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October 2017



Dear Professor,

We are delighted to inform you that the 5<sup>th</sup> edition is now in print. The new edition provides the power of the new **SmartBook** adaptive reading experience, which allows you to engage your students so that they are better prepared when they come to class. With the introduction of the 5<sup>th</sup> edition there will be **new Video Cases** and new **iSeeIt! Videos** coming in connect. At the end of this newsletter, we have included a preview of the new material in 5e. If you haven't yet seen the 5e, request a sample from your McGraw-Hill rep or [request it online here!](#)

We are thrilled to provide the Grewal/Levy newsletter to empower you to provide current, cutting-edge examples of marketing in the classroom.

The newsletter includes abstracts of current articles, notes on the applicable chapters in the textbook, and discussion questions, together with their answers. The newsletter also features current videos. We hope you will find the visual and comprehensive topic coverage useful. The newsletter is also accessible at [grewallewymarketing.com](http://grewallewymarketing.com). We encourage you to tell us how you use the newsletter. Please send your feedback to [mlevy@babson.edu](mailto:mlevy@babson.edu).

Sincerely,



Dhruv Grewal and Michael Levy

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*This newsletter summarizes article abstracts for the following topics:*

- Videos
- The Ethylene Market Gives a Clear Example of Supply and Demand in the Aftermath of Hurricane Harvey (Chapters 15 & 16)
- **Amazon's Price Drop at Whole Foods** (Chapters 2 & 15)
- **Building Brand Awareness by Saying "Bai" to Some Brand Elements** (Chapter 11)
- **Target's Extensive Private Label Plans** (Chapters 11& 17)
- Marketing Charity (Chapters 2 & 4)
- Consumers Insist on Healthy Foods—Until You Mess with Their Trix (Chapters 5 & 6)
- The Acquisition of a Meal-Kit Service by Albertsons (Chapters 1, 16, & 17)
- A Big Meal and Some Big Data: The Expanding Uses of Data Mining and Analytics in the Restaurant Industry (Chapters 10 & 13)
- How Geico Reinvented Advertising for the Insurance Industry (Chapter 18)
- Six-Second Timeouts? A Novel Approach, for Advertising During Sporting Events (Chapter 18)
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## Videos

### **Increasing Human Presence in Holographic Applications”**

- “What our eyes see, our mind believes.” How can holograms be developed that ensure a sense of human presence, such that users and consumers believe they are real?
- 3:04 minutes
- <http://www.emergingexperiences.com/blog-entries/2016/10/14/increasing-human-presence-in-holographic-applications>

### **“How a Mattress Store Became a Home for Harvey Victims”**

- One of the most heartwarming stories coming out of the devastation wreaked by Hurricane Harvey was the immediate, unquestioning support exhibited by one local business. The mattress retailer opened its doors, just as it did in the aftermath of Hurricane Katrina, to offer shelter, beds, and safety to displaced persons.
- 3:21 minutes
- <https://www.nytimes.com/video/us/100000005398367/houston-harvey-mattress-shelter.html?playlistId=100000005401479&region=video-grid&version=video-grid-headline&contentCollection=Harvey+Hits+Texas&contentPlacement=3&module=featured-videos&action=click&pgType=Multimedia&eventName=video-grid-click>



## The Ethylene Market Gives a Clear Example of Supply and Demand in the Aftermath of Hurricane Harvey

Jack Kaskey, "Harvey Has Made the World's Most Important Chemical a Rare Commodity," *Bloomberg Business*, September 1, 2017

Use with Chapter 15, "Strategic Pricing Methods," and Chapter 16, "Supply Chain and Channel Management"



The effects of Hurricane Harvey are unprecedented, and that description applies to markets as well. For example, the devastating storm has knocked out the production of ethylene in Texas, which accounts for approximately 61 percent of worldwide production of this critical chemical. What makes ethylene so important?

To begin, it is a central component of polyethylene, the most common plastic substance. It goes into plastic jugs, bottles, and bags. As an ingredient in vinyl, it supports PVC pipes. Plastic automotive parts, the soles of high-performance sneakers, chewing gum, and synthetic rubber tires all require ethylene. In

addition, in the form of ethylene glycol, it makes antifreeze and de-icing agents work for automobiles and aircraft. When transformed into polyether, it allows manufacturers to make clothing.

Thus, a shortage of ethylene means serious worries for a vast range of manufacturers, as well as the customers who depend on the products they produce. Without de-icing agents for example, airlines cannot fly safely in freezing temperatures.

On the other side of the supply chain, the shut-down of these ethylene producers has meant that their demand for natural gas and butane, some of the raw materials that go in to the process for producing ethylene, has dropped precipitously. Although ethylene occurs naturally, human-imposed processes ensure a sufficient supply for its various uses.

The logistics of this supply chain also have been affected, though the extent of this impact remains unclear. Train tracks in the Houston area, at the time of this writing, remain underwater, and the damage is likely to be substantial. Furthermore, the ethylene producers, most of which have not been able to return to their factories yet, do not know how much of their equipment has been damaged. Thus, there is no clear indication of when production might restart, even after the floods recede.

In monetary terms, the global chemical industry is worth an estimated \$3.5 trillion, and ethylene production accounts for a substantial portion of that value. In 2016, worldwide production reached 146 million tons, and demand already had been on an increasing trend. Without Houston's plants, this supply will be greatly constrained, leading the markets for ethylene and polyethylene to show price jumps already.

### Discussion Questions:

1. What are the likely long-term effects of these pressures on the ethylene supply chain?
2. How are these supply constraints going to affect consumer markets and their prices?

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## A Price Cut or a Competitive Marketing Tactic? Amazon’s Price Drop at Whole Foods Is Both

Nick Wingfield and David Gelles, “Amazon’s Play to Rattle Whole Foods Rivals: Cheaper Kale and Avocado,” *The New York Times*, August 28, 2017

Use with Chapter 2, “Developing Marketing Strategies and a Marketing Plan,” and Chapter 15, “Strategic Pricing Methods”

When Amazon announced that it was purchasing Whole Foods, it also nearly immediately announced a big change: The prices at the high-end grocer popularly known as “Whole Paycheck” would drop as soon as the merger was complete. A bunch of organic kale would cost less on Monday than it did on Sunday, simply because on Monday, Amazon would own the grocery chain.



The reasons for this announcement and strategic move are varied, but most observers believe that the primary driver is Amazon’s determination to outcompete every other retailer in the market. By announcing the price cuts in advance and lowering the costs required for customers to shop at the popular grocer, Amazon is “putting the rest of the market on notice” that they will need to do better if they hope to survive. Almost immediately, the stock prices of competing retailers such as Kroger and Walmart plummeted, as investors predicted their impending struggles.

The shot over the bow also gives Amazon a way to reestablish its dominance. The proposed merger was announced only in June, then completed by the end of August. Such speed is central to Amazon’s competitive advantage; any move it makes, it tries to get there faster than others might. As a result, Whole Foods–branded private labels appeared almost immediately on Amazon’s sites. The company also is considering whether to install Amazon lockers in Whole Foods locations, so that online shoppers can pick up their Amazon orders at the same time they stop by Whole Foods to grab something for dinner.

To integrate the businesses, Amazon also will introduce a Whole Foods–related rewards program for its Prime members. That is, Prime members will enjoy added discounts at Whole Foods, which Amazon hopes will expand the market for organic products to people who might not have been able to afford them previously. Such market expansions are necessary, especially considering that both Amazon and Whole Foods—regardless of their well-known names—still account for relatively small portions of the grocery market.

In response to the merger, Google also announced that it would be entering into a new collaboration with Walmart, giving customers a means to purchase items from Walmart through its Google Express mall function. In the meantime, Walmart itself has invested heavily in its online operations, while also persisting in its famous efficiency efforts to keep its prices as low as possible.

However, other companies that have tried to fend off Amazon in the past, such as Barnes & Noble and Diapers.com, might suggest that these efforts appear doomed to fail. Amazon moves fast, is willing to lose some money in the short term, and already enjoys massive appeal among its loyal customers. If it keeps offering more benefits to those shoppers, is there any stopping it?

### Discussion Questions:

1. How much of an effect will Amazon’s purchase of Whole Foods have on prices at Whole Foods? What about the prices at competing grocery retailers?
2. Is Amazon’s competitive advantage sustainable?

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## Building Brand Awareness by Saying “Bai” to Some Brand Image Elements but Reinforcing Others

Martha C. White, “A Quirky Flavored-Water Brand Tries to Grow Up,” *The New York Times*, August 13, 2017

Use with Chapter 11, “Product, Branding, and Packaging Decisions”



As a brand grows, from a quirky niche player into (it hopes) a national supplier, it needs to shift from telling consumers what it makes and start telling them why—and thus why they should purchase those products. For Bai Brands, the information that it makes flavored water has really started to spread, such that its managers now plan to shift gears to give consumers a better sense of who it is.

The spreading information about what it makes came about largely due to a popular advertising campaign in which Christopher Walken recited lines from “Bye, Bye, Bye” to Justin Timberlake. In addition to appearing in the commercials, Timberlake is an investor in the brand, suggesting its substantial appeal. Immediately after the first airing of the clever, funny commercial during the Super Bowl, a hashtag #baibaibai started trending. Subsequent market research confirmed that brand awareness had grown substantially, indicating the strong success of the campaign.

But an association with the quirky characters played by Walken and Timberlake might not be enough for the brand to encourage consumers to purchase it. Therefore, Bai Brands has adopted a parallel marketing approach to highlight the more serious elements of its brand identity—in particular, how its stevia-sweetened, low calorie, anti-oxidant, flavored water and can help consumers avoid sugar and maintain healthier diets.

Such benefits resonate with a campaign Bai Brands has undertaken, in collaboration with the Tribeca Film Festival, to produce “mini-documentaries” about other people and brands that combine seemingly contradictory elements successfully. In “The Unbelievers” for example, Burnell Colton describes how and why he decided to pour his entire life savings to open a grocery store in the Lower Ninth Ward of New Orleans. None of the national chains that left the area after Hurricane Katrina returned, so without any experience, and driven solely by his recognition that the community needed such retail options, he created an outpost for people to gather, purchase necessary items, and even get a haircut.

Bai Brands’ sponsorship of this and other short documentaries appears in the opening and closing credits, with a simple logo. But on YouTube (and its own dedicated website), it plays the videos alongside information about how its products also do the “impossible,” by delivering a great tasting beverage that is also healthy.

### Discussion Questions:

1. What brand associations does Bai Brands have, and what ones is it trying to build?
2. What tactics have enabled Bai Brands to build brand awareness?

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## Expanding the Product Mix: Target's Extensive Private Label Plans

Adrienne Pasquarelli, "Target Kicks Off Aggressive Marketing of New Brands," *Advertising Age*, September 8, 2017

**Use with Chapter 11, "Product, Branding, and Packaging Decisions" and Chapter 17, "Retailing and Omnichannel Marketing"**

In a strong competitive move, Target has announced plans to introduce 12 new private-label lines in its stores, offering up appealing clothing and housewares that will only be available there. A couple of them already have made their mark, suggesting that the retailer has hit on an effective means to compete in modern markets by ensuring that its products are distinctive enough to draw people in to their local stores.

For example, Cat & Jack is a children's wear private label that already has earned \$2.2 billion in sales, just a year after its introduction. More recently, Target added a private label it calls A New Day, selling a modern aesthetic for women's clothing with pieces featuring versatile patterns and prints. On the horizon are Project 62, which promises to make a mid-century design style available to Target consumers purchasing home goods, and a menswear line called Goodfellow & Co.



The marketing to announce these arrivals is cohesive, in that it highlights that there is "More in Store," rather than specifically targeting any single private-label line. Seeking to ensure that customers realize what they can find under these private labels, Target is promoting them through conventional advertising channels, in-store signage, and special events. The online communications also will provide 360-degree views of the clothing on offer, so that customers can get a sense of the vast range of new product lines before they visit the store.

Part of Target's confidence in its line extension strategy stems from marketing research that shows that young consumers are far less interested in specific, national, name brands. Thus, private-label options appeal to them, as long as the product is good, because they have no need to acquire a national brand—unlike previous generations. In turn, its announcement of the 12 new private labels sparked approximately 900 million media impressions.

In its effort to "completely reinvent the way we are developing brands and marketing those brands," Target thus seeks to respond to changing markets and continue to appeal to various demographics of customers. Then it hopes that they come to regard the red bulls-eye as the targeted place to find just the products they want and need.

### Discussion Questions:

1. What kind of product line extension is Target pursuing, and what are its reasons for doing so?
2. Will more private-label brands help Target boost its sales?

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## Marketing Charity

Janet Morrissey, “To Sell Themselves to Donors, Nonprofits Are Turning to the Pros,” *The New York Times*, September 10, 2017

Use with Chapter 2, “Developing Marketing Strategies and a Marketing Plan,” and Chapter 4, “Marketing Ethics”



Charitable and nonprofit organizations face something of a dilemma. To introduce themselves to potential donors and beneficiaries, they have to spread the word about themselves and their causes, but their charitable image might appear to conflict with the seemingly market-driven need to sell what it is they do. Successful nonprofit marketing requires a specific, dedicated approach that acknowledges both the need and the concern, to derive campaigns that appeal to audiences without making the organization seem craven.

The need for such marketing and advertising stems from the growing competition for potential donors' attention. Solicitations for contributions come at consumers from all sides, especially in social media and through crowdfunding sites, making it difficult for even long-

established, well-known nonprofits to maintain the flow of funding that they previously could count on, simply by conducting a fundraiser or calling on loyal donors.

Such outdated tactics are insufficient today though, as are the “vague, inflated, and indistinguishable” mission statements that many of them issue. By resting on their proverbial laurels, these nonprofits may still enjoy name recognition, but people have lost track of what they do. For example, market research showed Easterseals that most audiences knew its name but not what charitable cause it supported. The Lupus Foundation of America similarly learned that its marketing—brochures showing happy, healthy-looking people—was confusing potential supporters by failing to make clear just how awful and debilitating the disease is.

Accordingly, many charities and nonprofit organizations are turning to marketing professionals for help designing campaigns that will enable them to continue their meaningful, critical work. The professionals specialize in nonprofit marketing, which must tell an effective story if it is to resonate. The unique goal of nonprofit organizations is to elicit emotional reactions from donors that induce them to provide funding or other forms of support and thus aid the targeted cause, often for nothing other than a warm feeling or perhaps a t-shirt in return.

In its effort to undertake such storytelling, the Colon Cancer Alliance had to shift away from its technical, informative approach, which listed statistics and research findings, and toward a more emotional appeal. After hiring marketing experts, the Alliance devised a new marketing strategy that clearly highlighted three key goals that contributions could help it achieve. In addition, it placed advertising on the Discovery Channel during “Shark Week” that compared the number of people attacked by shark each year (16) with the vastly higher number of people diagnosed with colon cancer (130,000).

Some nonprofit groups protest that, with their tight budgets and imperative to devote nearly all their resources to their underlying cause, they cannot afford to hire professional marketers. But the competitive landscape for donors' dollars suggests that, ultimately, they cannot afford not to hire them.

### Discussion Questions:

1. How do marketers help nonprofit organizations communicate their message?
2. How can nonprofit organizations ensure that their mission statements are effective?

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## Consumers Insist on Healthy Foods—Until You Mess with the Color of Their Trix

Annie Gasparro, “Silly Rabbit! Original Trix with Artificial Colors Is Back After Customers Revolt,” *The Wall Street Journal*, September 21, 2017

Use with Chapter 5, “Analyzing the Marketing Environment,” and Chapter 6, “Consumer Behavior”

What trend watchers and market researchers tell us, over and over, is that consumers are seeking healthier food options. But when General Mills tried to change the formula for its Trix cereal, using natural and vegetable options rather than artificial dyes to create the coloring of the sugar-laden product, people rejected the switch wholeheartedly. And so, Classic Trix will return to store shelves, with the bright colors and strong fruit flavors that generations of children have come to love.



For General Mills, the switch back seemed mandatory. On social media and the company website, consumers complained so bitterly that it knew it would lose them if it only offered the “depressing” naturally colored version. Using turmeric, beets, and purple carrots as ingredients to manufacture its cereal, General Mills came up with a colored but drab version, vastly unlike the vibrant version achieved through artificial dyes. The clearly visible difference prompted people to mourn the loss of a childhood favorite, worry that their own children would never have the fun of eating Trix, and accuse General Mills of selling “basically a salad” instead of a cereal.

But the switch back to artificial ingredients also creates a dilemma for the company, which vowed several years ago to eliminate all artificial flavors and colors from its cereal products. By switching back to keep customers happy, General Mills also is going back on a commitment it publicized widely, which may annoy an entirely different set of consumers.

Although this latter group of consumers who prefer natural ingredients is influential, and sales of products that bar artificial dyes and flavorings are growing faster than those of other segments, food manufacturers clearly cannot ignore the substantial population of folks who love food produced with artificial means—always have, always will. Processed foods continue to sell well to consumers who see no need to consider an organic kale chip when Pringles already taste great, or who enjoy Apple Jacks cereal over organic alternatives because the preservatives it contains helps the food stay crisper in milk for longer.

Some companies have had better luck; Kraft changed the recipe for its famous macaroni and cheese to eliminate an artificial yellow dye. It did so without announcing the change, and it ensured that it could replicate the signature neon color of the meal even without the dye. Then, when it made the change public, consumers already knew that they had tried the new recipe and, in most cases, never noticed a difference.

But for most makers of processed foods, especially those that resonate strongly with consumers’ sense of nostalgia and childhood memories, changing things represents a grave risk. At the same time, ignoring the demands for healthier production methods could be risky too. It turns out, as a spokesperson for General Mills noted in what may perhaps be the understatement of the century, consumers “don’t all want the same thing.”

### Discussion Question:

1. Why did customers reject all-natural Trix, considering the current health-conscious marketing environment?

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## Putting Plated on the Shelf: The Acquisition of a Meal-Kit Service by Albertsons

Heather Haddon, "Albertsons to Buy Meal-Kit Company Plated," *The Wall Street Journal*, September 20, 2017

Use with Chapter 1, "Overview of Marketing," Chapter 16, "Supply Chain and Channel Management," and Chapter 17, "Retailing and Omnichannel Marketing"



Meal kits have become a prominent consumption channel, offering consumers the convenience of prepackaged portions and recipes, often delivered to their homes, such that they can enjoy a home-cooked meal that is nearly guaranteed to turn out well. But their popularity also has led to what some observers believe is an oversaturated market, with more than 100 companies competing to get hungry shoppers to sign a contract for weekly service.

For Plated, currently the fourth largest meal-kit delivery provider, the threat

created by such tough competition prompted some thinking about how to ensure it could survive. When the grocery store chain Albertsons came calling, it agreed to a subsidiary partnership, in the hope that the new channel for its products will truly set it apart. Specifically, Albertsons will stock Plated meals in stores, where shoppers can grab them and go or pick up previously ordered meal kits, even while they may continue to have them delivered from the service.

The pricing for meal kits puts them somewhere in between the average costs for cooking at home and eating out. For example, at Albertsons, the kits will be priced around \$10–\$12 per serving. Market research shows that the average meal out costs \$17, whereas traditional home cooking runs around \$4 per person. By leveraging Albertsons' existing facilities and purchasing scope, the Plated meal kits should gain a cost advantage over other kits. That is, Albertsons already is buying and manufacturing huge quantities of food products, so it can establish economies of scale for the products contained in the Plated kits too.

In turn, the grocer hopes that its acquisition of Plated will create a new flow of consumers. If people already subscribe to the service, they might be more likely to visit an Albertsons store, where they know they can find the quality and style of meals that they current enjoy through the mail.

Some other grocery retailers offer meal kits in stores too. And as noted, there are plenty of other meal-kit subscription services. But the Albertsons–Plated collaboration is unique, in that it leverages both channels. Consumers can subscribe, or they can grab a kit at the last minute. As the only ones combining these offers, the partners believe they have a strategy for success in this competitive arena.

### Discussion Questions:

1. Will other supermarkets begin offering meal-kit services?
2. Do you think the meal-kit service will help bring customers into stores?
3. How will being owned by a supermarket improve Plated's supply chain management?

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# A Big Meal and Some Big Data: The Expanding Uses of Data Mining and Analytics in the Restaurant Industry

Karen Stabiner, "To Survive in Tough Times, Restaurants Turn to Data-Mining," *The Wall Street Journal*, August 25, 2017

Use with Chapter 10, "Marketing Research," and Chapter 13, "Services: The Intangible Product"

Big data are coming to a restaurant near you, offering the promise of more personalized services for consumers, higher profits for restaurants, and a more seamless process overall. But these developments also create potential risks on each side, requiring some consideration before firms adopt them wholeheartedly or without careful assessments.

The data analytics systems being developed for the restaurant industry collect the vast information that diners provide with every meal, including the types of food they prefer, with whom they socialize, the time of day they like to eat, how often they eat out rather than at home, and so on. Then they aim to make recommendations for the restaurants to improve their service, such as by ensuring a particular menu item is in stock on the day and time that they can expect consumers to order it. By also integrating information from consumers' social media pages, high-end restaurant managers and hosts can ensure that they recognize diners on sight, and welcome them personally, even if they are not regular customers.



For consumers, such operations offer clear benefits. Being known by restaurant staffers gives consumers a sense of status and feeling of uniqueness. Furthermore, a vegetarian diner would not have to listen to a long list of meat-oriented specials, for example, but instead might receive information about alternative menu options that the chef could create. If the restaurant also uses these data to enhance its operations, consumers likely would enjoy shorter wait times and less chance of popular menu items selling out before they can place their order. For the restaurants, the benefits stem from their ability to provide such services to customers. The results should include reduced operational costs, more streamlined service provision, and increased sales.

But the concerns persist even among these benefits. For consumers, these systems entail gathering substantial amounts of data, with few means to opt-out of providing that information. If someone makes a reservation and pays with a credit card, the company has a lot of information already, and they can do little to stop a restaurant manager from searching for their name online. Thus privacy concerns are paramount. For restaurants, in addition to being expensive, the systems could lead to an overreliance on data, undermining the personal touch that often leads to service success. Ultimately, personalized service requires a personal touch. Yet that touch might become far more effective if it is underlain by advanced data analytics.

## Discussion Questions:

1. How are restaurants using data to improve their customer service?
2. Would you agree to allow restaurants to collect your personal data?

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## Laughing at Potential Tragedy: How Geico Reinvented Advertising for the Insurance Industry

Joanne Kaufman, "It Began with a Gecko. Mayhem (and Flo and Peyton) Followed," *The New York Times*, September 17, 2017

### Use with Chapter 18, "Integrated Marketing Communications"



Before the introduction of the Geico gecko—the animated lizard introduced to signal to consumers how to pronounce the company’s name—most advertising for insurance companies was somber, responsible, and a little boring, rather like the products they sold. But the little green gecko also introduced the idea that serious products do not necessarily demand serious marketing, and nothing has been the same since.

Most insurance companies today rely on humor in their marketing communications, whether that involves a humanized version

of “Mayhem” describing the things that can go wrong or Peyton Manning singing the Nationwide jingle in a variety of cute contexts. This trend reflects the massive success that Geico achieved through its marketing strategy; the company went from a tiny player in the U.S. insurance market, with less than 2 percent market share, to the second-largest car insurer in just a few years.

The use of humor likely has been so successful because it achieves two key objectives. First, it makes the cumbersome, somewhat grim, and not especially fun process of searching for and purchasing insurance a little less unpleasant. By letting people laugh about their need to protect themselves from the risks of terrible things happening, the insurance companies create a compelling emotional appeal.

Second, humor resonates well with younger consumers, who may tend to be more sophisticated or cynical than previous generations. Thus, traditional advertising that highlighted heartwarming stories of parents with insurance taking good care of their children (or sad narratives of what happens when they don’t) no longer compels buyers to initiate a new insurance policy.

But ultimately, that is the goal of all of these communications, whether they are heartwarming or humorous: to get people to buy insurance. Thus, every Geico advertisement ends with the same tagline that encourages consumers to spend 15 minutes to save 15 percent, regardless of the absurdity that might have preceded that call to action.

### Discussion Questions:

1. How did Geico change the way insurance companies advertise?
2. How do humorous advertisements help insurance companies sell to younger people?

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## Six-Second Timeouts? A Novel Approach, and Timeline, for Advertising During Sporting Events

Sapna Maheshwari, “Six-Second Commercials Are Coming to N.F.L. Games on Fox,” *The New York Times*, August 30, 2017. See also Matthew Futterman and Andrew Beaton, “The NFL Wants You Back. Here Is Its Plan,” *The Wall Street Journal*, September 6, 2017

### Use with Chapter 18, “Integrated Marketing Communications”

Long secure in its status as the most popular sports league in the United States, and in its ability to bring in massive revenues, the National Football League (NFL) has recently found itself in the unfamiliar and uncomfortable position of losing viewers, fans, and income. After just a one-season dip in viewership and attendance at games, the NFL has moved quickly to address at least some of the causes.



In particular, it is reinventing the media strategy surrounding broadcasts of its games. On Fox-owned networks, the commercial breaks will now feature 6-second spots, alongside advertising of the more

conventional 15- and 30-second lengths. In their introduction, the mini-advertisements will appear in prime locations, such as right before kickoff. Fox also might air some spots in boxes alongside the content, especially during short game breaks.

In so doing, it believes it can better keep viewers glued to their sets. The brief version of advertising aired during game breaks for things like replays or short timeouts could actually add entertainment value and prevent fans from getting annoyed with the game taking too long. When they appear in ad blocks, these mini-communications also might help shorten the overall broadcast length—a key goal for the NFL, whose market research shows that fans think the games take too long overall.

The limited patience for lengthy broadcasts parallels another trend, by which consumers are increasingly accustomed to and appreciative shorter, get-to-the-point advertising. Social media platforms already feature short-form advertising widely, such that modern consumers know that it is possible to get marketing communication across in just a few seconds. Thus, the introduction of 6-second advertisements to television is unlikely to provoke much consternation among viewers.

If the experiments prove successful, Fox anticipates rolling the 6-second advertising option out to other programming too. It tried the marketing tactic out first during its broadcast of the Teen Choice Awards, when an announcer told viewers, before some of the commercial blocks began, that they could anticipate the show returning in 30 seconds. Then the network issued a collection of 6-second ads to fill that block. The results of this experiment suggested that viewers stayed watching when given this information, and they also expressed positive attitudes toward the network for keeping the break so short.

For the NFL and the networks that broadcast its games, such outcomes appear promising—as well as far easier to resolve than some of the other controversies and challenges facing the league.

### Discussion Questions:

1. Will consumers perceive 6-second advertisements on television more positively?
2. Can these shorter advertisements help the NFL improve its viewer ratings?

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## A Continuing Content Problem: How Facebook Is Dealing with the Issues Surrounding Automated Advertising

Sapna Maheshwari, "Facebook Moves to Keep Ads from Running on Objectionable Videos," *The New York Times*, September 13, 2017

Use with Chapter 3, "Social and Mobile Marketing," and Chapter 4, "Marketing Ethics"



We previously reported on Google's struggles to reassure advertisers on its site that their carefully crafted brand image and message would not appear next to unpleasant, salacious, or rude content. But of course, Google is not the only well-known name grappling with these issues, and Facebook thus has emerged with its own response to the problem.

The new set of rules that Facebook issued, regarding which kinds of content it will ban from advertising, are very similar to Google's guidelines. If the content being advertised is violent, gory, filled with drug

use or foul language, or depicting real-life tragedies for example, the advertisement may no longer appear on Facebook. These rules apply immediately to videos on the social media site; it plans to extend them to articles as well.

To enforce these rules, Facebook plans to hire thousands of new workers who will manually comb through content to find objectionable material. They are supported by technology that promises to do the same thing but that struggles with questions of context.

Facebook's announcement also comes in the midst of widespread allegations and evidence that foreign sources used fake accounts to purchase and air misleading, inaccurate advertising during the 2016 U.S. Presidential campaign. The scandal continues to unfold, but the company's potential participation (even if unbeknownst to it) in questionable political activity and international intrigue likely prompted it to act more quickly in issuing the new rules.

At the same time, Facebook is working to improve its ability to show legitimate advertisers where their marketing communications will appear. With a preview function, advertisers can get a sense of where their advertisements are likely to appear, then block or reject any types of sites that they might find objectionable, before the campaign actually runs.

### Discussion Questions:

1. Is it Facebook's responsibility to prevent advertisements for objectionable or questionable content?
2. How should objectionable or questionable content be defined?

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Expanding the Product Mix: <b>Target’s Extensive</b> Private Label Plans											X						X			
Marketing Charity		X		X																
Consumers Insist on Healthy Foods—Until You Mess with the Color of Their Trix					X	X														
Putting Plated on the Shelf: The Acquisition of a Meal-Kit Service by Albertsons	X															X	X			
A Big Meal and Some Big Data: The Expanding Uses of Data Mining and Analytics in the Restaurant Industry										X			X							
Laughing at Potential Tragedy: How Geico Reinvented Advertising for the Insurance Industry																		X		
Six-Second Timeouts? A Novel Approach, and Timeline, for Advertising During Sporting Events																			X	
A Continuing Content Problem: How Facebook Is Dealing with the Issues Surrounding Automated Advertising			X	X																
<b>Videos</b>																				
<b>“Selling (or Not) the American Health Care Act”</b>																				
<b>“This 85-Year-Old Cosmetics Saleswoman Still Finds Working Beautiful”</b>																				

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