A13

Myriam Caratù
Giancarlo Scozzese

Brand Entertainment

A comparative study between England and Italy

Aracne editrice

www.aracneeditrice.it
info@aracneeditrice.it

Copyright © MMXX
Gioacchino Onorati editore S.r.l. – unipersonale

www.gioacchinoonoratieditore.it
info@gioacchinoonoratieditore.it

via Vittorio Veneto, 20
00020 Canterano (RM)
(06) 45551463

ISBN 978-88-255-3262-3

No part of this book may be reproduced
by print, photoprint, microfilm, microfiche, or any other means,
without publisher's authorization.

Ist edition: July 2020

If you don't create change, change will create you.

Jason McDonell, VP / general manager for customer strategy, Frito–Lay

If you want to truly understand something, try to change it.

John F. Kennedy, US President.

Contents

9 *Preface*

13 *Introduction*

21 Chapter I
Advertainment. From Product Placement to Brand Engagement

1.1. Historical Perspective, 21 – 1.1.1. *Product Placement and Product Integration*, 22 – 1.1.2. *Brand Integration and Branded Entertainment*, 23 – 1.1.3. *Varieties of Branded Content*, 26 – 1.2. Branded Content and Branding, 29 – 1.2.1. *Brand Storytelling*, 29 – 1.2.2. *Paid, Owned and Earned Media*, 30 – 1.2.3. *Cross–platform opportunities*, 32 – 1.3. Overview of the industry, 33 – 1.3.1. *A focus on Italy and UK*, 38.

43 Chapter II
The Key Players. Adapting to the change

2.1. Media, 43 – 2.1.1. *Broadcasters and digital platforms*, 45 – 2.1.2. *Creative agencies and production companies*, 46 – 2.1.3. *Media Centres and PR Agencies*, 48 – 2.2. Brands, 49 – 2.2.1. *Firms as media companies*, 49 – 2.2.2. *Financing Models of Branded Content*, 51 – 2.3. Consumers, 52 – 2.3.1. *A "soft–sell" strategy: influences on the brand awareness*, 52 – 2.3.2. *The mechanism of the audience perception*, 53 – 2.3.3. *Hierarchy of effects and Consumer behaviour*, 54.

57 Chapter III
Advertainment Marketing Process and its Strategic Implications

3.1. The branded content marketing process, 57 – 3.1.1. *Strategic objectives' program*, 62 – 3.1.2. *Marketing approaches*, 64 – 3.2. Assessing the effectiveness, 66 – 3.2.1. *BEAM Scoring System by Ogilvy & Mather*, 67 – 3.2.2. *KPIs and ROMI: the case study "Precious Media"*, 71.

79 Chapter IV
Case Studies and Qualitative Research

4.1. Research Philosophy, 79 – 4.1.1. *Methodology and Methods*, 82 – 4.1.2. *Interviews' design*, 83 – 4.1.3. *Sampling*, 86 – 4.1.4. *Ethical Considerations*, 89 – 4.2. Qualitative Research and Case studies, 89 – 4.2.1. *Branded Content in UK and in Italy*, 90 – 4.2.2. *The case–study FOX*, 97.

109 Chapter V
Discussion and Quantitative Research

5.1. Data Analysis , 109 – 5.1.1. *Hypotheses Testing*, 124 – 5.2. Findings, 130 – 5.2.1. *Theoretical Framework*, 131.

133 *Final Considerations*

145 *Appendix*

155 *Bibliography*

Preface

by Annarita Sorrentino[*]

The new consumption paradigms are increasingly characterized by consumer "crushes", passivity resulting from confusion in the face of too many choices and a huge proliferation of stimuli. From this perspective, the utilitarian value derived from the experience of purchase and consumption is only one of the components which affect satisfaction, but it is no longer sufficient to capture the desires of the post-modern consumer. In such a liquid context, firms find it more and more difficult to codify, manage and react to consumers' whimsy with a coherent strategy. The "crushes" and passivity induce the consumer to choose by following emotional and not rational "logics". In this sense, it used to be much simpler for advertisers.

At the beginning of the last century - and more or less until the 1950s - nothing more than a clear and direct message was needed to advertise, such as "buy Mercedes" or "drink Pepsi", all printed on a poster before, and then passed for radio and TV. People received it and reacted accordingly.

Subsequently, with the birth of consumerism and the massification of society, the tastes of the audience became more selective and marketers were challenged with the need to make their advertisements more original, so as to stand out and beat the competition. In fact, the last decades of the twentieth century have seen advertising overwhelmingly invade every area of everyday life, in the most varied and creative forms.

To avoid the so-called "marketing clutter", advertising merged thus with entertainment, giving birth, therefore, to advertainment – which is the precursor of brand entertainment: a marketing communication tool aimed at engaging the audience by using songs, movies, television, games, and electronic communication.

The line between advertainment and traditional advertising, consequently, becomes not so clear or distinct. For example, some advertisers consider the tool of product placement, but advertainment or brand entertainment require more than just a casual reference or appearance; they expect whatever is being advertised to be discussed repetitively and be a core part of the entertainment. Brand entertainment, hence, represents a departure from previous marketing strategies in two ways.

---

[*] Assistant Professor of Management, Department of Business Studies and Quantitative Methods, University of Naples Parthenope (Italy).

Firstly, its rise gives brands the opportunity to go from being mere sponsors to real creators: we are used to see many companies as sponsor of productions, with the aim of carving out a space for their logo in front of the consumers' eyes (how many times does the Mercedes or Visa logo appear during a Champions League game?). Now, however, brands are converting into entertainment platforms.

Secondly, this new strategy denies the typical brevity of the spot, which generally makes it irrelevant, intrusive and unwelcome, to offer a more engaging and requested user experience. This requires a greater and longer-term commitment than traditional advertising campaigns.

This book offers a comprehensive overview of the challenges that branded content faces in understanding, managing and measuring the dynamics of modern consumers' needs, at the aim of successfully managing customer experience. The reader will gain a deeper knowledge of the approaches to brand engagement and learn about the theoretical and empirical challenges of studying brand entertainment.

The book also considers the consumer-brand relationships in the digital environments, which require a move beyond the purely the rationalist perspective of traditional marketing, and provides methodological support for firms and scholars who wish to understand and measure brand entertainment.

More specifically, the book explores the changes in branded content from product placement to brand engagement, the limitations of traditional advertising, its evolutions and the approaches to measure its effectiveness.

The book thereby takes up the theoretical debate about the definition, the management and the measurement of advertainment marketing process and its implications: it is framed in the scholars' debate regarding evolution and paradigmatic changes of the branding strategies adopted in the new postmodern marketing era.

It also provides an interesting empirical study about the audiences' inner process of assimilation of branded content (with a comparative and original research between UK and Italy), by pointing out how this can have impact on the brand image / awareness and, in definitive, if consumers actually like or not this marketing tactic.

The conceptual model that this study proposes - verified through a quali-quantitative research carried on across the two abovementioned countries - represents an attempt to fill a gap in the existing literature about brand entertainment: by assuming that branded content is the natural evolution of the advertising in the new postmodern era, the paper represents the first attempt to frame it in a branding model. Moreover, it reveals that a branded content strategy based on advertainment is effective, since it promotes a positive attitude towards the brand in the audience, operating on brand knowledge which, in turn, directly influences brand equity.

Hence, the originality and value of the study, since - unlike what happened with regard to advertising – branded content has never been linked with brand equity.

From a managerial perspective, thus, the study helps practitioners in evolving their traditional view of advertising: from an "hard-selling" to a "soft-selling" strategy.

Therefore, besides addressing the scientific community in the field, this book will also be a valuable practical resource for marketing managers, entrepreneurs and consultants who want to implement innovative strategies for managing brand entertainment.

Introduction

Brand(ed) Entertainment: quite literally, entertainment by or in con–junction with a brand. *"This is a world in which a brand is able to get closer to its target audience via a film, a television programme or series, a play, a novel, song, or show, indeed even a video game, using lines of communication quite different from those employed to date by the three main families of 'above the line', 'below the line' and 'internet marketing'"*[1].

Many[2] could argue that it is always "the same old story" because, since the origins of the TV — from the well–known Soap Operas to the Italian "Carosello" — brands have always been integrated with media products. They have supported, sponsored, changed and even created them from scratch. So, whether one wants to call it "content marketing", "corporate media", "corporate publishing", "advertainment" or — trying to get things simpler — just want to use the old–fashioned word "advertising", the concept does not change: a media product clothed with a brand insights, in order to promote the company. It is clear how the notion is close to the one of promotion.

There is nothing new indeed when talking about Branded Entertainment, except for the fact that it represent an epochal *change* situated between the old and the *modern* way of doing advertising: it is a sign of the new fast–changing, growing socio–economical environment where the classic advertising is not efficient anymore, because of the obstacle of the so–called "*marketing clutter*" which prevents people from accepting in their life any other promotional messages, since their threshold of attention is now full and — in a sense — trained to push away the thousands of messages that bombard our lives every second, everywhere.

Research Context

Nowadays in fact, within the so–called "*long–tail economy*"[3] and the features of the new media environment (abundance of media, audience fragmentation and polarization, product–portfolio of the firms, overall power shift on communication) the customers' audience is spawn between many and diversified media, especially the new digital ones, and therefore marketing communication has changed its features. No wonder if thousands of forms of advertising have thrived and developed during the last twenty years (product–placement, advergame, user–generated advertising on social media, word–of–mouth, guerrilla marketing...): new audiences, new contexts, new types of advertising. *Interactivity*, *emotional touch–points* and *user–generated contents* are, in fact, the "must" of the new marketing communication, which, over time, has come to value the importance of *engaging* the consumers (more and more *pro–sumers*[4], as in producers of contents themselves, if we think about how many people are generating videos on YouTube or articles on blogs) in order to create **brand loyalty** and fight that *"continuous partial attention (CPA)"*[5] that the consumers have developed towards the pounding media pressure present in their lives, due to the above–mentioned *advertising/marketing clutter*. Understanding and connecting with the *pro–sumers* through a *communitarian/participative* approach and an integrated marketing communication is the aim of the branding/marcom (marketing communication) and at the same time a useful instrument to position the brand in the competitive scenario. Its positioning is communicated trough all the ways available to a company: *paid, owned* and *earned media* even though there are some tools (online campaigns, blogging, identifying and communicating with influencers, live buzz marketing, events etc...) which are more appropriate for communicating a new *brand positioning* because — thanks to their *viral* nature — they provide consumers with detailed and tailored information and, at the same time, they engage them. *"Technology has vested in the consumer the power to select both the content and the context of entertainment consumption. The evolution of customized content and the digital space has created a world in which the consumer will no longer engage with a one–way, fixed distribution structure— the traditional network model. He won't plan his day around the evening's television schedule, nor will he wait until morning to read the day's top news."*[6]

---

[1] Lehu Jean Marc (2007) p. 1.

[2] cf. Bô, Daniel and al. (2011)

[3] Anderson, Chris. (2004).

Moreover, in the last years, some marketing experts[7] have found also more innovative approaches – qualitative and creative – to position the brand in the consumers' minds: the *brand storytelling* is one of them. It aims to create a brand positioning based on a fictional story that has a setting (in terms of time and place), characters (in terms of roles, relationships, responsibilities of the brand), a narrative plot (in terms of actions, experiences and events), and a well–defined language (in terms of items, symbols, metaphors and motifs). The narrative thus links the brand to consumers, going deep into their memory, leveraging on the mental associations and connecting to the stories and experiences of the individual. Very often this fiction is based on the storytelling of the *brand heritage* (the history, the values and beliefs of long–established brands) which form interesting solutions in the new digital environment, where the storytelling has become cross medial (*trans–media storytelling),* since all the elements of the fiction get dispersed systematically across different medium, each giving its own contribution to the story that at the end results coordinated, in a real optic of Integrated Marketing Communication.

---

[4] Toffler, Alvin (1980).

[5] Linda Stone (1998).

[6] Ogilvy & Mather (2012) p. 5.

[7] Woodside, Arch G. (2010)

Topic definition

What has been just outlined is the context where the Branded Entertainment finds its *"raison d'être"*: blending **Branding**, **Storytelling** and **Viral**, it can be defined as *"a great entertainment capable of engaging an audience: it is endorsed directly by a brand, which creates and shares stories that become part of the culture and can be considered as an editorial product"*[8]. So the Branded Entertainment is about the production of contents realized by the company/brand itself, which is able to attract the audience on themes pertinent to the brand values and objectives but, nevertheless, not immediately amenable to the brand products and services. It can be proposed also on the traditional media like TV or cinema but it is important to underline that what is intrinsic to its ***interactive and participative nature*** is the connection with the new digital media, not by chance expression of the new active consumer.

It is undeniable therefore, as most academics in the field assert, that the Branded Entertainment is an important concept of the modern marketing era: a son of that new market and new economy outlined so far, and at the same time a symptom of the *"pull"* marketing strategy which replaced the old *"push"* one (namely, attracting the customer with interesting contents instead of hitting him with constant vain advertising stimuli). Branded Entertainment is a tool of the new holistic, fluid and **Integrated Marketing Communication**: therefore its understanding represents one of the pieces of that big jigsaw puzzle that the Brand Manager has to solve in catching the audience's attention.

---

[8] Dominic Sandifer, President at Green Light Media and Marketing, in *"Branded Content — La nuova frontiera della comunicazione d'impresa"*

Research Question and Objectives

The aim at the base of the study that unfolds in the next pages is then to prove if and why the Branded Contents represent the new frontier of the marketing communication.

In doing so, the definition of 'brand equity' and the related theoretical frame taken in consideration is the ***Customer Based Brand Equity model***, outlined by Kevin Lane Keller, which states that:

> *'Customer–based brand equity is defined as the differential effect of brand knowledge on consumer response to the marketing of the brand. Three important concepts are included in the definition: "differential effect," "brand knowledge," and "consumer response to marketing."*
>
> *Differential effect is determined by comparing consumer response to the marketing of a brand with the response to the same marketing of a fictitiously named or unnamed version of the product or service.*
>
> *Brand knowledge is defined in terms of brand awareness and brand image and is conceptualized according to the characteristics and relationships of brand associations described previously.*
>
> *Consumer response to marketing is defined in terms of consumer perceptions, preferences, and behaviour arising from marketing mix activity (e.g., brand choice, comprehension of copy points from an ad, reactions to a coupon promotion, or evaluations of a proposed brand extension)."*[9]

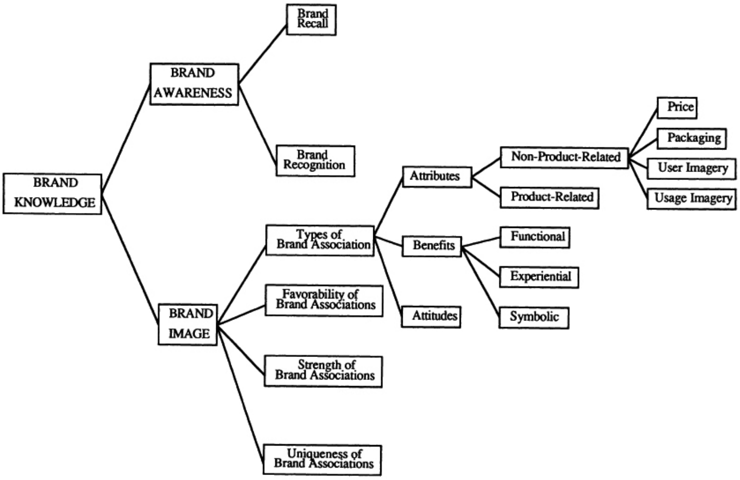
BRAND KNOWLEDGE
BRAND AWARENESS
Brand Recall
Brand Recognition
BRAND IMAGE
Types of Brand Association
Favorability of Brand Associations
Strength of Brand Associations
Uniqueness of Brand Associations
Attributes
Benefits
Attitudes
Non-Product-Related
Product-Related
Price
Packaging
User Imagery
Usage Imagery
Functional
Experiential
Symbolic

Figure 1. Brand Knowledge's dimensions. Source: Keller (1993) p. 7.

The research question of this study therefore is:

---

[9] Keller, K.L (1993) p. 8

To what extent does the Branded Entertainment influence Brand Knowledge and thus Brand Equity of a company and, conversely, how does it affect the modern world of media?

In order to answer to this question, the research (dotted by many explicative case–studies) will touch some principal stages — or rather research questions — that can be synthesized in:

1. How to produce a successful Branded Content and how (or if) its efficacy in rational terms can be adequately **measurable** through defined Key Performance Indicators (brand exposure, media coverage, intention to buy) and modern theories (the Consumer Funnel).
2. What is the **competitive advantage** for the firm in making Branded Content in terms of costs, reach and Return On Marketing Investments. Which tools (Above the line – Below the line) the companies should use when making a project of Branded Entertainment, in an optic of Integrated Marketing Communication.
3. Which ones are the effects of the Branded Entertainment on the *brand knowledge (brand awareness* and *brand image)* that the stakeholders have of the firm and how this — together with the audiences' response — can affect the **Consumer Behaviour** and the purchase attitude.
4. How the advent of Branded Entertainment has re–shaped the role of **media companies**, set apart by some firms that rely more and more on their *owned* and *earned media* instead than *paid media*, and how the axiom "**creative agency** — **media agency** – **broadcaster**" has been modified with the introduction of new actors and different functions.

Research methods and tools

The four stages identified also mark basically three macro–areas that represent not only the main actors encountered when examining the field of Branded Entertainment, but they are also the foundations in the structure of the following study: **Brands, Media companies, Consumers**. If studied singularly and then in their mutual intersections, these three macro areas of the research will give the reader a comprehensive views of what is happening and what is changing in the environment described so far.

In particular, the last stage is tied to the empirical part of the study, that will follow–up the analysis of some Branded Content projects carried on by the creative teams embedded in some international media companies (Fox International Channels Italy, Fox One Stop Media UK, BBC UK) at the aim of understanding step–by–step the process of creation and promotion of the contents, while also trying to assess them in terms of marketing results. The research has been conducted among media companies of different nationality, in order to propose an implicit comparison between the English way–of–working and the Italian one.

Given this methodological frame, also the literature review has an international imprint: composed mainly by peer–reviewed articles present in several academic databases and by the most recent reports of Observatories and Associations of Marketing, plus a large size of case–studies gathered thanks to the numerous publications in the field. Moreover, the research has taken advantage of the opinion of some academic experts in the field such as Paul Grainge, Associate Professor of Film Studies (Faculty of Arts at the Department of Culture, Film and Media) at the University of Nottingham (UK), who has written many books on the topic the last of which is *Brand Hollywood: Selling Entertainment in a Global Media Age* (Routledge, 2008).

Research Structure

This work consists of 7 parts: (introduction, discussion and conclusion included).

The first chapter draws an historical perspective of the phenomenon of the Advertainment from its origins (Product Placement) to the modern Branded Engagement (the branded entertainment in the new digital environment): this part reviews shortly all the media used by the companies to promote their brands. In the next part the chapter analyses how to exploit the Branded Entertainment as a tool in Brand building, exploring so which is the competitive advantage for the firms in using the Content Marketing, and also takes a glance to the size of the industry (with a focus on Italy) and to the production and distribution ways that the firms use when releasing a Branded Content.

The second chapter gives insight into the economical framework of the industry: it describes the key players (media, brands and consumers), investigates the relationships among them and illustrates how the audience perceives the Branded Content, perception that eventually leads to a consequential customer behaviour led by the brand awareness and brand image generated.

Chapter three analyses some best practises from all around the world, and from these tries to deduce some criteria of success – from the strategic point of view — for an effective branded content, which also depends from the objective of the firm and from the managerial approach to the brand entertainment strategy. A frame for its evaluation, based on the Model of the Consumer Funnel, is also provided, as well as a new assessment method of the costs provided by the branded content consulting agency Precious Media (the first case study of the empirical research).

Part four outlines and justifies the research methodology chosen for this study in order to achieve the desired research objectives: interviews in the academic field, a quantitative questionnaire to the audience and qualitative research among the media companies that have in–house units dedicated to Brand Entertainment.

In the next part — to be able to answer the overall research question — the data collected, the empirical findings from the quantitative and qualitative researches and the hypothesis formulated are discussed in details, in order to outline a conceptual model.

Finally, the last part– "Final Considerations" – gathers the research conclusions and limitations, as well as the future perspectives: Branded Entertainment ethics, social and cultural issues for the future are addressed in the last part which also gives a glance to the next protagonists of the Branded Entertainment industry and to the future digital opportunities of this field.

A last remark

All the data collected and their objective evaluation keep up with an attentive eye on the *creative nature* intrinsic to the case–studies analysed.

Therefore, from this point onwards, the advise to the reader is to judge the book not just from the rational point of view but also from the emotive one, in order to test in first person that very *emotional engagement* that is the ultimate goal of the Branded Content: from this moment on in the reading, let yourself just be entertained.