

16 December 2008

Welcome to our round-up of the year's useful marketing news.

Quick [links](#) to Sections.

Advertising

The future of neuroscience

Neuroscience comes under the microscope in this article, which suggests that although it is likely to make a contribution to advertising in the future, those days are still a long way off. The author looks at the "myths and nonsense" surrounding neuroscience, science's influence on advertising and "some of the useful things that neuroscience tells us now".

Admap, January 2008, pp24-6

Do celebrities have effect?

Celebrity endorsements come under scrutiny in this paper, which examines their effectiveness, given that one-quarter of advertising in the US features a celebrity. Celebrity expertise, attractiveness and trustworthiness are all important to consumers, while negative information about celebs is bad news for the brand concerned.

International Journal of Advertising, Vol 27(2) 2008, pp209-234

Agencies

The right relationship

Chopping and changing from one agency to another is an expensive business, but plenty of agency/client relationships go sour. How can you ensure you choose the right agency and that it carries out the work you want? The process begins at the pitch stage, so ensure you are all 'in tune' with each other, and look to the long-term – what does the agency see for the future of your brand? If things do go pear-shaped, don't forget that the TUPE regulations might just see the same people working on your account even though you thought they were gone for good!

the marketer, April 2008, pp32-6

Brands and Branding

What are your customers really saying?

Brand extensions are one way in which a brand can grow, and marketers obviously hope that their existing customers will like the extension as much as the parent brand. However, this isn't necessarily the case, and research has shown that customers often criticise brand extensions, engaging in negative word of mouth communications. This article examines the emotion of anger in particular, and how it relates to brand extensions, resulting in negative word of mouth.

Journal of Brand Management, Vol 15(4) 2008, pp258-271

Greener brands?

Consumers are becoming more aware of climate change and the need to act, but do they trust brands that promote themselves as green? Retailers top the list of green brands, but British consumers' attempts to name climate change brand leaders are poor. Furthermore, many consumers are sceptical of brands' claims that they are doing something to address the problem – whereas 30% would buy something from a retailer that claimed to be environmentally friendly, just 16% would buy products if they read that the retailer had been involved in greenwashing.

Marketing Week, 30 October 2008, p26-7

Children and Youth

Fickle youth

A survey by Q Research has found that 46% of young people aged 11-25 would swap to a mobile phone provider that gave free texts and talk time in return for receiving mobile ads. They would also be willing to receive mobile adverts if they received top-up credit (67%), discounts (60%) and free music (51%).

New Media Age, 22 May 2008, p13

Conferences and Events

Always measure

Live events are a popular way to promote a company or brand, but how often do visitor numbers get measured – and what happens afterwards? Technology is available to measure numbers, but subsequent analysis and use often fail to materialise. Measuring return on investment is important, but many exhibitors just don't bother to find out how their stand impacts on their bottom line.

Marketing Week, 12 June 2008, pp31-2

Customer Relations

Create value for satisfaction

Measuring customer satisfaction is a good idea, and should identify those areas where there is room for improvement. However, what organisations don't realise is that the process of measuring satisfaction is more complicated than it seems, and that customers go elsewhere not because they are dissatisfied with a company, but because another has offered them better value. This article likens customer satisfaction measurement to a journey, the various stages of which can be examined in order to discover where improvement is needed.

Customer Strategy, February 2008, pp16-9

Time to get emotional

Today's world is a competitive one, so standing out from the crowd is important, and that means connecting with customers. A great customer experience occurs when three factors come together – engaged employees, customer service and adopting an attitude that boasts just how good you are. Customers want employees who are efficient, trustworthy and good at problem solving. In other words, customers are concerned with the "emotional and people-oriented aspects of a company's service".

Brand Strategy, March 2008, pp34-5

Happy to pay more

British consumers would rather spend more on goods and services that are handled in the UK than via offshore call centres that make the services cheaper. Only 6% of those surveyed by ICM say they are happy with overseas call centres, and just 1% of Scots were happy. The research also found that women were more likely to be put off by offshore centres than men.

Customer Strategy, June 2008, p6

Direct Marketing

Successful subjects

Long subject lines are more effective than shorter ones when it comes to email marketing messages. Alchemy Worx found that subject lines with 50 characters or fewer were likely to be opened by recipients, but click through rates were low. Subject lines with 70-100 characters were opened and click through rates were higher. Subject lines that contained 60-70 characters were the least effective on both opening rates and click throughs.

New Media Age, 3 July 2008, p13

Times are changing

New information from CCB fast.MAP's Marketing-Gap Research shows that fewer customers are opening direct mail, with 20% citing lack of time as the most important reason for this. However, consumers responding to the survey said the biggest motivation to open direct mail was communication from a known brand, followed by personalisation. Interest in the product came in third place.

Database Marketing, September 2008, pp20-1

Law

Be careful with buzz

The Consumer Protection from Unfair Trading Regulations, which came into force on 26 May, and tightened the rules on 'buzz marketing' ("commercial communication via the internet, social networking and word of mouth"). The Institute of Practitioners in Advertising's Legal Director, Marina Palomba, says companies could face fines if they originate viral emails that look as though they are from 'ordinary' people, or if they use a blog to promote a brand without making it clear that a business is behind the communication.

Direct Marketing International, May 2008, p41

Loyalty Programmes

Growing loyalty

There are plenty of ways in which a business can relate customer loyalty to company growth, but the authors of this paper argue that these metrics are ineffective. The Net Promoter Score comes in for scrutiny, but the conclusion is that relying on a metric that reduces complex behaviour to just one or two dimensions will never be successful.

MIT Sloan Management Review, Vol 49(4) 2008, pp51-7

Market Research

Super sleuth in supermarkets

Shoppers beware – your every movement could be under scrutiny by big business. Procter & Gamble has installed infrared sensors in American supermarkets to see just how consumer behaviour and movement correlate with sales. AC Nielsen has also studied who shops in the hair care and soft drinks aisles, and found that 1.7 million missed the hair care aisle, but visited the soft drinks. One million of those shoppers were women, who are a target market for shampoos and conditioners – so finding a way to attract them down the hair care aisle could result in massive sales.

Financial Times, 28 May 2008, p16

Marketing

NHS needs marketers

The Chartered Institute of Marketing has carried out research within the NHS and is calling for marketing positions to be created for the service. NHS providers can now advertise for patients, and patients can choose where they wish to be treated – therefore, marketing knowledge needs to be brought to all parts of the Health Service and the benefits of the patient-led approach should be communicated service-wide, says the report.

The Chartered Institute of Marketing press release

Bluetooth for business

Business-to-business marketers should get ready to run Bluetooth marketing campaigns, says the author of this article. Bluetooth was removed from the Information Commissioners Office's list of communication media that requires consumers to opt-in to marketing messages, and debate rages as to whether Bluetooth marketing is ethical. However, there are ways in which the technology can be used without being invasive.

B2B Marketing, May 2008, pp18-20

Reaching Gen M

Can mobile marketing reach young consumers? Generation M (obile) is notoriously difficult to reach, but the fact that they are never without their phones spells an opportunity for marketers. This research looks at what influences the acceptance of mobile marketing, designing a campaign across different countries and the role of trust.

MIT Sloan Management Review, Vol 49(4) 2008, pp35-41

Public Relations

Right face, right time

Choosing the right person to face the public is critical if the message is to get across. A research project at Columbia Business School found that when dealing with corporate dishonesty, the best person to speak to the public is one with a 'baby face'. However, a mature-faced spokesperson is best when explaining a company's incompetence to the public.

Business Week, 16 June 2008, p20

Sponsorship

Women prove their worth

Sponsorship might be big business, but those who are looking for something a bit different are becoming interested in women's sport. England's female footballers qualified for Euro 2009, although the game is a minority spectator sport. Only Paula Radcliff and Kelly Holmes stand out as female athletes who have attracted good sponsorship deals, but tennis players, such as Maria Sharapova, can expect to benefit from the increased interest in the women's game.

Marketing, 11 June 2008, p16

Measuring ROI

How can marketers ensure their sponsorship is effective and that they are getting value for money? Measuring return on investment (ROI) is more difficult than first appears because, in addition to financial measurement, it can include brand values and media performance measures. This research examines the pros and cons of various measurement techniques, but suggests that "ROI can be measured very well, if the will and commitment exist to do it and resources are set aside to do the job."

Journal of Sponsorship, Vol 1(4) 2008, pp357-363

Women

Cinema and women go hand in hand

The Cinema Advertising Association says that cinema advertising has most impact on ABC1 women aged 35-44. Women in this group are the most regular cinema-goers, followed by ABC1 women aged 44+. It's not just screen advertising that reaches these groups, but also ads in the foyer.

Media Week, 3 June 2008, p11

Fact Files

Customer costs

Is it more costly to keep existing customers or to attract new customers? There is no definite answer to this, but most of the sources uncovered by our research say that it costs between 4 and 10 times more to acquire a new customer than to keep an existing one. Please contact the Information and Library team (details under 'Sources' at the end of *Cutting Edge*) to request our Fact File on this long-debated issue.

Marketing and the Olympics

The London Olympic Games are just four years away, so how can marketers make the most of them without breaching the rules? The Information and Library Team has put together a Fact File to help you stay on the right side of the law – please contact the team (details under 'Sources' at the end of *Cutting Edge*) to request a copy.

Unfair Commercial Practices Directive

This Directive came into force on 26 May, and is implemented through the Consumer Protection from Unfair Trading Regulations. Two unfair practices are specified – “misleading” commercial practices and “aggressive” commercial practices.

Company websites and email requirements 2007

Limited companies and limited liability partnerships are required by law to include certain information on their websites and emails, such as Company registration number and VAT number, if applicable. Some companies may have to include additional information under E-commerce Regulations and Distance Selling Regulations.

Standard industrial classification

Standard Industrial Classification (SIC) codes identify a business or service according to its primary kind of activity. Two-digit codes are the most general classifications, but most codes use at least four digits to allow more specific industry identifications. This Fact File gives information for the UK, Europe, North America, Australia and New Zealand, and Japan.

Web 2.0

Find out what Web 2.0 is and how it can be used in marketing. Blogging, RSS feeds and

Wikis are all explained, and a look is also taken at Web 3.0

Please contact the Information and Library Service for more information on, and to request, any of our Fact Files, (details at the end of *Cutting Edge*).

Awards

Jill McDonald wins award

McDonald's Chief Marketing Officer for the UK and Northern Europe has been awarded the title of Marketer of the Year. Jill McDonald won the votes of *Marketing* readers.

Marketing, 11 June 2008, p1

Winners receive just rewards

A panel of judges from The Chartered Institute of Marketing and the British Franchise Association have presented the winners of the 2008 Franchise Marketing Awards with their prizes at a gala dinner in London.

The Franchise Magazine June 2008, p90

Award is won

One of The Chartered Institute of Marketing's East of England Excellence Awards 2008 has been won by the Just Recruitment Group.

Business in East Anglia, August 2008, p6

Wins in Wales

The Chartered Institute of Marketing has rewarded Visit Wales, Amlwch Leisure Centre, Corus Colors, Torfaen Council and Control Techniques for their hard work. They were some of the winners of The Institute's first Welsh marketing awards.

The Western Mail (Cardiff), 15 October 2008, p12

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>

The journals listed below can be all be found in *full text* in the World's Best Journals at <http://www.cim.co.uk/knowledgehub>

Brand Strategy
Business Week
International Journal of Advertising
Journal of Brand Management
Marketing
Marketing Week
New Media Age

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