same period last year. Barilla, the world's largest pasta maker, with sales of €3.6 billion last year, has managed to keep up with rising demand for its main product. But will pasta consumption continue at its current pace? There is plenty of room for growth, particularly in Africa and Asia where its cheapness and versatility make it ideal for cash-strapped households.

economist.com, 14 November 2020

Government and public sector

Joe Biden – most expensive ad campaign ever

Joe Biden has won the 2020 US presidential election and broken a number of records along the way. Not only did he win more votes than any other presidential candidate ever, but he has spent more money on advertising than any other presidential candidate. He spent \$640m on TV and radio (compared with Donald Trump's \$377m), \$108m on Facebook and \$83m on Google. In a separate article in *Campaign*, the author looks at the five ways in which Joe Biden's campaign used advertising to help secure the presidency.

politicaladvertising.co.uk, 9 November 2020 (Pringle);
campaignlive.co.uk, 9 November 2020 (Pringle)

Health and pharmaceuticals

NHS – largest recruitment campaign

The NHS is launching its largest recruitment drive to date, in partnership with Health Education England. The "We are the NHS" campaign, which is in its third year, seeks to attract more applications from degree level and direct entry applicants. The campaign, which shares stories from real nurses, healthcare professionals and healthcare support workers, will be shown across TV, radio and billboards.

hee.nhs.uk, 11 November 2020; marketingweek.com, 12 November 2020

Vaccine industry gets boost from Covid

Pfizer, in collaboration with Germany's BioNTech, has been the first to announce a viable Covid-19 vaccination. If the vaccine obtains regulatory approval, it could result in global sales worth \$13 billion next year. Normally a vaccine would take ten years to develop and most have just a 6% chance of getting to market. Now, no less than ten Covid-19 vaccines are in late-stage clinical trials. This is down to a huge international effort with support from Governments and health organisations. The global vaccine market saw sales of just \$32.5 billion last

year, a fraction of the total \$880 billion pharma market. However, the main challenge is to overcome rising scepticism about vaccines around the world. In 2019 the WHO named "vaccine hesitancy" as one of the top ten health threats globally. This article includes a ranking of the top vaccines by sales and the most promising Covid-19 vaccines in development.

theguardian.com, 14 November 2020 (Kollewe)

IT and telecoms

Giffgaff campaigns ahead of Black Friday

Giffgaff is asking people to find their old, unused phones so that they can be refurbished, recycled or gifted. It wants the industry to become more sustainable, especially in the lead-up to Black Friday when brands will be offering promotions. Its "Check your drawers" initiative, aimed at 25- to 44-year-olds, will see a takeover of the LadBible site on Black Friday. Last year Giffgaff opened a pop-up in London to promote its refurbished phones and other second-hand items. It estimates that there are over 55m unused phones in people's homes which it would like to get back into circulation.

marketingweek.com, 10 November 2020

PC shipments – tablets and Chromebooks up

Chromebook shipments were the fastest growing segment of the PC market in Q3, according to Canalys' Q3 PC shipments report. Chromebooks grew by 122% year-on-year to 9.4m units, although this is small compared with the total 124.5m PCs shipped during Q3. As working from home has become the norm, notebook sales have surged while desktop workstation sales have plummeted. This has benefited Apple iPad sales and cheaper Chrome OS-based laptops, such as those from Lenovo and HP. Lenovo remains the market leader, shipping 23.5m tablets, notebooks and desktops. It has 18.9% market share compared with Apple's 17.7%. However, Apple leads in tablet sales (15.2m) with a market share of 34%, followed by Samsung (9m) with a share of 20.5%. This article includes tables for PC product shipment growth and market share and shipments by vendor.

zdnet.com, 13 November 2020 (Tung)

Leisure and tourism

Innovation post-pandemic

A new report from Euromonitor, entitled *Accelerating Travel Innovation After Coronavirus*, looks at how the global travel and tourism industry has used innovation as a way of surviving the devastating impact of the coronavirus. It believes that tourism demand will take a minimum of three to five years to recover. The report highlights best practices to help businesses and communities to get back on their feet and reveals how travel companies and destinations are using innovation, encompassing

digitalisation and sustainability, to aid that recovery. The report, which covers Europe, the Americas, Asia-Pacific and the Middle East and Africa, can be downloaded.

euromonitor.com, November 2020 (Bremner);
<https://go.euromonitor.com/white-paper-travel-201110-travel-innovation-after-coronavirus.html>

Peloton signs up Beyoncé classes

Fitness company Peloton has partnered with Beyoncé in a multi-year deal whereby the singer will help curate classes for the company's subscription service. Beyoncé is already one of the most requested artists on Peloton's playlists. Her classes include meditations, outdoor runs and bike rides. Last year the National Music Publishers Association sued the company for illegally using songs in video fitness classes. The lawsuits were finally settled earlier this year.

theverge.com, 11 November 2020 (Campbell)

Materials and mining

Gold sector continues to consolidate

Endeavour Gold, a Canadian gold mining company, is to merge with Teranga Gold, a west African-focused miner, to create what will be London's largest listed gold miner. The gold industry is considered to be "ripe for consolidation" as it is highly fragmented with hundreds of small- and medium-sized companies. Last year Randgold was acquired by Barrick Gold. The largest gold mining companies in the FTSE 100 are currently Russia's Polymetal and Mexico's Fresnillo. However, the combined Endeavour and Teranga will produce over 1.5m ounces of gold a year, equivalent to Polymetal's target for this year.

ft.com, 16 November 2020

Media

Games

Games sector a key employer

Employment in the UK gaming sector rose by 20% during the pandemic. It now employs 47,000, with jobs expected to rise threefold over the next five years, according to *Gaming: Perfect Play for Growth*, a report from recruiter Robert Walters and Vacancysoft. The gaming sector is the most productive of all the creative industries, with the average contribution per employee placed at £80,000, making it a key contributor to the UK economy, says the report. With the sector starting to mature, games companies are looking to recruit more employees in sales and marketing to "better monetise" their products. Last year there was a 25% rise in marketing vacancies year-on-year.

prolificnorth.co.uk, 12 November 2020 (Chapman)

Pokémon – game on with 5G and AR

Pokémon Go, the reality mobile game, has remained popular despite having to introduce modifications back in March to make it safer for users to do their searching. In the year to date, the game has achieved \$1 billion in sales, ranking it third in the mobile gaming business. This is even better than the \$832m it racked up in 2016 when everyone was out looking for Pokémon. Its next move is likely to be in 5G. Improved augmented reality will be "the killer app for 5G", according to MobiusTrend, and this could put Pokémon Go in a good position to lead the mass adoption of AR among the public, using "high-quality" experiences.

mediapost.com, 5 November 2020 (Bednarski)

Internet

Ad relevance matters

Two studies investigated the impact of displaying different proportions of thematically relevant and irrelevant ads in paginated online stories, in relation to brand recognition memory, ad clicking and purchase intentions. They found that brands which used context-irrelevant ads achieved better recognition than those using context-relevant ads. However, the ratio of relevant to irrelevant ads was also found to affect attitudes towards these ad types. For example, attitudes and behavioural intentions towards relevant ads were more positive than they were towards irrelevant ads.

International Journal of Advertising, Vol 39(7) October 2020, pp1031-1058 (Kim et al)

Newspapers

Yorkshire post donates copies to needy

One print newspaper has found a new type of audience: the *Yorkshire Post* is to give away 25,000 copies to lonely and vulnerable people, after received funding from Barclays. The recipients of the paper will be people nominated by community workers and charities. Editor James Mitchison says that the papers will go to people, "who otherwise would have gone through lockdown with little contact with anyone else, and with nothing like the same level of information from local radio or television".

prolificnorth.co.uk, 16 November 2020 (Prior)

Television

ITV ad revenue falls 16%

ITV has reported a 16% fall in revenue compared with last year, reflecting the effect of the pandemic on advertising. Broadcast revenue was down by 13% and ad revenue by 16% although ad revenue improved slightly in Q3. ITV has plans to focus on video-on-demand by establishing a new media and entertainment division with new business units consisting of: broadcast and on-demand.

marketingweek.com, 12 November 2020

Disney+ the streaming winner

Disney+ has exceeded its five-year subscriber target in just eight months. It has benefited, not only from the usual “marketing muscle”, but also from the addition of *The Mandalorian* (inspired by *Star Wars*) to its portfolio. Despite competition from other streaming services during lockdown, Disney+ seems to have emerged as the winner, which is just as well since its other businesses (theme parks, cinemas, etc) have been suffering. Bob Chapek has been appointed as the new boss of Disney but there is speculation as to how he will approach Disney+. Disney spends a total of \$30 billion on original and acquired content but just \$1 billion has been allocated to Disney+. This compares with Netflix's spend of \$15 billion. So, what can Disney+ do to keep adults engaged without cannibalising other parts of its empire?

economist.com, 14 November 2020

Packaging

Mondelez removes some plastic trays

Mondelez has replaced all plastic trays with cardboard in its adult range of selection boxes in the UK and Ireland. This will affect products such as Cadbury's Classic Collection, Bourneville and Toblerone. The removal of 1.1m plastic trays will result in 33 fewer tonnes of plastic being used, says the company. Mondelez has also launched a recycling campaign called #UnwrapAGoodHabit to help consumers dispose of the packaging correctly.

thegrocer.co.uk, 16 November 2020 (Dawson)

Retailing

Give a little love – Waitrose/John Lewis ad

John Lewis and Waitrose have joined forces for their Christmas ad for the second consecutive year. This year's campaign, which launched on 13 November (National Kindness Day), encourages people to spread help and kindness, with the objective of raising £4m for charity. Using the line “Give A Little Love”, it seeks to help those who have suffered most through the pandemic. The main ad consists of nine vignettes from eight different artists, aimed at supporting creative talent during this difficult time. John Lewis and Waitrose will also be selling Give A Little Love merchandise, including a heart-shaped umbrella, with 100% of the profit going to charity. For CIM's take on the “Give A Little Love” campaign:

<https://exchange.cim.co.uk/quick-read/john-lewis-christmas-ad-2020-our-take-on-give-a-little-love/>

marketingweek.com, 13 November 2020 (Vizard)

UK Christmas shopping shifts to digital

This year e-commerce is expected to account for almost a third of seasonal shopping spend in the UK. The issues and concerns that have been affecting in-store shopping won't stop for Christmas and the

November lockdown will simply reinforce the digital shopping trend. It is predicted that this year's Christmas season sales will reach £28.51 billion, making up 32.2% of all UK holiday sales. However, bricks-and-mortar sales will fall by 19% to £60.04 billion, with in-store sales declining to just over two-thirds of total seasonal sales, down from over three-quarters in 2019. This article also considers shop closures in the UK (11,120 during January to August) and the impact of lockdowns on retailers.

emarketer.com, 10 November 2020 (Fisher)

Transport and travel

A 2030 ban on new petrol and diesel cars?

The Government is set to ban the sale of new petrol and diesel cars within a decade as part of a package of green initiatives. Back in February the plan was to bring the ban forward from 2040 to 2035 but now the date is expected to be 2030. The move is aimed at boosting the market for electric cars and getting the country on the way to achieving net zero emissions by 2050. Yet electric cars accounted for under 7% of all new vehicles purchased last month, according to the SMMT. The car industry argues that significant investment in infrastructure will be required to help convince people to switch to electric. The Government has pledged £500m in funding for charging infrastructure.

ft.com, 15 November 2020 (Pickard and Campbell)

Royal Enfield cuts a dash around the world

Royal Enfield dates back to 1901, making it the world's oldest motorbike manufacturer. The original British business closed in 1970 but the surviving Indian operation has seen an amazing transformation, from sales of 31,000 units in 2006 to over 800,000 last year. This has given its parent company, Eicher Motors, a value of \$8.5 billion. Economies of scale (basic motorcycles at high volume) allows Enfield to be profitable despite the low price and gives them access to a bigger market. Enfield is aiming for 20% of its production to be sold overseas. The bikes are becoming part of popular culture outside India...

economist.com, 14 November 2020

Written by CIM's Knowledge Services Team

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