



Cutting Edge

14 October 2008

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

[Quick links](#) to Sections.

Advertising

Online spend slows

The amount spent on internet advertising is growing at a lower rate than before, say the Internet Advertising Bureau and PricewaterhouseCoopers. Television advertising still attracts the biggest budgets, says Nielsen, which found that Procter & Gamble put just 1% of its budget into online and 69% into TV advertising.

Marketing, 8 October 2008, p1

War declared on advertising

The Conservative party says it will drastically reduce government advertising spend if it is elected. The COI has an annual budget of £391 million, which the Tories say would be cut by nearly 60%. "We are going to put caps on Labour's wasteful consultancy and advertising bills," says Shadow Chancellor George Osborne. A spokesman for Osborne said government advertising would be better targeted and would make more use of digital media, hence saving money, rather than getting rid of advertising altogether.

Marketing Week, 9 October 2008, pp22-3

DTC has "little impact"

Advertising prescription medicines direct to consumers does not have much impact on sales, according to research by Harvard Medical School. The study looked at consumers who were exposed to the adverts and those who weren't, and concluded that there was little difference between the two groups because there was no difference in usage of the advertised drugs. However, industry experts have called the research "flawed".

Direct Marketing International, October 2008, p41

Agencies

Take the train

Virgin Trains is to encourage motorists to give up the car in favour of trains in a new campaign designed by MCBBD. The train company has appointed the agency to handle its advertising account, which it won following a pitch against Rapier. MCBBD will also take on Virgin Train's direct and digital accounts.

Marketing, 8 October 2008, p3

GO3 selects

GO3 health supplement brand has chosen Chick Smith Trott to handle its advertising, which kicks off next year. The brand has the support of footballer David Beckham.

Marketing Week, 9 October 2008, p12

Zed takes holiday work

Holiday camp Butlins has appointed Zed to its media account, which is worth £5 million. Online display and press buying, which were previously handled in-house at Butlins, have now come under the account.

Media Week, 7 October 2008, p12

Brands and Branding

Pizza rebrand does not impress

Pizza Hut's name change to Pasta Hut has received a cool response from branding experts. Jim Prior of The Partners said "...it is hardly as though the change is from something unexciting to something that is more exciting." However, Pizza Hut is fighting back, saying the change has received a lot of coverage in the press, which can only be good for business.

Marketing, 8 October 2008, p1

Cipriani heads for Adidas

Rugby union's Danny Cipriani has been tempted by Adidas to become a brand ambassador for the sports company. He now

has a four-year deal with Adidas that will see him undertake PR and promotional work for the brand.

Marketing, 8 October 2008, p1

Axa is confident

Financial services company Axa has rebranded and ditched its 'Be life confident' strapline. Its new strategy, which uses the line "Redefining standards", is described as "risky" by Group Marketing Director Oliver Mariée. Axa's aim is to become the most trusted financial brand in the UK.

Marketing Week, 9 October 2008, p5

The votes are in

Marketing Week is celebrating 30 years by asking consumers for their opinions on the best brands over the last three decades. Microsoft was voted best brand overall, while the 1980s Gold Blend adverts also received a large number of votes.

Marketing Week, 9 October 2008, pp24-5

Children and Youth

Which? attacks again

Consumer group Which? has criticised the use of animated characters in advertising, such as the Coco Pops monkey, because they don't encourage healthy eating among children. The group is calling for more restrictions on their use, but the Advertising Standards Agency says the Which? report was "not saying anything new".

Marketing, 8 October 2008, p5

Cinema

Big screen attracts more than ever

The Cinema Advertising Association says more people visited the flicks this summer than for 40 years. More than 53 million people went to see a film between June and August, with *Mama Mia!* a particular favourite.

Media Week, 7 October 2008, p9

Conferences and Events

Can't stop working

A survey by Wyboston Lakes has found that delegates are unwilling to switch off their mobile devices during meetings and conferences. Seventy-five per cent of the 875 respondents said they didn't switch off mobiles and PDAs because they are anxious to check their messages frequently.

C&IT news tracker [Accessed on 6 October 2008]

Customer Relations

Calling Seat drivers

Car brand Seat UK is to get closer to its customers with an online club that features news and promotes events.

Marketing, 8 October 2008, p10

Tap into profit

Taking a close look at your customer records could help grow profits organically, even for large companies. The records will show customers' needs, providing information on how to make them more profitable and keep ahead of competitors. The authors call this the 'incumbent's advantage', and demonstrate how to segment customers and rank them in terms of profitability using a case study based on a concrete manufacturer called CEMEX.

Harvard Business Review, Vol 86(10) 2008, pp111-21

Qualification is welcomed

Customer service is to be improved within the tourism, transport and hospitality industries in the run-up to the London 2012 Olympics. A new qualification, called Welcome Host, is part of the Welcome to Excellence courses, and will see candidates take a 30-question multiple-choice test in order to gain the qualification. Initially run by Tourism South East Training and Skills, the qualification could be rolled out nationally at a later date.

Customer Strategy e-newsletter [Accessed on 7 October 2008]

Wake up, call centres!

We Brits are still unhappy about overseas call centres, according to Surveylab. Customer service from such centres appears to be at an all-time low, with 88% of respondents finding it difficult to understand agents, 42% saying the agent had insufficient product or service knowledge, and 38% reporting that agents did not have the authority to resolve their issues or complaints. The survey also found that 68% of those polled thought customer service was worse than it was when the call centre had previously been located in the UK.

Customer Strategy e-newsletter [Accessed on 7 October 2008]

Direct Marketing

Use website to best effect

With so many websites out there, companies need their sites to stand out and encourage a steady stream of visitors. There are various tactics that can be employed, but businesses

need to stay ahead of the game and always be thinking “What is the next level? What is going to make people remark to other people about it?” The three tactics covered in this article are creating flagship content, cloning your traffic by continuing the interaction, and getting other companies to endorse your site via partnerships.

Direct Marketing International, October 2008, pp24-5

Time is of the essence

Time is something that everyone seems to be short of these days, and an increasing number of people who don't open direct mail say this is because they don't have time. However, if a piece of direct mail is personalised, it is more likely to be opened, so accurate targeting is all-important. Information about competitions, entertainment and local restaurants are most welcomed by consumers, but they are also becoming aware of data collection and privacy issues.

Direct Marketing International, October 2008, pp26-7

Families on the move

This article contains some tips for marketing holidays to families, which, of course, evolve with time. Seaside holidays may attract families when their children are young, but if they receive the same brochure offering the same holidays several years later, chances are it will end up in the bin because it just won't appeal any more.

Direct Marketing International, October 2008, p39

Internet

E-Zine for Stardoll

Virtual world Stardoll has joined up with *Elle*, which will produce content for a web magazine. *Stardoll Magazine* will feature blogs and fashion news provided by *Elle*.

New Media Age, 9 October 2008, p14

BBC extends YouTube service

Six video news channels that feature clips in Russian, Spanish, Arabic, Persian, Portuguese and Urdu are now available on YouTube, thanks to the Beeb.

New Media Age, 9 October 2008, p15

Law

Lib Dems in trouble

The Information Commissioner's Office has taken action against the Liberal Democrats for

making unsolicited direct marketing calls. The party was in breach of the Privacy and Electronic Communications Regulations after 250,000 automated calls were made.

Precision Marketing, October 2008, p4

No sexism, please – we're European

Diet Coke's shirtless builder and the Eva Herzigova Wonderbra ad could be banned under new rules enforced by the European Parliament. It wants to see sexual stereotypes removed from advertising, including television, video games and print. However, the Advertising Standards Authority is against the idea, saying such rules would be “inflexible and impractical”.

Direct Marketing International, October 2008, p41

Loyalty Programmes

Netto takes note

Discount supermarket Netto is taking advantage of its new customers and launching a loyalty scheme. Spend £5 at Netto to receive one token, and collect 40 tokens to swap for a soft-toy dog – there are six to collect.

Marketing, 8 October 2008, p10

Emotional loyalty

Although many Brits are members of at least one loyalty scheme, are they really loyal? Loyalty is to become more important in these tough trading times, but supermarkets and airlines don't know whether their shoppers or passengers also look elsewhere. Now is the time to build ‘emotional loyalty’. Offering rewards and coupons will change behaviour, but they won't always influence loyalty, says Richard Dixon of Black Sun – to do that, brands need to make emotional connections.

Precision Marketing, October 2008, pp21-3

Magazines

Focus on sustainable living

Readers of *House & Garden* magazine will be able to find out more about environmentally friendly design and ways of living in a supplement in next month's edition. A forward by Prince Charles introduces the supplement, which Condé Nast says focuses on the environment, “but not at the expense of ‘grand design’”.

Marketing, 8 October 2008, p6

Live the high life online

British Airways' *High Life* magazine now has an online version that features content from the

hard copy version. Trivia about travel, news, and contributions from Will Self and John Simpson will all feature.

New Media Age, 9 October 2008, p6

Glamour gets makeover

Condé Nast is to overhaul its Glamour.com website for the first time in seven years. There will be more focus on beauty and fashion when the site is re-launched next month. The site is said to attract 500,000 unique users a month, but is not ABCe-registered.

Media Week, 7 October 2008, p8

Market Research

WPP takes TNS

The long-running battle between WPP and TNS is over, as WPP's takeover has now won the vote of 81% of TNS's investors.

M&M weekly news digest [Accessed on 9 October 2008]

Web 2.0 and the 'confessional society'

As Web 2.0 takes off, this article considers the implications and opportunities for the market research industry. People appear to be quite willing to reveal all sorts of personal information, leading to what Zygmunt Bauman calls a 'confessional society'. How can market researchers take advantage of this information, and how else could Web 2.0 be used to gain insight into consumers' lives?

International Journal of Market Research, Vol 50(5) 2008, pp619-29

Marketing

Spend, spend, spend

All marketers know that their budgets are often the first to be cut during an economic downturn, so how can they persuade the finance department and the boardroom that the company needs to carry on spending? Deloitte has found many chief financial officers to have a low opinion of marketing and its worth, so marketing directors must measure effectiveness. This article contains some advice on how to keep the marketing department alive in a recession.

Marketing, 8 October 2008, pp26-7

Beware sales promotions

As times get tougher and consumers rein in their spending, should brands use sales promotions to stand out on the shelves? GfK NOP says 30% of consumers are actively looking for promotions at the moment, and coupon redemption is up. However, are the

© Copyright 2008 The Chartered Institute of Marketing

instant results associated with sales promotions worth it in the long run? Dominic Twose of Brand Knowledge says "...only 10% of consumers are exclusively motivated by price. Even if the effect of a promotion doubles during a recession, the impact of these price-driven consumers will be relatively small, and they will probably not be inclined to brand loyalty."

Marketing, 8 October 2008, pp31-2

Mobile makes moves

A survey by O2 shows that investment in mobile marketing is to rise, as marketing and IT directors are impressed by its ability to target consumers. Eighty-five per cent of those polled believed mobile to result in higher response rates than traditional media.

New Media Age, 9 October 2008, p4

Plans needed

Forty per cent of UK start-ups don't have a marketing plan in place, and 50% open for business without any form of marketing or advertising activity. Project W.O.R.D. says these are important reasons as to why so many new companies fail, with half closing within their first year, and just one-quarter surviving for more than four years.

Direct Marketing International, October 2008, p8

Newspapers

Paper goes hyper-local

The *Liverpool Echo's* website now has a map-based news service that allows readers to search for news using their postcode. Trinity Mirror now plans to roll out 'geo-tagged' stories across its other regional newspapers.

Media Week, 7 October 2008, p12

Sponsorship

Man United celebrates with lager

Budweiser is continuing to sponsor Manchester United FC for the 2009-10 season.

Marketing Week, 9 October 2008, p14

Toyota touch-down

Car manufacturer Toyota has agreed to sponsor Sky Sports' coverage of rugby union matches during the 2008-09 season.

Media Week, 7 October 2008, p8

Television

Golden move for Five

Quiz show *Going for Gold* has made a comeback on Five. The programme, which is live, is hosted by John Suchet.

Marketing, 8 October 2008, p6

On the Move

Name	From	To	New Title	Source
Dominic Chambers	Unknown	LG	European Marketing Director	Marketing
Andrew Gillespie	Consultant	Standard Life	Managing Director for Marketing	Marketing Week
Brian Kardon	Forrester Research	Eloqua	Chief Marketing Officer	Direct Marketing International
Adele Pett	SR Communications	SMP	Head of Direct Marketing	Direct Marketing International
Lucy Stephenson	<i>SkyMag</i>	Northern & Shell	Head of Advertising, Celebrity Magazines	Media Week
Alison Wright	On sabbatical	Engine Group	Strategy Director	Marketing

Promotions

Name	Company	Previous Title	New Title	Source
Matt Barwell	Diageo	African Marketing Director	European Marketing Director	Marketing
Nicola Thomson	Global Radio	Direct of Marketing, Heart, LBC and Galaxy	Group Director of Marketing	Media Week

Sources

To receive full copies of many of the articles mentioned, please contact the Information and Library team:

+44 (0) 1628 427 333 <mailto:library@cim.co.uk>

Charges may apply. Or see Business Source Corporate in the World's Best Journals at <http://www.cim.co.uk/knowledgehub>

** Available full text via Business Source Corporate

* Abstract only available via Business Source Corporate

C&IT news tracker

Customer Strategy e-newsletter (visit customer-strategy.co.uk)

Direct Marketing International

Harvard Business Review**

International Journal of Market Research**

M&M weekly news digest (visit mandmglobal.com)

Marketing**

Marketing Week **

Media Week

New Media Age**

Precision Marketing**

To access Business Source Corporate visit www.cim.co.uk/knowledgehub and click on 'World's best journals'. The 'Search now' link will appear when you are logged into the site. Please note that, due to copyright law, the headings used for articles in *Cutting Edge* are *not* the same as the originals; therefore, searching by 'Publication' may be the quickest way to find what you need. Also, there may be a delay between a journal's publication and its appearance on Business Source Corporate. If you have any problems accessing Business Source Corporate, or navigating the website, please contact the CIM Information and Library team.

Contents

To fast forward click on the following links:

[Advertising](#)

[Agencies](#)

[Brands and Branding](#)

[Children and Youth](#)

[Cinema](#)

[Conferences and Events](#)

[Customer Relations](#)

[Direct Marketing](#)

[Internet](#)

[Law](#)

[Loyalty Programmes](#)

[Magazines](#)

[Market Research](#)

[Marketing](#)

[Newspapers](#)

[Sponsorship](#)

[Television](#)

[Women](#)

[On the Move](#)

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

© Copyright 2008 The Chartered Institute of Marketing

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