"Branded Entertainment": Digital Advertising and New TV Business Models

Co-Marketing Deals and the Future of Network Branding

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In an era of shrinking ratings and viewers armed with ad-skipping technology, cable networks and advertisers partnered to produce subtle marketing messages hidden in content that the industry refers to as "branded entertainment." These recontextualized ads subvert the traditional 30-second spot, utilize new media and get the attention of hard-to-reach consumers in nonconventional ways. The cultivation of network brands developed alongside this strategic shift – and not coincidentally. Rather, branding has become a key industrial device employed by networks in response to the uncertainty that characterizes the post-network era. Establishing clearly defined brands that appeal to marketers and consumers alike makes it possible for networks to experiment with new formats and uphold their role in a rapidly changing media environment.

There are several main goals that cable network executives aim to accomplish when they employ branding tactics: higher advertising revenue, higher ratings, higher subscriber fees and greater opportunity to secure lucrative advertising deals and partnerships. General entertainment cable networks, like TNT and TBS, established brands in the post-network era to combat one challenge of today's complex media landscape in particular: audience fragmentation. In today's splintered marketplace, cable networks face an increasing number of competitors for viewers' attention with an expansive number of rival networks, DVR viewing, new media technologies and online content. With audiences as their primary product for sale, the problem of having fewer eyeballs to sell to advertisers poses a huge threat and is an example of the uncertainty that typifies the post-network era. Media companies must get creative in their appeals to consumers, and tools, such as branded entertainment, facilitate the cooperation of network brands and advertisers in a united effort to captivate audiences. One significant aspect of branded entertainment is that it utilizes network brands, product brands as well as programming to band together and work against a common enemy.

In pursuit of this strategy, Turner launched "TVinContext" in 2008, which is a unique advertising initiative devised "to put the right commercial in the right place at the right time." For example, in one scene of *The Closer*, Kyra Sedgwick's character eats a Hershey candy bar, and in the commercial break following that, an ad for Hershey airs right before a bumper announcing Hershey as a sponsor of the show. Turner offers these opportunities for its original series as well as acquisitions, and of course, the network charges a premium for this type of integrated, co-marketing deal. Such seamlessly integrated partnerships between the network and its advertisers are possible because TNT's drama brand is so broad and flexible. Having a brand helps the network to attract advertisers, but having a broad brand means that just about any product will fit, and thus, expands the number of potential partners.

¹ Lafayette, J. (2011). Turner Puts Its Upfront in Context. Broadcasting & Cable, 141(19), 16.

Another example of the strategic use of branded entertainment is the partnership with American Express that correlated with the launch of the TBS "Very Funny" campaign. In 2004, to promote the redesigned network brand, TBS paired up with American Express to produce and showcase webisodes written by and starring Jerry Seinfeld. The webisodes, titled "The Adventures of Seinfeld and Superman," aired on TBS as well as online at the AmEx website and YouTube. The collaboration with Jerry Seinfeld is an example of Turner's use of existing acquisitions in branded entertainment deals because episodes of Seinfeld air regularly in syndication on TBS. On this roundtable, I will draw from such examples and discuss how branded entertainment is development that disrupts many commonly held assumptions about the television industry, its economic model and its relationship with advertisers as well as how branding functions as a tool to confront post-network challenges.