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There has been a great deal of hype in the trade press about the rise of new media platforms. Rising advertising costs, particularly in traditional media, have forced potential advertisers to search for newer, more efficient alternatives. Many agencies are reporting increased interest from advertisers for both product placement and branded entertainment as the hot new platforms.

Product placement and branded content are far from new concepts. Instead they have been recently ‘rediscovered’. Branded entertainment has been around since the 1920s when commercial radio, then in its infancy, relied on brand sponsors to produce programming for the new medium. Soap manufacturers were among the first to see the potential of branded entertainment. The tag ‘soap opera’, coined in the roaring twenties, is still used to describe popular melodrama.

To explain the revival of branded content, it is necessary to examine the changing media landscape. A decline in TV viewing, combined with the advent of new personalised media such as personal video recorders, suggests that audiences are seeking greater control over the content and timing of their viewing experience. Indeed many consumers are actively using technology to block advertising. In reply, advertisers are searching for smarter ways to reach an increasingly fickle audience.

Although product placement and branded entertainment are related, they provide advertisers with entirely different promotional opportunities. Product placement is the deliberate placement of a brand within the set of a TV program or feature film. Branded entertainment, however, embeds the brand in such an integral fashion that the entertainment would not exist without the brand.

The key distinguishing feature between product placement and branded content is the level of brand exposure. Whereas the brand is peripheral to the narrative in product placement, it is so central to branded content that the brand and the entertainment are inseparable. Product placement positions the brand as an extra in the story, while branded entertainment positions it as the star attraction.

Anyone who has tuned into popular imported TV programs such as Seinfeld, Friends, The OC and Dawson’s Creek has probably seen examples of product placement. Jerry Seinfeld turned Snapple, Junior Mints and Jujyfruits into iconic brands, even in countries like Australia where these brands lack retail presence.

Locally, product placement opportunities are abundant on high rating programs like The Block, Australian Idol and Big Brother.

Examples of branded content are more difficult to detect. Not because they are absent, but because they are unobtrusive. Subtle embedding of brands means that the fit between brand and entertainment is seamless. Celebrity Golf Shoot-Out, produced for Mitre10 and Joker Poker produced for Wild Turkey Bourbon and Star City were two of the hot branded content properties last year. A raft of new branded content concepts is scheduled for the forthcoming TV season.

Branded content provides real opportunities to cut through the clutter and reach tightly defined audiences with messages resistant to zapping or blocking.

In Australia, a TV-centric approach tends to dominate; however, branded messages can be disseminated via many alternative channels – from novels through to comics.

COST CONSIDERATIONS

Budgetary constraints should not deter prospective advertisers. It is possible to purchase national exposure for relatively modest outlays. For instance, a national package of close-up shots of your brand can be placed within a popular infotainment program for under $15,000.

Clearly, producing branded content is a more expensive option. It requires significant investment in production costs. To produce a season of TV programming can run into the low millions. Considerably higher investment sums may be required depending on production values.

There is no question that branded content is risky. Recent history is littered with as many spectacular flops as success stories. New media does not suit all advertisers or every budget. So, what planning issues need to be considered in developing the right strategy?

PLANNING CONSIDERATIONS

Product placement is straightforward. The entire process can be undertaken within relatively short time-frames. A first step is to search for suitable target programs, having regard to the brand values, communications objectives and the capacity to reach the desired target audience. Secondly, you need to locate a product placement agent and provide them with a brief. Thirdly, negotiate a package within your budget. And finally, monitor results.

Branded entertainment remains an embryonic industry in Australia. Models are yet to be developed. No simple formulas are available to guide advertisers through the process. Indeed, getting into branded content is a complex process, requiring serious investment of both time and resources. A first step is to identify an agency or production company willing to develop the content that meets the brand’s objectives. It is important for clients to develop a strong partnership with any...
Production company retained. Few local advertising agencies offer services in branded content; however, a number of media companies and production companies are seizing the opportunity to become actively engaged in the new arena.

The decision to employ branded entertainment involves many layers of decisions. Key issues to consider include:

**WHAT ARE THE OBJECTIVES?**
Whereas straight advertising can deliver high levels of awareness and even generate sales, branded entertainment is more likely to be employed when longer-term objectives are sought, such as brand belief or brand loyalty.

**WHAT IS THE DESIRED FORMAT?**
Advertisers tend to automatically think in terms of TV. This is largely because costs, schedules and metrics are well understood. But it is a mistake to assume that the optimal format must be TV. Successful formats for branded content have included novels, electronic vision files such as mpegs, internet sites, interactive games, live concerts, magazines and even catalogues.

**WHAT IS THE CHANNEL STRATEGY?**
The conventional view of advertising is that first the content is developed, leaving channel decisions to take second place. With branded content, however, the content is itself a property. Consequently, decisions about the content and the medium cannot be separated. In practical terms, the choice of format constrains channels. Branded mini-films as well as straight advertising have successfully employed dedicated internet sites as the primary channel.

A number of early launches involving branded content enjoyed spectacular success as audiences fuelled distribution by willingly sending copies to friends and relatives. Such was the success of early internet-based campaigns that many advertisers still hang onto an expectation that their campaigns will go viral. The reality is quite different. As branded content becomes more widely accepted, novelty alone will be insufficient to drive distribution.

**WHAT IS THE CONTENT STRATEGY?**
Advertisers who have used branded entertainment admit that it is very difficult to do well. Based on a review of past successes and failures, it appears that branded entertainment with a strong narrative structure, that tells the brand's story in a way that integrates it into the narrative is most likely to deliver desired outcomes.

**MEASURING PERFORMANCE**
A major challenge facing branded entertainment is that no one has really worked out how to measure effectiveness. There is a tendency among advertisers to think of media equivalencies. That is, to compare the costs and benefits of branded entertainment with traditional advertising. But this approach fails to appreciate the unique characteristics of new formats.

A key issue is the long-term nature of branded entertainment, which typically operates in two- to three-year cycles. Hefty production costs are incurred upfront. Yet results may not accrue until the following year, or later.

Although a few research companies are experimenting with measurement models, brand metrics is still seen as the 'holy grail'. As the industry matures, more sophisticated metrics are expected to evolve.

Branded content is not for faint-hearted advertisers in search of quick-fix solutions. It requires substantial investments of both human and financial resources. For advertisers who are serious about long-term brand health, branded entertainment is well worth considering.

**USEFUL LINKS**

**PRODUCT PLACEMENT AGENTS**
- Full Circle Entertainment – http://fullcircleentertainment.com.au
- The Marketing Talent – www.marketingtalentnetwork.com
- In Shot – www.inshot.com.au

**BRANDED CONTENT PROVIDERS**
- Behind the Line Communications – http://www.behindtheline.com.au

**BRAND CAMPAIGN MEASUREMENT AND MONITORING**
- Repucomm – www.repucom.net

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