



Cutting Edge

1st April 2009

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

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Advertising

Big spenders

In this article *Marketing* lists the top 50 advertisers by spend, as revealed in Nielsen's annual survey of the 100 biggest UK advertisers. Supermarkets, banks, online services and electrical goods all increased media spend in 2008. Procter & Gamble, though still the UK's biggest advertiser, has cut its expenditure by over 10%, bringing the Government's COI within £500,000 of overtaking it. Adam Smith of Group M believes that the UK's online ad scene is one of the most advanced in the world, which accounts for the UK ad market taking the 'biggest hit among the G8 countries'. The results are available at marketingmagazine.co.uk.

Marketing, 25 March 2009, pp24-27

Far-reaching advertising review

A review carried out on behalf of the Committee of Advertising Practice and the Broadcast Committee of Advertising Practice have made a series of recommendations, which will have a 12-week consultation period, before going to Ofcom for approval. These include a ban on advertisers making exaggerated environmental claims for their products. There will be an end to the 9pm watershed ban on advertising condoms to help tackle teenage pregnancy rates, and abortion clinics may also be allowed to advertise. There will be a ban on ads for computer games around children's TV programmes as well as new rules for marketers attempting to collect data from under-12s. The National Lottery will also have the same social responsibility rules as other lottery advertisers.

Campaign, 27 March 2009, p1

The Daily Telegraph, 26 March 2009

Tarantino driving mini ads

Mini is launching its first global campaign for its soft-top Mini Cacrio. The ad will be 'male-focused' and bear the strapline: 'Always Open'. The ads are 'Tarantino-inspired', so outdoor messages are very to the point: 'Close the roof? Over my frozen body'.

Marketing, 25 March 2009, p3

It's what's on the inside

The Alzheimer's Society has just launched its first TV ad; it focuses on how much women spend on beauty products during their lives, but without considering the implications of the ageing process 'on the inside'.

Marketing, 25 March 2009, p4

Big spender

Latest figures from Nielsen Media Research suggests that Government spending on advertising is about to overtake the UK's biggest advertiser, Procter & Gamble. The Central Office of Communication's (COI) media spend increased by nearly 20% in 2008 to £178.1m. Campaigns during 2007/8 included anti-smoking, army recruitment, road safety and climate change, which the Government argues are of general social benefit. Outdoor was the only channel not to benefit from COI spend, which fell by 8.5% in this sector.

Marketing, 25 March 2009, p1

Agencies

Skills scheming

A scheme being launched by the European Association of Communications Agencies (EACA) aims to raise the skills of agency staff in Europe. The EACA expects the courses to be most popular in Central and Eastern Europe, where people don't have so much opportunity. Gary Leigh, EACA president says that those agencies who invest in training during a recession will be best placed "not only to survive but also to recover fastest".

Campaign, 27 March 2009, p2

Aegis up

Aegis Group, owner of Carat and Vizeum, has recorded a 25.6% rise in its profits, to £166.8m for 2008. The group saw digital media as a key growth area, comprising 29% of Aegis Media's worldwide revenue. Aegis Media EMEA also experienced substantial growth, of 24.8%, to reach £588.1m.

New Media Age, 26 March 2009, p13

While Saatchi cracks Brazil

M&C Saatchi took the decision to invest in Brazil last May, before the recession hit. Despite subsequent cut-backs in investment, there are good opportunities in terms of the growing middle class and its purchasing power in Brazil. Millions of people have become consumers in the last few years and Brazil is the tenth biggest advertising market in the world. It also has one of the most creative advertising industries, so this presents something of a challenge.

The Financial Times, Supplement, Emerging Markets, 25 March 2009, p23

Books

Hitchhiker's Guide

The Hitchhiker's Guide to the Galaxy will be reissued in a limited edition in September, with redesigned covers for the five books, by Crush Design. To attract fans a set of stickers has been designed which can be applied to a blank cover.

The Drum, 27 March 2009, p5

Brands and Branding

Trusted Brands

Shoppers may be trading down to supermarket own-brands but this hasn't influenced their trust of brands. The Reader's Digest Trusted Brands survey across 16 European countries shows that this year's own-brands accounted for only 3% of votes cast in every category except food. The presence of own-brand as 'most trusted' does not seem to be rising and the increased appearance of own-brand on the shelves may be down to the consumer's preference for cheaper products. This article gives a run-down of the most trusted brands in various categories. Overall most trusted brand is British Airways, while Cadbury maintains its position as the most trusted chocolate producer.

Marketing Week, 26 March 2009, p5, pp18-24

The brand asset

Since brands have now acquired the status of corporate assets, the next challenge is to ensure that brand valuation is carried out correctly, so that it can be used as management and measurement information. This article demonstrates how it is now possible to quantify the brand's role in the decision-making process, to measure its strength in acquiring and keeping customers, and to understand which parts of the brand experience will provide the best return on investment.

Market Leader, Quarter 2, March 2009, pp51-54

Children and Youth

Brand new youth network

Avanti Screenmedia and SubTV, owners of ad screens in student unions, bars and clubs, have joined forces to form the Digital Youth network to target 18 to 24 year-olds. Agencies and clients will have access to 1,400 screens for their campaigns across 280 venues. The network claims to reach over three million young people every week and brands will be able to target the 'hard-to-reach' youth audience.

Media Week, 24 March 2009, p6

Cinema

Cinema up, other media down

The Nielsen Company reports that in January all media channels saw double-digit drops in ad spend, except for regional newspapers, which fell by just 2%. In contrast cinema, ad spend was up by 2.5% to £9.3m. Motor ad spend fell across every media channel, with the exception of cinema, where it increased by 32%. This is attributed to investment in sponsorship from advertisers and product support from brands. Cinema also benefits from its ability to reach 16 to 34-year-olds.

Media Week, 24 March 2009, p8

Conferences and Events

Events still valuable

Events services companies are feeling the pinch as companies scale back on conferences and such like. But even with lower budgets and tighter margins events companies still have to deliver. The value of a good event to a brand means that events are not expendable. Ultimately people have to turn up and it is 'bums on seats' that allow the building of a successful brand awareness campaign.

The Drum, 27 March 2009, pp43-45

Consumer Behaviour

In-store stimuli

Research has shown that in-store marketing activities influence some shoppers, particularly those that are more well-to-do, while others are not so influenced by marketing, such as empty nesters or the ones who want a fast shopping trip. Traditionally marketers have tended to introduce a particular 'stimulus' for shoppers, and then measure the resulting sales uplift. So do the marketing metrics measure the 'effectiveness' of a stimulus or simply an 'echo' of people's propensities to choose stimuli? This article discusses the issues.

Marketing Week, 26 March 2009, pp26-27

Eggs crack on

Mintel has updated its market sector forecasts in response to the recession, taking into account the change in consumers' expectations, attitudes and beliefs over the past six months. Quite surprisingly, of the 400 sectors being monitored, 37% are still forecast to grow. The only food sector to see double digit growth in value will be the egg market, at 15%, while chocolate will rise by 7% during 2009. Online fashion sites will see 23% growth in value, but with affordability taking precedence over lifestyle. Sectors which will see a drop in revenues are digital cameras, TVs, mortgages and beauty salons.

Mintel Press Release, 24 March 2009

Customer Relations

Websites are favourite with consumers

Research has shown that websites are consumers' favourite method of communication with businesses and brands. It is therefore vital to create an 'interactive, engaging online experience' to maintain consumer interest and create loyalty. It is also possible to deliver personalised content to customers: businesses can provide recommendations based on what consumers are searching for and what they have bought previously. Consequently consumers are provided with targeted, personalised content that may encourage them to return to the site.

Customer-strategy.co.uk, 30 March 2009

Digital

Sheep LED viral campaign

Samsung Electronics's latest campaign is visually stunning. It features Welsh shepherds

and sheepdogs herding 300 sheep, covered in 43,000 LED lights, around a field. The viral ad promotes Samsung's new range of flat screen TVs, which have LED technology. The ad, created by The Viral Factory, has already been viewed more than two million times on *YouTube*.

New Media Age, 26 March 2009, p12

Direct Marketing

Where direct is indirect

Management guru Don Tapscott warns that direct marketing may lose its younger audiences who will switch off because "you have not considered the interests of the person". Many consumers consider direct marketers to be "spammers", but another way of building relationships is through influencing networks. This is particularly relevant to younger consumers who are connected through the likes of *Facebook* and *Myspace*. His conclusion is that "Direct marketing is becoming indirect."

Dmweekly.mad.co.uk 30 March 2009

Transpromo may be the answer

Mark Jackson says that cold mass mailing marketing campaigns are a 'thing of the past'. Direct mail declined by 6% last year and with the recession this trend can only continue. He advocates transpromo marketing as a solution. This involves mass mailing but at a fraction of the cost. Transpromo is an American term that refers to transactional direct mail between a brand and its customer base, as exhibited in bank statements and utility bills, etc. Marketers identify a suitable brand partner and can 'piggy-back' these transpromo mailings and offer exclusive deals to the brand partner's existing customers. This is an under-utilised method and therefore stands out more when used.

Dmweekly.mad.co.uk 30 March 2009

Internet

Multimap competes with Google

Multimap is to launch an online ad campaign in order to help it compete with Google's *Street View*. Agency iCrossing has been recruited to target mums, students, people doing outdoor activities and business users. Visits to *Google Maps UK* has increased by 41% after the recent launch of *Google Street View*, according to HitWise. The street views give 360 degree views of 25 cities throughout the UK but have prompted huge numbers of complaints, forcing Google to withdraw many images.

New Media Age, 26 March 2009, p3, 12

Media Week, 24 March 2009, p11

Media strategy

This article looks at the implications for media organisations, given the unlimited content, and technology and speed of change supplied by the internet. It suggests five core strategies that traditional media needs to adopt in order to survive. It suggests that media planning and buying firms are likely to adopt the integrated approach, rather than single-medium solutions.

Market Leader, Quarter 2, March 2009, pp72-75

Law

Pirate links to Facebook

The Pirate Bay site, which hosts links allowing downloading of 'copyright-infringing' music, games, software and movies, has launched a feature that allows users to post links to pirated material on their *Facebook* page. The site has introduced a link marked 'Share on *Facebook*', enabling the user to easily put the link on the their *Facebook* page. Unfortunately this may pass liability for copyright infringement on to *Facebook* and it remains to be seen whether the site intends to block the links.

Out-law.com, 30 March 2009

Magazines

Always a lady

The Lady, the women's weekly famous for its genteel approach and classified ads for domestic staff, has recorded the lowest average net circulation in the women's weeklies sector. The magazine is to be relaunched this week with a new editorial team, including *Cosmopolitan* Senior Editor Sarah Kennedy as editor at large. The title is in full colour for the first time in its history and it has been revamped to have more of a 'country life-style appeal'. *The Lady* is still run and owned by the family of Gibson Bowles, who founded it 124 years ago.

Marketing Week, 26 March 2009, p9

Eating in hits the spot

It seems that H. Bauer's new cookery magazine, *Eat In*, launched yesterday, was well timed and in keeping with current trends. In the UK, 10.5% of adults have indicated that food and drink are among their favourite content for articles, according to the IPA TouchPoints2 Survey.

Media Week, 24 March 2009, p10,20

CBeebies goes Waybullo

This summer The BBC is to issue a new children's publication called *Waybuloo Magazine* to

complement the launch of the CBeebies TV series of that name. The magazine will target three to five year-olds.

Media Week, 24 March 2009, p11

Time will tell

Ann Moore, chief executive of Time Inc, America's largest publisher, is having to make tough decisions. Time has generally made its articles free online, but now needs a new business model. In March the company launched *Mine*, a service allowing readers to choose from eight titles to be delivered in print or online as a 'free personalised magazine'. If this takes off Time may start charging for the service. Ms Moore still believes that holding a glossy magazine is better than reading online, and it could just be that magazines are better placed than newspapers to weather the recession....

The Economist, 28 March 2009, p80

Market Research

Laughter more persuasive?

Persuasion researchers have come up with what they consider to be a good idea. In one study they asked business people to negotiate on a complex contract via email. Half the group were paired up and asked to get on with the negotiations. The other half were given a funny cartoon and were told to send it out prior to entering into business discussions. The group that sent the cartoon generated higher levels of trust and 15% larger profits. This building of trust applies to other types of communications, and in this climate every little helps.

Business Life, April 2009, p16

Facing up to research

Facebook is offering its customer base as a market research tool. Chief Executive Mark Zuckerberg showed his audience at the World Economic Forum in Davos how the site could be used to poll users depending on the type of information posted on their pages. *Facebook*, rather controversially, already enables advertisers to select which types of customer will see their display ads when they log on. See also the use of 'webnography' under 'Buzz Phrases'.

Incentive & Motivation, March-April 2009, p7

Marketing

Mobile marketing popular

A survey by Orange amongst 2,000 mobile media users from the five UK mobile phone networks has found that 70% of consumers are

attracted by interactive mobile marketing, such as sponsorship or picture messaging. Click-through ads are the most popular, as indicated by 47% of respondents, while 43% prefer to click on voucher codes and 34% like to enter competitions.

Media Week, 24 March 2009, p6

Coors takes clear aim at women

Coors has developed the first clear lager for the UK market, and it will be targeted at women. The lager will be flavoured with green tea and dragon fruit and tastes similar to an alcopop. Coors has just launched its BitterSweet Partnership business unit which aims to increase the number of female beer drinkers in the UK. Forty-two respondents in its 'Love Beer' research considered that changing the advertising would make beer more appealing to women. The colour and head of normal beer also puts women off. What a load of woosies!

Marketing, 25 March 2009, p3

Newspapers

Will online news pay?

...In the wake of falling ad revenues publishers, such as Independent News & Media, News International and Bauer are looking at payment models for their online publications. *FT.com* already charges for its premium content and it is likely that others will follow with paid-for sections, as it is difficult to make money from the ad-only model. A combination of free content and niche paid-for may be the answer, but consumers don't like 'paywalls'.

New Media Age, 26 March 2009, pp1-2

A non-standard price

The Evening Standard has entered into an agreement with Transport for London, to run a promotion, whereby Oyster card users can buy half-price copies of the newspaper at its vendor points, for just 25p. This is in addition to its plans to hand out free copies in the early evening at certain locations, in a bid to compete with the free papers.

Media Week, 24 March 2009, p6

Public Relations

The powerful in PR

PR Week's Power Book elicits the opinions of senior journalists and industrial associations regarding the most influential PR professionals in the UK. The 2009 edition has just been published, showing Matthew Freud, of Freud Communications, heading the ranking. He owes his fame in the last year to his association with

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Rupert Murdoch and his big corporate and public sector accounts. He is followed by Roland Rudd of Finsbury, with his coverage of the Northern Rock story and the Lloyds/HBOS takeover. Andy Coulson, at number five, is director of communications for the Conservatives, and widely tipped to be the 'next PM's right hand man'.

PR Week, 27 March 2009, p2

Radio

Radio download

BBC Head of Audio and Music Tim Davie, is considering creating an on-demand 'catch-up service' for UK radio listeners, whereby radio programmes will be available for download from a single website. The service will be open to all broadcasters.

Marketing, 25 March 2009, p6

Sun Radio arises online

On 20th April *The Sun* is to roll out an online-only radio station, *Sun Talk*. The first show is to be hosted by *Sun* columnist Jon Gaunt and will feature Tory Leader David Cameron, as the newspaper tries to align itself with a more upmarket audience. This is part of News International's £1m investment in new TV and radio stations.

Marketing, 25 March 2009, p6

Campaign, 27 March 2009, p5

Social Media

Is Twitter viable?

Twitter is everywhere, yet it only has an active base of 1.2 million users worldwide. So are the likes of Twitter a threat to traditional marketing, asks Andrew Harrison? Does the "online social networking emperor" have no clothes? No-one is yet clear what the viable and sustainable business model is for online social networks. Around 60% of all online revenues in 2008 were search and Google has about 85% of the market for all search spend. It also has half of total online revenues. So the other online businesses are in competition for the rest. The online model may be changing but beware the next dotcom bust. Advertisers will realise how small the audiences on social networks are and act accordingly.

Marketing Week, 26 March 2009, p16

FrankMusic touring with MySpace

BlackBerry, together with musician FrankMusik, is launching a promotion on *MySpace*, whereby users are asked to help him travel from Scotland to London in ten days, with just £20

and the *MySpace* application on his BlackBerry. Channel 4 will broadcast the footage.
New Media Age, 26 March 2009, p3

Small companies use Twitter

Research by ntl:Telewest Business says that only nineteen of the UK's top technology companies are using *Twitter*. It claims that in the US all the top tech companies use *Twitter* for marketing or recruitment purposes. In contrast a recent O2 study found that more than 700,000 smaller businesses are using *Twitter* to send three million messages a day. Sixteen percent claim to have saved more than £5,000 on marketing and recruitment expenses. Three-quarters of corporate users use the site to promote their businesses.

The Financial Times, 25 March 2009, p4

Gumtree getting sticky

Gumtree, the classified ads site, wants to form some partnerships with online media companies and publishers to increase its audience reach. Gumtree currently claims to have seven million users, but wants to focus on property and recruitment. It has just launched a multi-media campaign to promote its quarterly Rental Index, which includes a campaign site, celebrity vodcasts and downloadable content.

New Media Age, 26 March 2009, p13

Sponsorship

Good Sponsorship

This editorial examines what makes good sponsorship. The core principal of sponsorship is that it is a partnership delivering mutual benefit to both parties. It will also affect participants, spectators and anyone else involved with the event. Sponsors should consider the following: set clear objectives, have realistic budgets, operate through a coordinated campaign, measure and evaluate against pre-set objectives, achieve good return on investment and conduct regular reviews.

Journal of Sponsorship, February 2009, pp105-107

Experiential marketing & sponsorship

Marketers need to focus on the long-term health of their brand as well as short-term gains. One of the keys to success will be the reciprocal relationship they build with the

consumer. Experiential and sponsorship activities are a means to connect with consumers in a direct way and can find communities of 'like-minded' advocates to help build brand equity. This article gives various examples of successful sponsorship strategies. ING has reportedly seen its brand perception rise by 700% since it began sponsoring the F1 Team two years ago.

Journal of Sponsorship, February 2009, pp164-169

Mercury rises for Barclaycard

Barclaycard, is to become the main sponsor of music award The Mercury Prize and has signed a four-year partnership with it. Barclaycard is introducing several initiatives, including the Barclaycard Mercury Prize Sessions; these are monthly live music events to be held at The Hospital Club in Covent Garden.

Brandrepublic.com, 30 March 2009

Television

There's no business like it

News is the new 'showbusiness' on TV, as ratings rise for economic commentators, such as the BBC's Robert Peston. Mainstream TV channels are allocating large amounts of time to the business newsdesk and audiences for BBC's Ten O'Clock News have increased by ten million. Commercial channels also have a motive for increasing their business coverage. Advertising may be falling in sectors like motoring or travel, but it is rising on business channels. Business channels offer advertisers an audience with a fairly high disposable income and more of an international appeal.

Business Life, April 2009, pp14-15

UKTV rebrands

On 30th April *UKTV Style* is to rebrand as *Home* and on 19th May *UKTV Gardens*, will rebrand as *Really*. A new name and positioning for the third lifestyle brand, *UKTV Food*, is still to be announced. *Home* will target 35 to 54 year-olds and cover home and gardens, while *Really* is aimed at 18 to 35 year-olds and is described as a 'zeitgeisty and noisy female-brand'. Confused? – well this is meant to simplify things!

Media Week, 24 March 2009, p4

On the Move

Name	From	To	New Title	Source
Charles Byrne	British Airports Authority	Macmillan Cancer Support	Head of National Events & Corporate Partnerships	Third Sector
Jo Coomber	Sony Ericsson	Standard Life	Head of Marketing Operations for UK Financial Services	Marketing Week
Ali Crossley	Prudential	Saga Financial Services	Chief Operating Officer	Marketing Week
Matt Davies	Liberal Democrats	The Royal College of Surgeons	Head of Public Affairs	PR Week
George Eustace	Conservative Party	Portland PR	Associate Director	PR Week
Scott Jacobson	Orange	St John's Ambulance	Director of Marketing Communications & Fundraising	Third Sector
Frazer Jolleyman	TBWA\London	David & Goliath	Executive Creative Director, London	Campaign
Wendy Lanchin	The Design Council	The Marketing Store	Executive Director of Marketing, Media and Partnerships	Campaign
Alice Macandrew	Finsbury	News Corporation	Director of Corporate Communications	PR Week
Pete Petrella	Proximity London	Twentysix London	Creative Director	New Media Age
John Sanders	Mccann Erickson Brand Response	Big Communications	Chief Executive	The Drum
Carl Walsh	OMD	Truly London	Media Director	Campaign

Promotions

Name	Company	Previous Title	New Title	Source
Stuart Anderson	Microsoft	UK Marketing Manager	Marketing Communications Manager, Mapping and Local, EMEA	Campaign
Tracy Britton	HSBC	Head of Marketing, US Operation	Head of Marketing, HSBC Group	Marketing
Mike Fischer	Microsoft	Manager, Xbox Marketing	Chief Marketing Officer, Consumer & Online UK Division	Marketing Week
Geraldine Huse	Procter & Gamble	Western European Director for Market Strategy	General Manager of Customer Business Development for UK & Ireland	The Grocer
David Jowett	MediaCom	Commercial Director	Managing Director	Campaign

Sources

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