



Cutting Edge

22 July 2009

Welcome to CAM's weekly analysis of the most useful marcomms news.

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Advertising

Behavioural targeting

The IAB has made its behavioural targeting taskforce a permanent council; it has drawn up guidelines and wants to introduce a one-stop opt-out across the networks. Segmenting audiences by behaviour benefits both advertisers and publishers and they have reported CPM (cost-per-thousand impressions) rates rising by 10% to 20% for targeted groups. However there is still a lot of work to do to allay customer fears. Renault's behavioural targeting campaign on Yahoo! is case studied. Three separate articles cover this controversial topic.

New Media Age, 16 July 2009, pp19-27

Online advertising

What makes the best online ads into the top performers? Here are ten creative principles based on tested campaigns: show the brand clearly on all the frames of the ad; make sure each frame can stand on its own; 'reveal' ads are ineffective; keep the message simple; include a product shot and the human form; don't make people work for the message; don't annoy the site visitor; use 'border' ads with caution; use the internet's unique capabilities and finally, make sure that online ads are 'synergistic' with offline.

Admap, July-August, pp12-13

Age

The over-50s – ignore them at your peril

The over-50s represent 34% of the UK's population, which according to Saga holds 80% of the country's private wealth and 40% of disposable income. This should focus the minds of marketers and indeed many businesses are now launching products targeted at the 'lucrative grey market'. This age group shouldn't be treated as a homogenous mass, although direct mail, telemarketing and computerised telephone systems seem to be universally disliked, while good customer service is

required by all. The over-50s are the fastest-growing users of social networking sites...

Marketing, 15 July 2009, pp24-25

Agencies

Platform 3 advertising

Titan Outdoor is offering agencies a new approach to out-of-home campaigns. In an initiative called Platform 3 it is dividing its rail sites into three different formats depending on whether they will have a broadcast, prestige or modal effect.

Media Week, 14 July 2009, p9

Microsoft offers big deal

Microsoft is reportedly offering many millions of dollars worth of ad space to the buyer of Razorfish, its digital agency. The deal is being pitched to the world's largest agencies, such as WPP, Omnicom, Publicis Groupe, Dentsu and Interpublic. The sale will probably include use of Microsoft's digital ad technologies across products such as Bing, MSN, Zune and Xbox, to name a few.

Media Week, 14 July 2009, p9

Books

Music and books

A cross-promotional deal between Penguin and Island Records is an attempt by the former to integrate music into its social network, *Spinebreakers*. Island Records artists will be able to read and rate Penguin books while *Spinebreakers* users will review Island Records albums. Both organisations hope to benefit from wider audiences as a result, particularly amongst the 13 to 18 year-old bracket.

New Media Age, 16 July 2009, p7

Brands and Branding

President brands

The 2009/10 Superbrands Survey shows that consumers are keeping to the high-profile brands which they believe to be the best in their

sectors, despite the price premium. The research, conducted amongst 2,000 people, decides which brands are best in quality, reliability and ease of distinguishing them from their competitors. Microsoft emerged in the top spot, beating Google, which is now in third place, while luxury watch brand Rolex achieved second position. Stephen Cheliotis, CE of The Centre for Brand Analysis which conducted the research, refers to the big brand names as the “presidents of categories”. So, Microsoft is the ‘president’ of technology and Lego the ‘president’ of the toy sector.

Marketing Week, 16 July 2009, p22-26

The Daily Telegraph, 15 July 2009, p5

Globalisation

Marketers have chosen to expand their brands globally beyond their home countries on the basis that the world is more homogenous, global brands are stronger and there are advantages of scale. However, although the world is becoming smaller because of technology, it is also more diverse and complex. Local brands have the advantage of being near local culture and can form closer bonds with consumers than global brands. So, economies of scale may not result from globalisation because of the need to customise the brand and its marketing communications in order to meet those local expectations.

Journal of Sponsorship, Vol 2 (3), pp206-214

The next global brands

Research conducted by consultancy Wolff Olins for the FT has predicted that the next globally-recognised brand will come from Asia, the Middle East or South America. Wolff Olins has selected five brands from emerging markets which it thinks will be ‘the next Coca-Cola or Starbucks’. Dominance in the US market will no longer necessarily be the prerequisite of a global brand. The five brands believed to be the next global titans are Columbian coffee chain Juan Valdez Café, Saudi dairy and fruit juice company Almari, Lebanese chocolate chain Patchi, China's biggest wine producer ChangYu and India's largest liquor group United Spirits.

The Financial Times, 20 July 2009, p19

Cinema

Brands to fund Brit films

British film-makers are having difficulty obtaining funding from their usual investors, the broadcasters and the City. To redress the balance the UK Film Council is hoping to establish relationships between brand owners

and film-makers. The intention is for brands to sponsor films that they believe fit well with their brand values. Last year Eurostar helped to finance *Somers Town*, a British film which won the top award at the Edinburgh International Film Festival. A House of Commons select committee is looking at the future of the British film industry, which will include its financing.

Marketing, 15 July 2009, p1

Concern over alcohol ads

Alcohol Concern claims that rules relating to the amount of alcohol advertising shown before 12A-rated films are being broken. Almost half of the advertising, by Digital Cinema Media during showings of the *Batman: Dark Knight* in 2008, was said to comprise alcohol ads. Kathryn Jacob, President of the Cinema Advertising Association, said the audience mix meant that the ads were “well within the requirements”.

Media Week, 14 July 2009, p9

Conferences and Events

Free marketing course for SMEs

The US Marketing Scholarship Programme is run by UK Trade & Investment, which funds senior executives of UK SMEs to take part in a week's marketing masterclass, followed by another week's attachment to a US company. The 20 free places are up for grabs at The Kellogg School of Management in Chicago. Companies are selected on the strength of their niche or innovative offerings, which may have potential in the US market.

Springboard, Summer 2009, p8

Consumer Behaviour

Abandoning oneupmanship

Research emanating from the University of Leicester's School of Management suggests that the recession is impacting the consumer desire to compete socially. Manufacturers, retailers and ad agencies have been satisfying the consumer need to achieve superior social status through the flaunting of products and services. This era of conspicuous consumption is over, especially amongst middle-income people; now people are influenced more by financial constraints, social awareness and ethical considerations. The ‘moderate’ consumer, who does not display excessive consumption habits, may become the new target of advertising strategies.

Winning Edge, July-August 2009, p6

A quick fix?

The economic downturn is impacting customer behaviour. Changing attitudes and preferences are presenting opportunities for companies who have the right solutions. This article shows how customer behaviour has changed and how companies can respond, by offering 'eight quick solutions'.

Journal of Customer Behaviour, Vol 8 (2), pp177-186

Sampling success

A survey from *MagicFreebiesUK.co.uk* reveals that 60% of consumers have purchased a product after first trying out a sample. Nearly 6,000 users took part in the survey, which suggests that beauty products are the most effective 'tempters', with DVDs second in popularity.

Winning Edge, July-August 2009, p7

Customer Relations

Measuring CRM performance

This academic article explores ways of measuring a company's CRM performance. The authors suggest using a CRM assessment framework called the CRM scorecard. Results indicate that organisational performance cannot be enhanced simply by introducing a CRM system. The CRM characteristics, in terms of strengths and weaknesses, need to be identified in order to build a future CRM masterplan. There is also a need to integrate certain enterprise resources in order to undertake CRM successfully.

Industrial Marketing Management, Vol38 (4), pp477-489

Mobilising CRM

A report by Forrester indicates that 53% of UK companies have lost a sales opportunity, or have been unable to source the necessary information, because they did not have mobile customer relationship management (CRM) software. The report shows why and how organisations in Europe are 'mobile-enabling' enterprise applications such as CRM.

Winning Edge, July-August 2009, p7

Direct Marketing

DMA sets standard

PAS2020 is the Direct Marketing Association's (DMA) first ever environmental standard. It aims to provide companies with the tools to rate the environmental impact of each mail-shot, from conception through to execution and is due to be rolled out to marketers next year. Up to 75%

of UK companies use direct marketing but not all stick to DMA principles says Robert Keitch, the new head of the DMA. He suggests three priorities: better targeting, redesigning direct mail for easier recycling and broadening opt-out choices so that people can choose what they want to receive.

The Independent, 16 July 2009, pVI

DM has increased response rate

Direct mail is the only advertising discipline to achieve an increase in response rate this year, according to Omnicom Media Group's *BrandScience* study for Royal Mail. Response rates for DM campaigns increased 80% year-on-year, while combined digital and DM activity saw an increase in return of 62%. Antony Miller, head of media development at Royal Mail, says this shows the "growing importance" of DM in the current economic climate "where marketers need to justify every pound spent on campaigns more vigorously than ever".

Dmweekly.mad.co.uk, 17 July 2009

Clears Prospects for Royal Mail

Royal Mail, together with data specialist UKChanges, has launched a new online tool called Clear Prospects. It is targeted at SMEs to allow them to cleanse and enhance their customer databases. Royal Mail claims that a database of 5,000 records can be made ready for mailing within 15 minutes. It is offering a free data audit for those who register.

Database Marketing, July-August 2009, p6

Internet

Augmented reality for kids' game

Turner Broadcasting is the first UK broadcaster to launch an interactive 3D game using augmented reality. This is part of its campaign for the *Cartoon Network's Incredikids* website. Augmented reality combines computer-generated graphics with the real world and is currently being taken up by brands.

Marketing, 15 July 2009, p10

Auctioning with Google

Every time you click on Google up to 11 ad spots are auctioned before you get to see the results – here the mechanism is explained in detail. This is part of a longer article in which CEO Eric Schmidt and co-founder Sergey Brin talk about Google. They dispute the fact that *Facebook* and *Twitter* are challenging Google for ad revenues. However Google is dependent on targeted ads and if people click on these

less, Google simply has to bring down the auction price.

Wired, August 2009, pp74-83

Icann, but can anyone?

From next spring the Internet Corporation for Assigned Names and Numbers (Icann) will allow an expansion of the current 268 'top-level' domain names, by which we mean .org, .uk etc, but only if you can afford the £113,000 it is likely to cost you. Big brand owners are concerned about the opportunists and cybersquatters who may register variations of their trade-names online, and are trying to ensure that Icann has the procedures in place to protect their rights.

The Financial Times, 16 July 2009, p9

Law

The Olympic breakfast

Little Chef is to be allowed to retain its 'Olympics breakfast' on its menu during the London 2012 games, following talks with LOCOG. The restaurant chain was concerned that it would be accused of ambush marketing. A Chartered Institute of Marketing (CIM) survey has found that 43% of marketers have 'no understanding' of the Act concerning Olympic-related marketing.

Marketing, 15 July 2009, p3

The Times, 16 July 2009, p57

Not a bountiful ruling

The European Court of First Instance in Luxembourg has ruled that Mars cannot regain regionwide trademark rights over the shape of its Bounty bar. The Court said that the shape could not be 'sufficiently distinguished' from other shapes 'commonly used' in chocolate.

Marketing, 15 July 2009, p4

Magazines

A thinking space

Last week *The Economist* launched its *Thinking Space* website, which allows users to explore the places that 'high-profile' Economist readers go to think. The campaign aims to widen the appeal of the magazine to the young and 'tech-savvy'. Visitors will be able to interact with a reader's space, such as Daniel Ek's (founder of Spotify) music studio, by clicking on items that inspire them.

New Media Age, 16 July 2009, p3

OK sets site on celebrities

OK! magazine, published by Northern & Shell, is increasing its online digital content and aims

to become the 'definitive source for celebrity news'. Northern & Shell has recruited MediaCom to develop a series of 'landing' pages around certain celebrities that will direct people to the OK! site by responding to topical trends.

New Media Age, 16 July 2009, p4

Dare to bid

Dare Comics has begun an auction on eBay to sell a 'perpetual' interactive ad slot on all its online publications. The winning bid will receive a full-page ad in all Dare's online comics. The winner can include hyperlinks, video and audio and change the creative up to 12 times a year.

New Media Age, 16 July 2009, p10

Stylish freebie

ShortList Media is to launch a free upmarket women's weekly entitled *Stylist*, which will target 20 to 40 year-old affluent ABC1 women. The initial distribution of 400,000 copies will take place in six cities including London, Manchester, Glasgow and Birmingham. It is expected to compete with the likes of *Grazia*, *Marie Claire* and *Vogue*.

Media Week, 14 July 2009, p3

Campaign, 17 July 2009, p5

Marketing

Advertising Avenue

Cadbury World in Bournville has created 'Advertising Avenue', a life-sized street made of chocolate. Visitors can watch the history of Cadbury's advertising, including TV adverts shown since the start of television. Adverts include posters dating from the turn of last century right up to Cadbury Creme Eggs which are 'here today, goo tomorrow'. The interactive Milk Tray game allows visitors to see if they can race a car and boat to the waiting lady.

Marketingmagazine.co.uk, 20 July 2009

The return on ideas

The Chartered Institute of Marketing (CIM) is concerned that marketers lack 'financial rigour'. Consequently it has developed The Infinity Model to help marketers follow through a step-by-step process before they commit to spending money on a campaign which might not be commercially sound. The Infinity Model forms part of a larger report, together with The Chartered Institute of Management Accountants and the Direct Marketing Association, called *Return on Ideas* which focuses on a method of assessment that marketers from SMEs to large companies can use. This article discusses the

Infinity Model and looks at a case study in the form of UKTV rebranding.

Marketing Week, 16 July 2009, pp16-20

Market Research

Lies, damned lies and all that...

Market researchers often encounter the problem of respondents who don't tell the truth. Mike Jaxa-Chamiec examines some explanations for this behaviour, such as the herding instinct, normative social influence (fitting in with others) and informational social influence (people often look to others for guidance when they can't make a decision). Whatever the reason, there are ways to reduce the bias. In qualitative research, for example, one could consider triangulating methodologies, making use of non-verbal communication or engaging participants before and after the focus group. Other techniques are also discussed.

Research-live.com, 16 July 2009

...and this might just help

Spring Research has launched a new online service, The Emotimeter, which aims to "capture the basic emotion" a consumer experiences when looking at an advert. Respondents are asked to use a series of graphical devices to demonstrate the level of emotion they feel towards an advertising campaign, before they take part in an online focus group, where they can discuss aspects of it further.

Research-live.com, 20 July 2009

Newspapers

Joint recruitment initiative

Recruitment adverts for non-finance senior public sector jobs are to run in both *The Financial Times Companies & Markets* section and *SocietyGuardian* and *Business Leaders* pages of the two papers. This is a joint initiative between the *FT* and *Guardian* to extend their audience for the ads.

Marketing, 15 July 2009, p6

NRS sets up panel

The National Readership Survey (NRS), which monitors newspaper and magazine readership, has set up the new User Advisory Panel to help agencies and advertisers become more involved in its activities. The panel comprises members from the Newspaper Publishers Association, the Periodical Publishers Association and the Institute of Practitioners in Advertising.

Media Week, 14 July 2009, p7

Telegraph sees ad sense

The *Telegraph* has relaunched its mobile website and has included advertising for the first time, as it tries to increase revenues. The site will provide new targeted ad formats, including Google AdSense, banners and sponsorships. Meanwhile users will have access to all areas of the site including videos viewed through the *Telegraph* TV player.

Media Week, 14 July 2009, p8

Public Relations

The rise and rise of Sarah Brown

This year Sarah Brown, the PM's wife, has been on a Gay Pride march, had dinner with Paris Hilton at the African Ladies Health Summit and appeared at the Glastonbury festival with Naomi Campbell - she has been raising her profile across the board. Sarah Brown is a PR professional and was in fact co-founder of ethical PR firm Hobsbawm Macaulay, later working at Brunswick. She has also been using social media to out-Twitter her enemies. If only Gordon could do the same, 'we might be in a different ballgame'....

The Independent, 16 July 2009, Life, pp1-5

Voluntary sector reaps awards

Action for Children, British Heart Foundation, MacMillan Cancer Support, The Royal British Legion, The Guide Dogs for the Blind Association and the Energy Retail Association all won awards in the recent Chartered Institute of Public Relations (CIPR) Excellence Awards 2009. In fact voluntary sector campaigns claimed nearly one third of all awards.

PR Week, 17 July 2009, p10

Social Media

Moonfruit campaign goes rotten

Twitter made the decision to pull the marketing campaign by web-site building company Moonfruit from its top trending topics after it topped the list above Michael Jackson and Iran. Moonfruit was offering free MacBook Pros as part of its campaign and at one point was attracting 400 tweets a minute. The question is whether Moonfruit's campaign was simply spam. Some people think that *Twitter* should explain its rules to marketers - after all social media isn't dictated by the companies but by the users.

New Media Age, 16 July 2009, p4

YouTube in the black thanks to ads

Estimates of Google's financial losses through *YouTube* have varied widely. But now *YouTube*

is actually on track to make a profit, and surprisingly this is mainly due to advertising. The two types of ad which have driven the turnaround are banner ads on the site's home page and pre-rolls, which force visitors to view an ad before watching a video. Apparently people do not find these as off-putting as some other types of advertising.

The Financial Times, 18-19 July 2009, p17

Sponsorship

Jaguar sponsors Ashes

Jaguar is now the official sponsor of Sky's online coverage of the Npower Ashes cricket series and the Ashes score centre is to carry Jaguar branding. The recent launch of the Jaguar XJ sedan marked a change in marketing tactics for the brand, which will now rely on sponsorship, road shows and PR. Marketing director David Steele says: "TV just doesn't have this commercial reach anymore".

Marketing, 15 July 2009, p6

Marketing Week, 16 July 2009, p9

Football sponsorship

This article looks at how sponsorship can influence team supporters during a football match; it case studies FC Porto, a Portuguese football club. The research indicates that exposure to sponsorship does indeed positively impact awareness of the sponsor in terms of recognition and partly of recall, resulting in a more positive attitude and stronger loyalty towards the sponsor. In fact the greater the investment made by the sponsor the greater the effect on public awareness. The fans' commitment levels to the team however, are not affected by their attitudes towards the sponsor.

Journal of Sponsorship, Vol 2 (3), pp267-280

Television

Change4Life

Nickelodeon, the second-biggest commercial children's TV network in the UK, is to provide free airtime and branding opportunities for the Department of Health's Change4Life healthy living campaign. Bespoke campaign spots will feature Change4Life messages and branding.

Media Week, 14 July 2009, p8

BBC research tool

The BBC is developing a new audience measurement tool with the intention of measuring viewing across all platforms including 'timeshifted' TV viewing, websites, iPlayer and programmes watched through third-party sites, such as *YouTube*. The Cross Media Insight system attempts to track all BBC content viewed during the course of a week by a panel of 650 people. The aim is to get a more segmented view of the marketplace and target accordingly.

Research, July 2009, p5

Written by The Chartered Institute of Marketing's Research and Information Team

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On the Move

Name	From	To	New Title	Source
Rachel Allen	London Underground	London Overground Rail Operations	Head of Communications	PR Week
James Boulton	HSBC UK	Nationwide Building Society	Divisional Director for Marketing	Marketing
Frances Brindle	Financial Times	British Library	Director of Strategic Marketing & Communications	Winning Edge
David Cooke	Tesco	Menzies Distribution	Commercial & Marketing Director	The Grocer
Howard Davies	Royal Bank of Scotland	Standard Life	Group Head of Public Affairs	PR Week
Daniel Heale	Travelodge	Vue Entertainment	Head of Marketing	Marketing Week
Jessica Healy	Trinity Mirror	Future UK	Head of Search, Affiliate & Social Media	New Media Age
Kevin Murphy	Zed	Mindshare	Global Client & Business Development Director	Media Week
Jo Pearce	Bassac	Institute for Voluntary Action	Head of Research & Communication	Third Sector

Promotions

Name	Company	Previous Title	New Title	Source
Emmet Burns	Barclays	Response-Based Marketing Director	Marketing Director	Marketing
Andrew Flack	Hilton Hotels	V-P, Sales & Marketing, Hilton Asia Pacific	V-P, Global Brand Marketing	Marketing
Karen Stacey	Bauer Media	Radio sales Director	Director of Broadband Sales & Brand Solutions	Campaign
John Thomson	Toyota	General Manager, Business & Corporate Planning	Marketing Director, Toyota Great Britain	Marketing Week

Sources

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