



Master's Thesis:

Branded Entertainment

Discovering the Possibilities
in Mobile Media

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<p>Abstract: Traditional television advertising is at risk as consumers are becoming harder to reach. Commercial messages are therefore increasingly incorporated in TV programs, films, games and other entertainment vehicles; a technique known as product placement. However, product placement has evolved from simple barter agreements, using brands as props, into intricate integration deals, whereby sponsors exert stronger influence on production values. In its noblest form, the technique depicts brands that function as the creative source for advertiser-produced entertainment content. Branded entertainment—the blurring of entertainment and advertising—has witnessed explosive growth among practitioners. Despite the success, academic research is lagging behind.</p> <p>This study carries two purposes: 1) to develop a conceptual framework on branded entertainment that advances academic research and provides tools for distinguishing different techniques; and 2) to examine the possibilities of branded entertainment on mobile devices from a corporate perspective. The second purpose is further split into the following three questions: a) what type of entertainment vehicles can and should be used; b) which techniques are recommended; and c) what is characteristic for branded entertainment on mobile devices? As an emerging and unexplored media platform, mobile devices push the envelope on branded entertainment.</p> <p>The empirical part consists of 13 face-to-face interviews with experts from a broad range of domestic and international companies operating within the branded entertainment and mobile media sphere. Applying an exploratory approach, this study utilizes both inductive and deductive means to address the research questions. The discussion is complemented with additional academic and industry literature.</p> <p>The results suggest that branded entertainment can be conceptualized using three dimensions: <i>brand integration</i>, <i>sponsor control</i>, and <i>consumer engagement</i>. The branded entertainment spectrum (BES) model identifies five central and two peripheral techniques. It notes that consumers have increasingly become co-producers and even independent producers of content shared online. Rather than focus on entertainment vehicles as such, marketers and academics should consider greater branded experiences that comprise of a variety of media, including real-world elements. The complexity and risks involved in such intricate offerings support co-production and collaboration with multiple players in the mobile ecosystem. Smaller scale projects may be brand-centric and advertiser-produced. The uniqueness of mobile branded entertainment can be analyzed using four interrelated elements: <i>location</i>, <i>device centrality</i>, <i>social scope</i>, and <i>consumer role</i>; each of which can be further split into subcategories.</p> <p>With a small sample limited to one country, the implications serve merely as an introduction to the field. Validity and reliability are addressed through an extensive collection and iterative analysis of data throughout the course of the study, combined with a strong focus on flexibility and transparency. Future research areas include consumer engagement types and roles in content production; the dynamics between brands, producers, consumers and network operators; mobile devices as peripherals; and branded experiences from a consumer perspective across different regions and countries.</p>	
<p>Keywords: Branded Entertainment, Advertiser-Funded Content, Brand Integration, Mobile Devices, Location-Based Services, User-Generated Content</p>	

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1. Introduction

Traditional advertising has lost its charm. Consumers have become more critical and resistant to advertising than ever before (Ducoffe 1995). Ads may be considered as intrusive, a nuisance, whenever they disrupt the flow of a television program or the consumption of other content (Hairong, Edwards & Lee 2002; Shavitt, Vargas & Lowrey 2004). Traditional advertising is now being challenged by a plethora of growing threats; one being the increased power of consumers.

The proliferation of television channels and development of new media, with the internet and mobile devices at the forefront, has caused media and consumer fragmentation (Balasubramanian, Karrh & Patwardhan 2006; Heller 2006) and more selective processing of advertising (Ducoffe & Curlo 2000). Technological innovations have enabled consumers to skip TV ads using Personal Video Recorders (PVRs)—typically TiVo in the United States (Woltman, Josephine, Wedel & Pieters 2003)—and to acquire advert-free television content online using peer-to-peer networks (Furtado 2005). The expanding media landscape is furthermore being polluted by an increasing amount of competing ads, resulting in advertising clutter that obstructs the delivery of commercial messages to consumers (Ferraro & Avery 2000).

For this reason, marketers have been in the hunt for new means to communicate with consumers (Ducoffe, Sandler & Secunda 1996), among which product placement has faced rapidly growing interest (e.g., Karrh 1998; Tiwsakul, Hackley & Szmigin 2005; La Ferle & Edwards 2006). Product placement is viewed as a less intrusive form of advertising, since it blurs the boundaries between advertising and programming (Ducoffe et al. 1996), and may therefore be viewed more favorably (Law & Braun 2000). In fact, according to PQ Media (2008), the growth rate for product placement and more sophisticated boundary-breaking manifestations—generally labeled branded entertainment—has been outpacing that of traditional advertising in the United States. In contrast, the trend has by and large been modest in Europe due to rigid legislation.

However, an inflection point is imminent as the European Commission has recently modernized and extended the legal framework for television broadcasting to emerging media forms; most notably the internet and mobile television. The new Audiovisual Media Services Directive (AVMSD) endorses product placement and provides the prerequisites for branded entertainment (Laitner 2007; European Commission 2007;

Woods 2008)—a phenomenon that some may consider as the “topic de jour” of advertising in entertainment media. Until recently, academic research has been confined to a classic product placement view.

1.1 Problem Discussion

During the past few decades, product placement has acquired a strong foothold in the entertainment business. Despite its rapid growth, the phenomenon is still in its infancy as far as academic research is concerned (e.g., Balasubramanian et al. 2006; Scott & Craig-Lees 2006). Previous studies have been primarily focused on films and television programs (La Ferle & Edwards 2006), although games have recently received more attention (e.g., Nelson 2002; Nelson, Keum & Yaros 2004; Yang, Roskos-Ewoldsen, Dinu, & Arpan 2006). Some academics have observed that the notion of product placement extends to other media forms, such as radio, songs, novels, and music videos; yet these have not been studied in greater detail (Gupta & Gould 1997; Karrh 1998). In general, the concept lacks a commonly agreed definition (Scott & Craig-Lees 2006).

Product placements have been widely adopted as *hybrid messages*¹, referring to paid attempts to influence audiences with messages that resemble non-commercial, unbiased media content (e.g., Balasubramanian 1994; Karrh 1998; Gupta & Lord 1998; Russell & Belch 2005). Hybrid messages create stronger awareness than direct commercial messages given that the consumer does not consider them as persuasive (Balasubramanian 1994). Previous studies have shown that product placement can have a greater impact on the audience than a corresponding exposure to television spot ads (Karrh, McKee & Pardun 2003), although attitudinal variations exist between different age groups and geographic areas (see e.g., Balasubramanian et al. 2006). Gupta and Lord (1998), for instance, noted that prominent product placements generate better brand recall than television ads, whereas discreet placements were less effective.

Many researchers have begun to use the term *brand placement* to highlight the fact that it is generally the brand that is of interest, rather than a physical product (e.g., Karrh 1998; DeLorme & Reid 1999; Balasubramanian et al. 2006; Yang & Roskos-Ewoldsen 2007). D’Astous and Chartier (2000) point out that a placement can be conceptualized as a product, a brand name, or a company name. Taking a step further, Karrh (1998)

¹ Hybrid messages are commercial messages that do not reveal their commercial intent or origin. Chapter 2.1 on page 12 discusses the concept in further detail.

uses the word *brand identifier* to describe a variety of placement forms. As noted, product placement is misleading as a term, but due to its wide spread, this thesis will utilize *brand* and *product* interchangeably within a placement context.

Nevertheless, the concept of product placement—both in practical and academic terms—has grown increasingly ambiguous at the same time as the clear distinction between entertainment content and advertising has eroded (e.g., Ducoffe et al. 1996; Law & Braun 2000; Russell & Belch 2005). Studies in the U.S. show that audiences accept and relate positively to product placement when it is considered as a natural part of the story (Gupta & Gould 1997; DeLorme & Reid 1999). It is also a tool for enhancing realism (Gupta & Gould 1997; Karrh 1998; D’Astous & Séguin 1999; DeLorme & Reid 1999) and increasing entertainment value as consumers recognize brands that they have previously interacted with (DeLorme & Reid 1999).

Notwithstanding the positive findings, Gupta and Gould (1997) discovered that exaggerated repetition, obvious commercial intentions, and the use of ethically questionable products—in this case, guns, tobacco and alcohol—are less accepted by consumers. As advertisers generally have limited control over the length, location, and the means the brands are displayed in the content, brands can be prone to unsuitable connections and circumstances that are harmful to the brand’s image (Karrh 1998; Ferraro & Avery 2000; Karrh et al. 2003).

This has elicited stronger collaboration between advertisers and content providers, such as screenwriters and producers (e.g., Russell 2002; Karrh et al. 2003; Manly 2005; Lehu 2007). Russell and Belch (2005) acknowledge that the word *integration* is more commonly used to denote brands that become a part of the storyline or plot as opposed to brands that remain as passive backdrops. Despite this, marketers commonly possess considerably less control than with traditional advertising practices (Karrh et al. 2003). Due to this power struggle, some advertisers have pursued a more active role in content production, taking the role of producers in order to successfully embed their brands into a television program and other entertainment content (Karrh 1998; Karrh et al. 2003).

As Hudson and Hudson (2006) put it: product placement has matured and become more sophisticated, calling it *branded entertainment*. Russell and Belch (2005) applied the same term by describing the emergence of the next generation of product placement, stating that brands are becoming entertainment properties in their own rights. Following

similar paths, Kretchmer (2004) uses the term *advertainment* to discuss the ultimate evolution of product placement and blurring of the lines between entertainment and commercial persuasion. Furthermore, Tiwsakul and Hackley (2006) acknowledge that research in product placement and sponsorship² are advancing at great pace, resulting in new hybrid techniques that blur the boundaries between promotion and entertainment. Bringing yet another term to the table, the authors labeled the phenomenon as *entertainment marketing*.

Whatever the term used, the findings remain the same: the classic view on product placement is too narrow these days. Product placement has evolved to the point that it is difficult to distinguish between advertising and entertainment. Hudson and Hudson (2006) depict this convergence as seen in Figure 1 below. Furthermore, contrary to traditional product placement and hybrid messages, this new form of advertising does not necessarily shun its commercial origin (Karrh et al. 2003; Sheehan & Guo 2005).

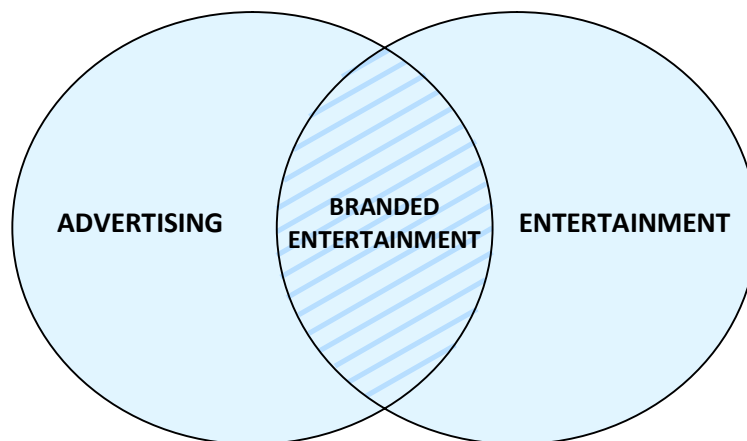


Figure 1. *Branded Entertainment: The Convergence of Advertising and Entertainment* (Hudson & Hudson 2006:491)

Hudson and Hudson (2006) note that the lack of research on branded entertainment is surprising, given the strong interest in marketing and trade magazines. Many previous studies fail to distinguish between different placement techniques. While some researchers have acknowledged this change, few connections exist between the articles mentioned above. This is hardly startling in light of the various terms in use, different perspectives and research fields, and the short interval between the articles. Nonetheless, the viewpoints on this new hybrid form differ, as the variety of terms suggest. Many researchers see the new concept solely as a stronger integration between brands

² Sponsorship deals within entertainment media, e.g. television programs (see page 9 for definitions).

and entertainment content; as collaboration between the media industry and advertisers for providing a brand with an essential role in a program (Hudson & Hudson 2006; Tiwsakul & Hackley 2006, Balasubramanian et al. 2006; Sheehan & Guo 2005). Others perceive it more as brand-initiated and produced entertainment that is primarily designed for persuasion (Scott & Craig-Lees 2006; Kretchmer 2004).

Hudson and Hudson (2006) were among the first to provide a conceptual model and a definition for understanding this new advertising technique. The implications are in many regards similar to those in the preliminary study for this Master's thesis (Tuomi 2006), with the exception of certain key aspects.³ Hudson and Hudson (2006) state that there is much room for improvement and further research in this rapidly growing field, notably in distinguishing different brand placement techniques, entertainment formats, and media channels. In order to fully understand the concept of branded entertainment, recent media developments call for attention.

With regards to media channels, much has changed, as noted earlier, and much will change in the near future. In particular, mobile phones and other related devices pose a significant, yet uncharted entertainment medium. Music, video clips, games, and internet are now commonplace on mobile devices that continue to hoard additional features, such as mobile TV and navigation (e.g., Heller 2006; Bayartsaikhan, Danielak, Dunst, Guibert, Luxford, Romanossian, Storti & Seal 2007). Mobile devices will therefore push the envelope on branded entertainment as they present a considerably different setting from that of conventional, stationary media channels.

Academic research has so far been mainly confined to SMS advertising and entertainment content in the form of ringtones and background images (e.g., Merisavo, Kajalo, Karjaluoto, Virtanen, Salmenkivi, Raulas & Leppäniemi 2007; Wang 2007). While advertising in mobile games, including advertiser-produced games, have recently been noted by academics (see Salo & Karjaluoto 2007), the examples provided have only managed to scratch the surface of branded entertainment and its role in mobile media. The current study addresses these two research gaps.

³ Differing views on the scope of branded entertainment and its characteristics. Chapter 1.5 offers further details on the preliminary study. Branded entertainment definitions and categorizations are discussed at length in Chapters 2.3.2 and 2.3.3, respectively.

1.2 The Purpose of the Study and Delimitations

This study carries two objectives:

- 1) To develop a conceptual framework on branded entertainment that extends existing research and provides tools for distinguishing different techniques.
- 2) To examine the possibilities of branded entertainment on mobile devices from a corporate perspective.

Supported by the first, the second research objective can be further split into the following three sub-questions:

- a) What type of entertainment vehicles can and should be used?
- b) Which branded entertainment techniques are recommended?
- c) What is characteristic for branded entertainment on mobile devices?

The study contributes to the general understanding of branded entertainment and helps researchers and practitioners to distinguish between different techniques. The further focus on mobile devices; i.e., mobile phones and other internet-enabled handheld devices provides deeper insight into a non-traditional media channel that is limited in terms of research. As an emerging platform, mobile devices are the next frontier for branded entertainment.

The general focus is on mobile devices that are primarily designed as mobile phones, given their dominant role in everyday life and wireless communication capabilities (see page 11 for further clarification). Netbooks, notebooks, and larger portable devices are therefore entirely excluded. Furthermore, the study does not rest on a particular type of entertainment vehicle, e.g. films, games, TV-programs, etc. or a specific type of brand (e.g., high-involvement vs. low-involvement⁴). Rather, it discusses the greater ramifications of different vehicles in a mobile context. Neither does the thesis focus on the underlying media-advertising industry structure, or technical details and issues relating to mobile devices. These factors are discussed on a general level. Finally, the interviews for this study are carried out in Finland, although the implications extend to other countries, given that many of the respondents of the empirical section represent international companies.

⁴ For instance, consider emotionally-charged physical goods, such as sports cars versus less interesting items or intangible services, such as insurances or an insurance company.

1.3 Research Approach

This study presents a series of models and tables to cover the conceptual framework on branded entertainment. Given the lack of previous research, the theoretical framework is primarily built around the concept of hybrid messages, product placement, sponsorship, and related concepts that combine entertainment and commercial persuasion. Several perspectives are considered in order to facilitate the disclosure of branded entertainment's multidimensional nature compared to traditional product placement.

In order to provide the preliminary building blocks for a framework, earlier categorization methods on product placement are summarized and compared to one another. By doing this, the strengths and weaknesses of individual studies can be identified. These studies will then be contrasted to current research on branded entertainment that is to a large extent derived from product placement research. Different branded entertainment techniques are identified and critically analyzed. To provide a broader spectrum of viewpoints, the theory is complemented with general advertising studies relating to entertainment on television, films, and other up-and-coming media formats.

In addition, an extensive array of non-academic references—i.e., marketing and trade magazines—are utilized to criticize previous research and present arguments that cannot be derived from or supported by previous scholastic studies alone. The various perspectives examined are used to construct a more coherent framework on branded entertainment than in previous studies. The models are consequently utilized in exploring the possibilities of branded entertainment on mobile devices from a corporate perspective. The last section of the theoretical framework summarizes recent research on mobile marketing and briefly discusses branded entertainment possibilities. The discussion provides a solid start for the empirical part.

The empirical part consists of face-to-face interviews with experts in the fields of branded entertainment and mobile media. The views and visions gathered are analyzed and employed in an explorative manner so as to construct the big picture of branded entertainment in mobile media. All essential actors—excluding clients—involved in the production of conventional advertising and entertainment are considered. These include an advertising agency, two media agencies with distinct focuses, a production studio, a television channel, and a music and entertainment conglomerate. The aspect of mobility is also covered by respondents from a handset vendor, a communications service pro-

vider, a mobile games studio, an interactive cross-media entertainment company, a mobile virtual network operator (MVNO), and an internet services company making headway in the mobile sector. The majority of the respondents represent international companies, providing support for generalisability outside of Finland. In spirit of this study's explorative stance, the respondent answers are complemented with academic and practitioner literature on topics that were not previously discussed or considered at greater length in the primary theoretical framework.

1.4 Research Structure

The research structure can be divided into three sections. Part 1 consists of the theoretical framework that is largely focused on the first objective of the study, Part 2 clarifies the overall methodology of the thesis, whereas Part 3 centers on the second objective. The results in Part 3 are also used to amend the conceptual framework introduced in Part 1. This process expands the applicability of the models to mobile media.

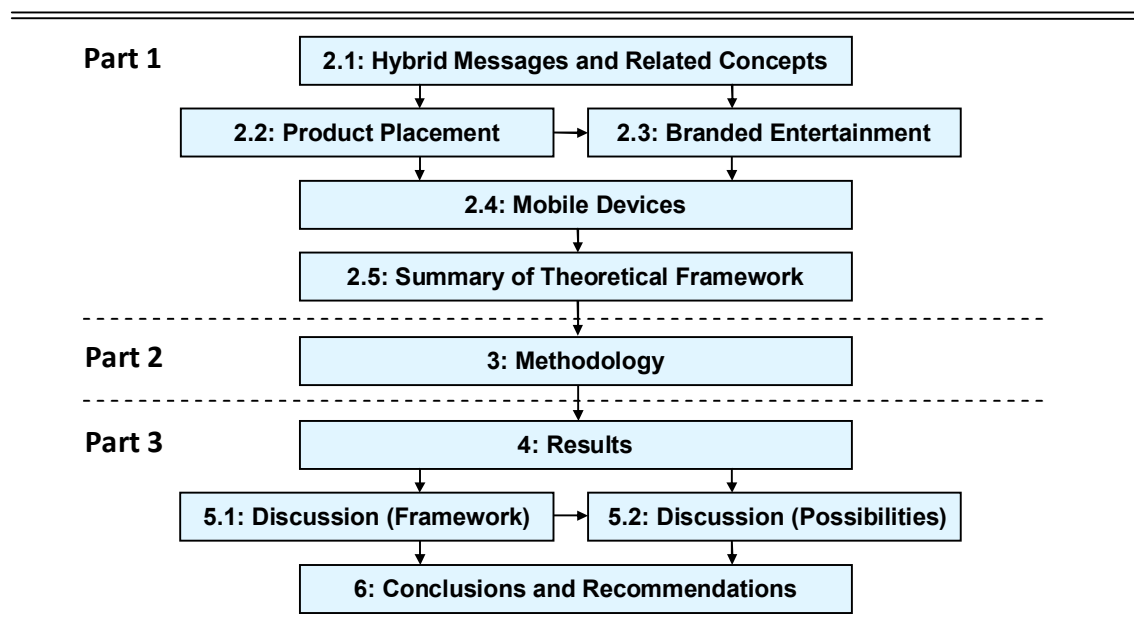


Figure 2. *Illustration of Research Structure*

Chapter 2.1, as seen in Figure 2 above, outlines hybrid messages—a general and important concept—along with sponsorship and other related concepts. The section additionally presents definitions on product placement. Chapter 2.2 categorizes product placement using various models that partially bridge the gap between the two concepts: product placement and branded entertainment. Chapter 2.3 outlines the background of branded entertainment and contrasts it to current trends. Recently introduced definitions are also discussed in this section. Furthermore, Chapters 2.3.3 through 2.3.5 present

more extensive models that explicitly attempt to connect the dots between branded entertainment and product placement. Moving the discussion into new territories, Chapter 2.4 serves as an introduction to entertainment and advertising on mobile devices. Lastly, Chapter 2.5 summarizes the theoretical framework.

The empirical part of the thesis—i.e., Part 3—starts with Chapter 4, which presents the interview results. Following the overall structure of the study, the results begin with general views branded entertainment and mobile devices. The section continues with specific mobile entertainment vehicles and techniques, and ends with a closer look on unique mobile characteristics. Chapter 5 is split in two main sections. Chapter 5.1 discusses central themes that emerged during the interviews, ending with a revised version of the primary conceptual model presented at the end of Part 1. Chapter 5.2 addresses the second research objective and its three sub-questions in consequent order. Finally, Chapter 6 summarizes the discussion, reflects on the contributions and limitations of the thesis, provides managerial recommendations, and suggests further research areas.

1.5 Preliminary Study

The preliminary study was conducted during spring 2006 with the purpose of examining the characteristics of branded entertainment in contrast to traditional television advertising and product placement. Designed as an explorative case study, the project resulted in a definition on branded entertainment, a summary of its characteristics, and conceptual models developed from previous research on product placement and related areas.

The case study was based on an advertising campaign called *Real Snaction*, which consisted of six episodic, one-minute long animated films broadcasted weekly on Sub, a Finnish television channel, in December 2005. Each episode exhibited a humorous clash between *Real Snacks* potato chips and vegetables. A total of eight people were interviewed, representing all the players involved in the project; i.e., a client, an advertising agency, a production studio, and a television network. This thesis utilizes and expands on the reasoning developed in the preliminary study, which is described in Chapter 2.3.

1.6 Key Concepts

This chapter explains briefly the central concepts of this study with the aim of supporting the reader in interpreting the theoretical framework and the thesis as a whole.

The term **brand** is characterized by a superfluous number of definitions built on dissimilar perspectives. To present a few, Bennet (1988) defines a brand as follows:

“A brand is a name, term, design, symbol or any other feature that identifies one seller’s good or service as distinct from those of other sellers.” (Bennet 1988:18)

This definition focuses on tangible attributes, although it provides flexibility for more abstract factors that can be used for identifying the brand (Wood 2000). Many argue that the term constitutes a much larger phenomenon. Chernatony and Riley (1998) attempted to create a universal definition by scrutinizing and summarizing previous definitions found in the branding literature. They argued that a brand is characterized by twelve themes; i.e., 1) legal instrument; 2) logo; 3) company; 4) shorthand; 5) risk reducer; 6) identity system; 7) image in the consumer’s minds; 8) value system; 9) personality; 10) relationship; 11) adding value; and 12) evolving entity. Using the overlapping themes as a basis for a brand construct, Chernatony and Riley (1998) proposed the following definition:

“The ‘brand’ is a multidimensional construct whereby managers augment products or services with values and this facilitates the process by which consumers confidently recognize and appreciate these values. [...]” (Chernatony & Riley 1998:428)

For the purpose of this study, it is necessary to understand that a brand represents a complex phenomenon, functioning as a value creator within diverse contexts and as an identifier for the company as well as its offerings.

Hybrid messages are paid messages that do not reveal their commercial intent or origin (Balasubramanian 1994). The term is discussed in detail in Chapter 2.1 on page 12.

Product placement and **brand placement**, respectively, refer to traditional placement strategies, with brands more or less used as backdrops. Placements of this character lack integration to the plot or storyline. Product placement is defined in Chapter 2.1.1 on page 14.

Branded entertainment represents more elaborate forms of product placement where brands become an integral part of a storyline or plot. Entertainment and advertising become indistinguishable from one another as sponsors acquire a higher level of control over production. The term is used as an umbrella concept for the integration of brands into entertainment. **Branded content** and **advertainment** carry the same meaning and are used whenever it is necessary to distinguish between different streams of research.

In general, branded entertainment is discussed throughout the study. Chapter 2.3 on page 25 is dedicated to branded entertainment, while previous sections provide the prerequisites. Definitions are discussed in Chapter 2.3.2 on page 28.

The term **sponsor** is frequently used to indicate companies and advertisers that invest in various forms of product placement deals in entertainment content. As an advertising technique, **sponsorship** generally refers to independent entertainment content that is financially supported by a sponsor. See Chapter 2.1 and 2.1.4 on pages 12 and 16, respectively, for further clarifications on sponsorship.

Entertainment vehicles encompass all types of visual, auditory, as well as audiovisual entertainment formats; i.e., films, TV programs, games, etc. Books and other non-auditory content are excluded from entertainment vehicles in this study. The term is applied by Russell's and Belch's (2005) in their definition on product placement (see Chapter 2.1.1 on page 14).

Mobile devices in this thesis include mobile phones and other handheld devices with audiovisual capabilities—and increasingly touch screens—such as internet tablets, iPods, and Personal Digital Assistants (PDAs). Netbooks, notebooks, and other larger portable devices are excluded. Drawing a clear line between different types of mobile devices is difficult and not worthwhile due to increasing convergence. Today's PDAs pack the same features as mobile phones and vice versa. GPS navigation devices used in cars can even include mobile television. The general focus is on *smartphones* with advanced audiovisual capabilities, such as a digital camera, internet access, GPS, and mobile television (Swilley & Hofacker 2006). The term continues to shift in meaning as even lower-priced phones are increasingly outfitted with comparable features.

2. Theoretical Framework

The theoretical framework presents concepts on product placement in a traditional sense, as well as emerging academic literature on branded entertainment. Chapter 2.1 explains the concept of hybrid messages, including product placement and related concepts such as sponsorship. Chapter 2.2 reviews various ways to categorize product placement, laying the groundwork for examining of branded entertainment. Chapter 2.3 delves into the historic development of both concepts. This is followed by an analysis of recent academic definitions and conceptual models on branded entertainment. The remaining part of the subchapter introduces two new conceptual models that are later revised in the empirical framework. Chapter 2.4 provides consequently an introduction to branded entertainment in mobile media. Lastly, Chapter 2.5 concludes the theoretical framework by summarizing the central themes and models introduced.

2.1 Hybrid Messages

Hybrid messages are originally developed by Balasubramanian (1994) to describe messages that cloud the distinction between advertising and publicity. The concept, as seen in Figure 3 below, is widely employed within product placement research (e.g., Gupta & Lord 1998; Ferraro & Avery 2000; Nelson 2002; Sheehan & Guo 2005; Russell & Belch 2005). Balasubramanian (1994) defines hybrid messages as follows:

“Hybrid messages include all paid attempts to influence audiences for commercial benefit using communications that project a non-commercial character; under these circumstances, audiences are likely to be to unaware of the commercial influence attempt and/or to process the content of such communications differently than they process commercial messages.” (Balasubramanian 1994:30)

The concept denotes commercial messages that combine the benefits of two distinct forms of communication; i.e., *advertising* as paid communication that clearly identifies the message sponsor; and *publicity* as non-paid communication that represents the media. Figure 3 illustrates that non-paid messages are considered more credible among consumers than sponsored and paid messages because sponsors lack control over the media. Consumers tend to perceive the mass media as objective and critical to information processing and the messages are not perceived as commercially persuasive. Hybrid messages, on the other hand, remain disguised in their advertising origin while the sponsor retains control over the message. This leads to a higher potential to influence consumers than in traditional advertising (Balasubramanian 1994).

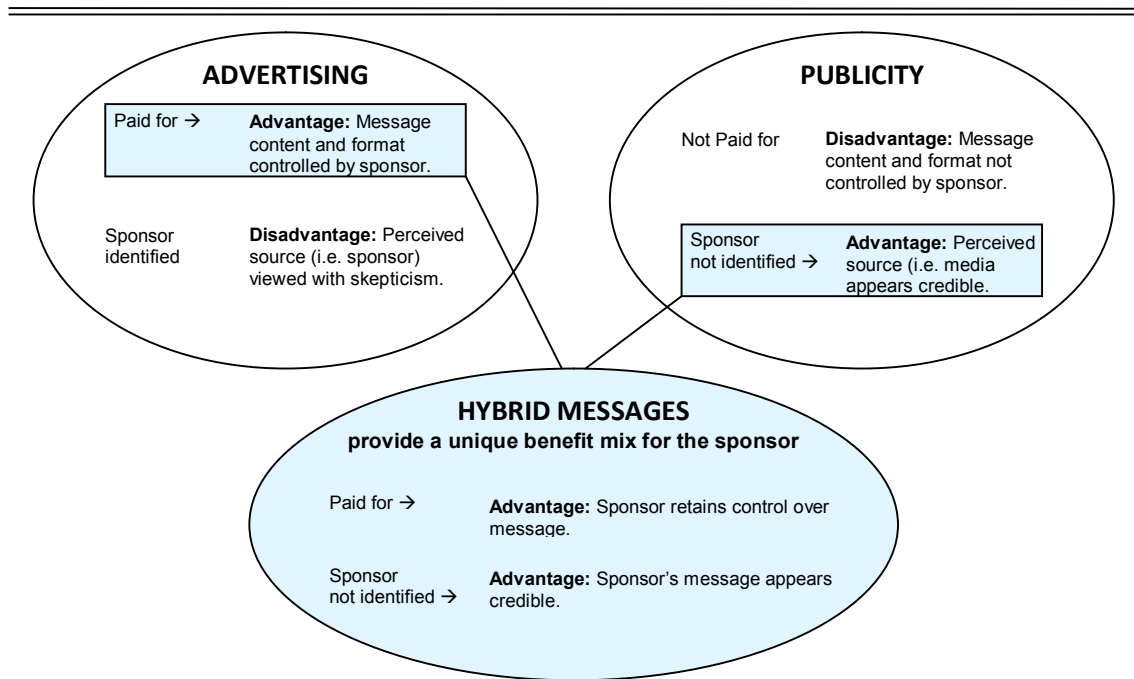


Figure 3. *Hybrid Messages Creatively Combine Advertising and Publicity Concepts* (Balasubramanian 1994:30)

Analogous to Balasubramanian’s (1994) conceptual framework on sponsor visibility and message credibility, Nebenzahl’s and Jaffe’s (1998) model considers the ethicality of different types of marketing communications based on two dimensions: *disguise* and *obtrusiveness*. Disguise is defined as the extent to which the sponsor is identified and/or is able to cloud the fact that the message is a paid advertisement. Obtrusiveness measures the degree to which the message is secondary to more salient communication; i.e., the main message, such as a scene in a movie (Nebenzahl & Jaffe 1998).

From an advertiser’s perspective, ideal messages would be high on both obtrusiveness and disguise, although traditional advertising remains low in both dimensions. Nebenzahl and Jaffe (1998) are keen to point out that such ideals would violate the consumer’s autonomy, privacy, and right to know about persuasion attempts. While this thesis will not consider the matter at greater length, ethicality is as a hot topic due to the increasingly unclear distinction between advertising and entertainment (e.g., Woods 2008; Mulcahy 2006). The ethicality construct is applied in the sections ahead.

Balasubramanian (1994) acknowledges several types of hybrid messages of which *product placements*, *program tie-ins*, and *program-length commercials* can be regarded as essential for this study. All three categories provide a different entry point to the ambiguous nature of advertising and entertainment.

2.1.1 Product Placement

According to Balasubramanian (1994), product placement is a tool that represents a new form of marketing communication. Being outdated, his definition is constricted to films and television:

“Product placement is a paid product message aimed at influencing movie (or television) audiences via the planned and unobtrusive entry of a branded product into a movie (or television program).” (Balasubramanian 1994:31)

As discussed in previous parts, Law and Braun (2000) acknowledge that product placement is more effective when viewers are not clearly aware of its influence, providing support to the benefits of hybrid messages. Nebenzahl and Jaffe (1998) view placements similarly, classifying product placements as messages with high disguise and high obtrusiveness; i.e., as messages that conceal their sponsor and commercial origin, and are regarded as secondary to the main content or stimuli. A more current and applicable definition of product placement by Russell and Belch (2005) is as follows:

“The purposeful incorporation of a brand into an entertainment vehicle.” (Russell & Belch 2005:74)

The term entertainment vehicle refers to the fact that placements can occur in various media forms, such as radio programs, songs, novels, music videos (Gupta & Gould 1997), but leaves room for further interpretation. The definition recognizes the fact that the means to include a brand in a given context varies extensively (Russell 2002). What is more, product placement is not necessarily paid for (Russell & Belch 2005). Barter agreements, which are common in the field of product placement, can consist of a sponsor borrowing or donating a product or a service in order to obtain visibility in an entertainment vehicle (Balasubramanian 1994). Interestingly, Hudson and Hudson (2006) opted for the definition proposed by the U.S. Association of National Advertisers, which in similar veins, focuses on the integrative aspect of placements within various entertainment forms:

“The integration of a product within an appropriate context.” (ANA 2005, as cited in Hudson & Hudson 2006:492)

While the definition allows flexibility, it uses the unclear term *product*. For this reason, Russell’s and Belch’s (2005) definition on product placement is a more appropriate one.

2.1.2 Program Tie-in

Program tie-ins are paid product messages that are based on exchanges between a program source, such as a television network, and a sponsor. Generally, the sponsor purchases advertising spots relating to a specific program on television. In return, the sponsor receives visibility for its products within the content. Standard product placement, on the other hand, is confined to a symbiotic relationship between a content producer and a sponsor, leaving the network and additional advertising deals out of the equation (Balasubramanian 1994). In reality, the big picture is rarely this clear; tie-in deals can take other shapes, too. For instance, Nokia launched a promotional campaign around the film ‘*Minority Report*’, highlighting the fact that its phones were used in the film (Nokia 2002). In such instances, the hybrid character is also less surreptitious.

2.1.3 Program-Length Commercial

Program-length commercials or *infomercials* are paid product messages that resemble a legitimate program in terms of content and length. The purpose of the program is to advertise the sponsor’s products or image through information or persuasion (Balasubramanian 1994). The content can take the shape of documents, testimonials and talk shows (Elliot & Lockard 1996). In Finland, infomercials are a common occurrence on channels ‘*Nelonen*’ and ‘*MTV3*’, although they are clearly separated from regular television programming. This can presumably weaken the hybrid character of the messages. Even so, Nebenzahl and Jaffe (1998) argue that program-length commercials represent higher levels of disguise and obtrusiveness than traditional ads, while not on par with product placement.

Infomercials can hardly be regarded as genuine hybrid messages due to their overt selling approach. Speck, Elliot, and Alpert (1997) observed that consumers do not consider infomercials as credible, and that they carry negative connotations relating to a perception of betrayal. Similarly, Hestroni and Asya (2002) stated that infomercials have a negative image due to their overt selling method and that they are generally perceived as advertising adapted for less educated audiences. They added that embedding emotions within the informative context can attract more knowledgeable and solvent audiences. Correspondingly, Speck, Elliot, and Alpert (1997) suggested that a stronger entertainment value in infomercials would possibly expand the potential audience for the content, taking it one step closer to the notion of branded entertainment.

2.1.4 Related Concepts to Hybrid Messages

Product placement has also been associated with sponsorship, mostly within a television context (D'Astous and Séguin 1999; Ferraro & Avery 2000; Tiwsakul et al. 2005; Scott & Craig-Lees 2006). Together with Balasubramanian's (1994) view on masked messages distributed by a disguised sponsor, the connection has its merits. As with product placement, the concept carries numerous definitions due to its ambiguous character. A relatively modern one presented by Cornwell and Maignan (1998) is as follows:

“(1) An exchange between a sponsor and a sponsee whereby the latter receives a fee and the former obtains the right to associate itself with the activity sponsored and (2) the marketing of the association by the sponsor.” (Cornwell & Maignan 1998:11)

The definition above identifies two factors: the sponsor-sponsee association is paid for and it is clearly observable by consumers. A more recent definition by Scott and Craig-Lees (2006) aims to differentiate sponsorship from product placement:

“...to pay or contribute towards the expenses of a media program, performance or other event or work, in return for advertising space or rights.” (Scott & Craig-Lees 2006:366)

This definition recognizes the fact that sponsorship can occur without money exchanging hands and that it is more of a process than a single transaction, which can start in early stages of production. Because the sponsor is purposefully not revealed in standard product placement, it is generally not practical to apply the term sponsorship. This does not make the implications any less important. The European Commission demands that sponsors are clearly identified at the start and end as well as between commercial breaks of a television program (European Commission 2007). Programs that lack product placement notifications can be accused of surreptitious advertising (Woods 2008).

Table 1 below illustrates four key differences in consumer perceptions between advertising and sponsorship, as noted by Meenaghan (2001). Despite its generic focus on sports and other events as opposed to a broader view on entertainment media, the table goes well together with Balasubramanian's (1994) as well as Nebenzahl's and Jaffe's (1998) thoughts on message concealment. Considering all of the above, sponsorship reflects a sounder perspective on attracting consumers' attention than hybrid messages. Consumers should be aware of the commercial intentions of product placement.

Table 1. *Sponsorship/Advertising – Alternative Communications Compared* (Meenaghan 2001)

Comparative Factors	Sponsorship	Advertising
Goodwill	Beneficial	Selfish
Focus	Indirect/Subtle	Direct/Forceful
Intent to Persuade	Disguised	Overt
Defense Mechanism	Low State of Alertness	High State of Alertness

Meenaghan (2001) argues that consumers consider advertising as selfish due to the lack of real value for society. The overt intent to persuade consumers is portrayed by the generally direct and forceful approach. This leads to a heightened state of alertness in interpreting the message. Sponsorship, on the other hand, is an indirect and subtle means of delivering a message to the consumer. It is seen as a beneficial action that supports the desired content. When the intent to persuade is disguised in the form of sponsorship, consumers lower their defense mechanisms. They are consequently more receptive to the intended message than with traditional advertising (Nebenzahl & Jaffe 1998). Drawing parallels with Nebenzahl’s and Jaffe’s (1998) model, sponsorship conveys a low level of disguise and a high level of obtrusiveness, since the persuasive message is secondary to the main content.

To sum up, the general distinction between hybrid messages and sponsorship boils down to sponsor disclosure and contextual use of the brand. In typical product placement, the sponsor is not revealed and the brand is included in independently produced content, whereas in sponsorship, the sponsor is clearly identifiable and the brand is generally not a part in the content itself. Program tie-ins, on the other hand, constitute an extended form of product placement as they implement elements of traditional advertising. Finally, program-length commercials or infomercials are program-like ads that focus on selling, using the brand as a central element. The main point is to reach the consumer is a less critical state of mind—openly through sponsorship or discreetly through hybrid messages. It is particularly the latter option that has raised ethical concerns (Nebenzahl & Jaffe 1998).

The following chapter digs deeper into different categorization methods for product placement. These provide the necessary tools and building blocks for creating a comprehensive conceptual framework on branded entertainment.

2.2 Categorization of Placement Strategies

Product placement has been subject to a broad range of classifications. This chapter highlights the advances made in distinguishing between various techniques. The four taxonomies presented below are essential for understanding branded entertainment.

2.2.1 Placed and Included Brands

Karrh (1998) identifies two different types of brand placements: *placed* and *included* brands. *Placed* brands are of commercial origin, referring to intentional attempts to influence consumers. *Included* brands are in contrast non-commercial in nature; they are simply required for various purposes. Actors need to wear clothing of a particular brand; much like in-house scenes of a film need to be adorned with, more or less, branded furniture. It is also worth noting that *placed* brands are not necessarily paid for. In a barter agreement, a sponsor may borrow or donate a product or a service as a means to obtain visibility in an entertainment vehicle (Balasubramanian 1994). Karrh (1998) estimates that 90 percent of all brand placements in the United States are based on barter agreements.

In reality, distinguishing between the two forms from one another can be difficult from an outsider's perspective (Woods 2008). Occasionally, specific brands are used to highlight a character's personal traits or to create a sense of realism (e.g., Karrh 1998; D'Astous & Séguin 1999), as in the case of a Harley-Davidson motorcycle used by the rugged co-star Mutt in the film '*Indiana Jones and the Kingdom of the Crystal Skull*', or Russian-made Lada automobiles filling the streets of Moscow in the film '*James Bond: Golden Eye*'. Whether these represent examples of *placed* or *included* brands is beside the point. Placements will inevitably carry a commercial significance as long as genuine brands are applied saliently; whether it is intentional or not. From a legislative viewpoint, this makes sense; *undue prominence* is linked to surreptitious advertising (Woods 2008). As for the opposite, Lehu (2007) refers to *stealth placement* when the brand is not directly identifiable. Stealth placements can be commercial in nature and combined with program tie-in deals to strengthen the commercial effect. Wearing Revlon make-up in the film '*James Bond: Die Another Day*', the sidekick, Jinx, starred in regular TV ads to promote the product specifically designed for the character (Weaver 2003a).

2.2.2 A Three-Dimensional Framework of Product Placement

Russell (1998, 2002) categorized product placements according to three dimensions: *visual* (screen placement), *auditory/verbal* (script placement), and *plot connection* (plot placement). This framework has been acknowledged in several later product placement studies (e.g., Sheehan & Guo 2005; Balasubramanian et al. 2006; Hudson & Hudson 2006). Each dimension is clarified below.

The *visual* dimension refers to brands appearing on screen. The level is dependent on frequency of brand appearances and the prominence of such appearances. A screen placement can, for example, be noted in Coca-Cola's evident presence in the TV show '*American Idol*', as seen in the "red room" and the Coke cups on the judges' table. The auditory dimension represents verbal brand mentions in the narrative. It is moderated by the given context, frequency, and emphasis of such a mention. Hence, a script placement can be exemplified by the line "I only date guys who drink Snapple," uttered by the character Donaghy in the television series '*30 rock*', or the Coldplay ring tone used by a detective in '*C.S.I.: Crime Scene Investigation*', clearly referring to the song '*talk*' in Coldplay's '*X&Y* album'. On a side note, song lyrics can also include brand referrals, as in the case of Maybelline and L'Oréal in Justin Timberlake's '*Damn Girl*'. Combined, the visual and auditory dimensions form the modality of a placement.

The third dimension refers to how well the brand is integrated into the plot or script. A strong plot placement implies that a brand has a substantial role in the plot or in defining a character's personality. The plot placement dimension is a result of how the visual and auditory dimensions are used (Russell 1998, 2002). To provide a case in point, a high level of plot placement can be noted in the film '*Cast Away*', in which FedEx, the American transport company, and a Wilson-branded volleyball are of central weight to the main plot. What really matters is the congruence between modality and plot connection (Russell 2002).

If the visual and auditory dimensions are not in line with the connection to the plot, audiences will begin to question the role of the brand in the program (Friedstad & Wright 1995). Excessively prominent placements are likely to induce consumers to realize the persuasive intent and to raise defenses (Bhatnagar, Aksoy & Malkoc 2003). Correspondingly, when placement modality and plot connection are congruent, the placement is perceived as more natural and justified (Campbell & Kirmani 2000). The brand should become a seamless part of the program (Bhatnagar et al. 2003). Many

researchers have used *prominence* as an additional dimension to assess the brand's saliency in an entertainment vehicle (see Balasubramanian et al. 2006; Cowley & Barron 2008). As noted, considering *placed* and *included* brands is not a straightforward task without other means of categorization.

No matter how intricate they are, tools alone do not assure seamless brand integration. Some critics described 'Cast Away' as an artificial example of product placement (e.g., Friedman 2004), which shows that the distinctions and arguments are unavoidably subjective in nature. A recent study by Cowley and Barron (2008) emphasizes this difficulty. They concluded that prominent placements in an episode of 'Seinfeld' were perceived negatively by viewers who enjoy the series. This was hardly a revelation when advertising experts in the same study described the placements as prominent, obvious and obtrusive; despite "being a part of the plot." Hence, the more prominent the brand is in an entertainment vehicle, the stronger the required rationalization.

2.2.3 Implicit, Integrated Explicit, and Non-Integrated Explicit Placements

D'Astous and Séguin (1999) presented their way of differentiating product placement strategies. Product placements can be considered as *implicit* or *explicit*. The latter category can be divided further into *integrated* and *non-integrated* product placements. Despite the similarities with Russell's (1998, 2002) construct, it broadens the concept of product placement into a more wide-ranging sponsorship perspective. The framework was initially designed for understanding television sponsorship, but as Hudson and Hudson (2006) observed, it can be applied within a broader context. They noted that the structure could be used in future empirical studies relating to the more sophisticated world of branded entertainment. Each category is described below:

Implicit product placements denote brands, products or firms in a passive contextual role. The placements are not formally expressed and no clear product benefits are displayed (d'Astous & Séguin 1999). This classification refers to Russell's (1998, 2002) visual dimension (screen placement). The brand lacks a relevant connection to the plot or storyline (plot placement). Consider background objects such as an Apple iMac computer in the television series 'CSI: Miami'; corporate logos and ads in an outdoor scene of the movie 'Minority Report'; or brand names displayed in the ice rink of the console game 'NHL 2008'.

Integrated explicit product placements, on the other hand, indicate brands or firms in an active role, which are formally expressed within the program. Additionally, attributes and benefits are clearly demonstrated (d’Astous & Séguin 1999). The term *integrated* in this context causes misinterpretation, since it simply refers to placements that are a part of the entertainment vehicle. In other words, the level of integration with the plot or storyline is not considered. Referring to Russell’s (1998) multi-dimensional framework, all different combinations of visual and auditory dimensions, ranging from low to high prominence and plot connection can be classified into this category.

Non-integrated explicit product placements refer to brands and firms that are formally expressed, but not included within the program. The sponsor’s name can be mentioned before, between the breaks, and/or after the program (d’Astous & Séguin 1999). External messages such as “Like to enjoy Jacob’s Creek with Friends?” in combination with the TV comedy series ‘*Friends*’ depicts strong *sponsor-program congruity*; a factor that has been found to have a positive impact on the sponsor’s image and the attitudes towards the sponsor itself (Tiwsakul et al. 2005; d’Astous & Séguin 1999). Similarly to integrated explicit placement, the sponsor messages can be communicated visually or audio-visually, although the messages are typically of the latter type. Given the separate section for clear sponsor identifications, auditory-only messages are not practical in audio-visual entertainment mediums. In contrast, they function as the only alternative within radio programming (see Table 2 below).

Critics argue that non-integrated explicit product placement can not be considered as a genuine placement strategy (d’Astous and Séguin 1999); the category is more generally linked to the term sponsorship. Supporters like Hudson and Hudson (2006) believe that their taxonomy is useful when the broader spectrum of branded entertainment is considered. The boundary between integrated and non-integrated product placement strategies can be difficult to determine, as in the case of brand referrals in opening and/or ending credits of an entertainment vehicle, e.g. “BMW presents” in the short film series ‘*The Hire*’ (Lehu 2007:193-196); or brand names included in the content title, e.g. ‘*Pepsi Chart*’ (Lehu 2007:197-198).

Table 2. Comparison between Two Product Placement Categorizations

Implicit vs. Explicit (d’Astous & Séguin 1999)	Implicit PPL	Integrated explicit PPL		Non-integrated explicit PPL		
Placement Modality (Russell 1998, 2002)	Visual	Auditory	Audiovisual	Auditory	Visual	Audiovisual
Plot Connection (Russell 1998, 2002)	None – Low	Low – High	Low – High	None (<i>External message</i>)		

Table 2 above combines the elements of the categorizations proposed by Russell (1998, 2002), and d’Astous and Séguin (1999). As demonstrated, implicit product placements refer to passive, visual-only placements, whereas integrated explicit placements denote more active, auditory or audiovisual placements with a varying plot connection. Visual-only placements can entail a plot connection, but the odds are more in favor when they are accompanied by auditory cues of some kind. This is particularly likely when the plot connection increases in strength. While non-integrated explicit placements are external to the entertainment vehicle, the message or placement can similarly be expressed along the visual and auditory dimensions.

2.2.4 Level of Integration and Control

Some recent product placement studies have put more weight on the level of *control* the advertiser possesses over the placement and/or the level of *integration* between the brand and the storyline (Sheehan & Guo 2005; Scott & Craig-Lees 2006; Hudson & Hudson 2006). Sheehan and Guo (2005) argued that product placements can be divided into four distinctive types based on these two dimensions; i.e., *traditional product placement*, *enhanced product placement*, *product integration*, and *product assimilation*.

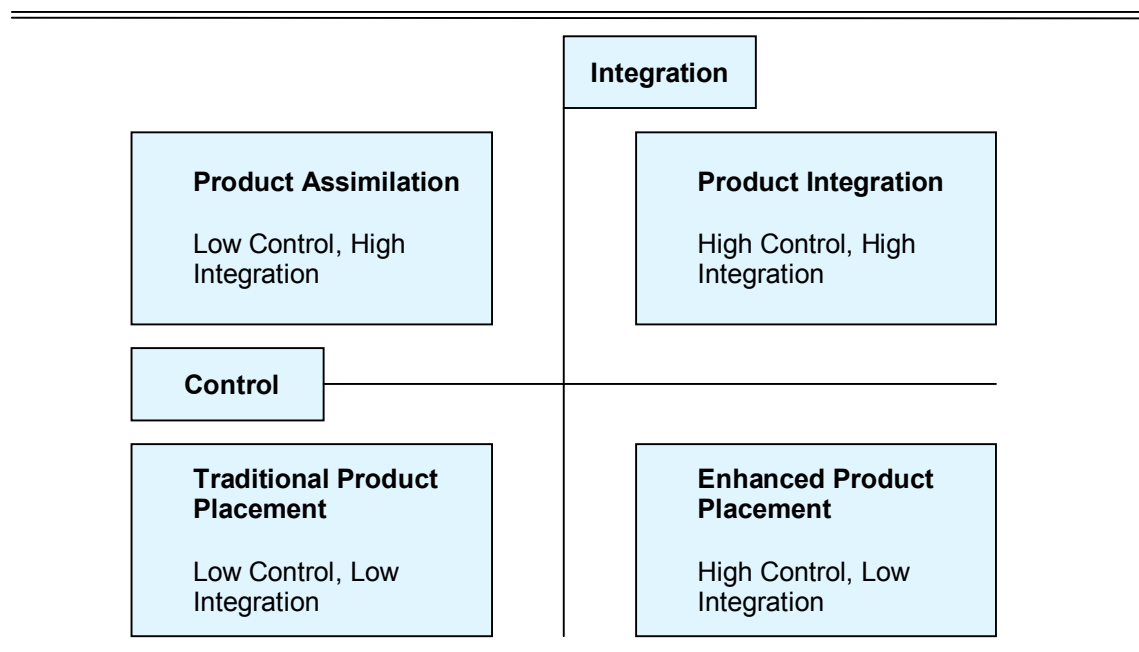


Figure 4. *Categorization of Product Placement Types* (Sheehan & Guo 2005:81)

Inspired by Nebenzahl’s and Jaffe’s (1998) two-dimensional disguise-obtrusiveness construct (see page 13), and Russell’s (1998, 2002) three-dimensional framework, Figure 4 above opens the discussion on branded entertainment. The model was origi-

nally designed for television and film content, but Balasubramanian and his colleagues (2006) suggest that it carries wider implications. Much of the later discussion in this thesis is based on the level of advertiser control and brand integration. For this reason, the model deserves a rigorous review here.

Traditional product placement refers to the conventional concept of products or services being used as props in a film or television show. As seen in Figure 4 above, the level of integration into the narrative is low. Since the placement plays a minor role in the content, the advertiser or sponsor has low control over how the placement is presented (Sheehan & Guo 2005). The Coke cups on the judges' table in the popular television show '*American Idol*' constitute a prime example of traditional product placement. The authors argue that placements of this kind focus primarily on Russell's (1998, 2002) visual dimension. Using Nebenzahl's and Jaffe's (1998) construct, the persuasive message is highly disguised and is secondary to the main plot or content of the entertainment vehicle (Sheehan & Guo 2005). Consequently, the placements can be treated as *implicit*, as defined by d'Astous and Séguin (1999).

Enhanced product placement portrays products and services that acquire a stronger connection to the plot as opposed to serving only as a prop in the background. Both visual and auditory dimensions are applicable for increasing attention to the brand (Sheehan & Guo 2005). Hence, the placements become *explicit* (d'Astous & Séguin 1999). While such placements depict a higher plot connection, they remain low in overall integration; representing singular placements in one program or a scene in contrast to continuous integration throughout a film or a series. The products are replaceable with other products as they are not essential or integral to the plot. Sheehan and Guo (2005) consider them to portray lower levels of disguise and obtrusiveness than in traditional product placement. The scholars describe the increased sponsor control with the prominent use of brands as rewards in such reality TV shows as '*Survivor*'. What is confusing is that Sheehan and Guo (2005) associate the category with *branded content*; a term that has been used synonymously with branded entertainment in a wide variety of contexts. This becomes evident in later sections of the theoretical framework.

Product integration represents products and services that are integral to the plot of a film or a television show. The connection between the brand and the content is long-term, which means that the brand is used extensively throughout the entertainment vehicle, rather than in a single scene or an episode. This allows advertisers to maintain a

high level control over the context (Sheehan & Guo 2005). The authors reason that viewers will acknowledge prominent brands, although they may not recognize them as paid attempts to influence. To describe the category, the authors use ‘*Cast Away*’, in which FedEx and a Wilson-branded volleyball are frequently in the limelight. Interestingly, Friedman (2004) claims that neither placement was paid nor originally initiated by the brands. It was the film crew that approached the brands. Friedman (2004) adds that FedEx was not initially aware of the movie involving potentially harmful brand portrayals—a FedEx plane crash was hardly on the company’s “to-do list.” Apart from the accident, the brand was portrayed in a very favorable light, which suggests a more intricate deal between the two than what is officially claimed.

Product assimilation depicts instances in which the brand becomes the plot or the star of the program. Sheehan and Guo (2005) compare the category to *infomercials* or *program-length commercials*—an overt hard-sell medium imitating a genuine program format (see page 15 for further description on infomercials). Product assimilation, alternatively, represents undisguised reality shows where the brand acts as the primary message. Sponsors have little control and the focus lies on entertainment. The authors mention the show ‘*Airline*’, for which Southwest Airlines supplied everything the producers desired, without gaining editing control. Other brand-centric examples included TV shows ‘*the Apprentice*’ and ‘*the Restaurant*’. In this regard, the film ‘*Cast Away*’ mentioned in the *product integration* category would fit this classification better. Interestingly, Sheehan and Guo (2005) did not discuss further as to why a product might become the plot or the star of the program in instances with low sponsor control.

As observed, the model has a range of weaknesses that limit its applicability. From a more logical standpoint, *product integration* (e.g., high control and high integration) should enable similar undisguised and brand-centric concepts as *product assimilation*; even on television. Control, in this case, deviates from the view this thesis carries. While Sheehan and Guo (2005) see control as a measure of how well sponsors can influence a brand’s portrayal in a given context, this study considers control as to what extent is the sponsor the sole producer and creator of content. The latter perspective on control is more strategic in nature, and an essential aspect that sets branded entertainment apart from traditional product placement.

2.3 The Concept of Branded Entertainment

This chapter reviews existing conceptual frameworks on branded entertainment in addition to introducing a new one. The intention is to bridge the gap between product placement and branded entertainment, and provide the means to distinguish different techniques. Despite the recent popularity and development of product placement, the blurring of boundaries between advertising and entertainment is an old phenomenon; a fact that many researchers have indeed pointed out (e.g., Tiwsakul & Hackley 2006; Hudson & Hudson 2006; Russell & Belch 2005; Kretchmer 2004; Karrh 1998).

The following subchapter highlights the development of product placement as well as entertainment content produced by advertisers, of which the latter constitutes an essential element in branded entertainment. Chapter 2.3.2 provides definitions on branded entertainment and sheds further light on its characteristics. Chapters 2.3.3 and 2.3.4 discuss the essential parameters for distinguishing different branded entertainment techniques, resulting in a new holistic model (Figure 8). Chapter 2.3.5 introduces a more generally applicable model (Figure 9) based on previous models. Lastly, Chapter 2.4 serves as a link to the mobile-focused empirical part of the thesis.

2.3.1 History of Branded Entertainment and Product Placement

To acquire a holistic view of branded entertainment, it is essential to understand that the concept is far from new. While Russell and Belch (2005) describe it as the next generation of product placement, many argue that it is a re-emergence of advertising techniques applied in the past (e.g., Kretchmer 2004; Wenner 2004; Karrh 1998). Brands served a surprisingly intricate role in American programming at the beginning of 1930's. In fact, it stands for a period when sponsor-owned soap operas dominated the media scene (Lavin 1995; Kretchmer 2004; Turner 2004).

“Shall we entertain, and in entertaining hope to sell; or shall we continue to sell as in the past, and make use of entertainment as one of the several techniques of selling?” (Kelly 1931: as cited in Lavin 1995:77)

As the question asked by a secretary in an ad agency illustrates, the unclear distinction between entertainment and advertising is no recent issue. Even the term *soap opera* refers to a mix between soap commercials and programming. During the early 1930s, the radio emerged as a new platform for advertising, while the print media was clogging up from increased commercial clutter (Lavin 1995). Programs were initially orches-

trated by radio network programming departments, using sponsors for creative and advertising support. Sponsors soon commanded the scene as ad agencies became increasingly involved in the development of radio programs. The intertwined relationship between advertising and entertainment could be noted in many of the program titles that included the sponsor's name, e.g. '*Colgate Comedy Hour*'. Certain programs were produced to highlight a single sponsor (Kretchmer 2004).

The continual nature of soap operas as daily episodes enabled the development of personalities that the audiences could relate to. The characters functioned as trustable friends and experts for consumers, and as product spokespersons from the sponsor's perspective. In effect, some audience members could not distinguish the actor and fictional character from one another. Either way, they were treated as important sources of information (Lavin 1995). Since the selling message was concealed within the storyline, it was believed to evoke higher credibility and result in a more effective outcome (Kretchmer 2004). In this regard, the soap operas can be clearly perceived as *hybrid messages*. Brand integration was initiated through casual references to the sponsor's products within the program dialogue. As time passed, the referrals became more apparent, and in some instances, audiences were even requested to purchase the sponsor's products with the aim of delighting the soap opera characters (Lavin 1995).

The strong dominance of sponsor-produced radio content—and later television content—placed the networks in an inferior position (Turner 2004). But as production costs increased, more sponsors were involved in the production of a single program (Meyers 2005:274-275), which in turn reduced the individual sponsor's influence over program content (Lavin 1995). The focus, therefore, shifted gradually to purchasing commercial spots in relation to specific programs (Meyers 2005:271). Networks soon began to retain their power over programming, especially when the strong emergence of television in the 1950's meant a tenfold increase in production costs (Meyers 2005:274-275; Lavin 1995). Spreading sponsorship efforts from one single program to several could also be seen as a more effective strategy. The last nail in the coffin for single-sponsor programming occurred when the media scene was shook by quiz show scandals in the late 1950s. Many of the popular quiz shows of that era were controlled by sponsors that determined which contestants would continue by supplying the answers in advance. The disclosure of the hybrid message virtually terminated the notion of sponsors with explicit and direct control of television programming (Lavin 1995; Turner 2004).

While at the time in the United States, brands and sponsors played an intricate role in radio and television programming, the film industry was characterized by simple product placement praxis until the turning point in the early 1980s (DeLorme & Reid 1999). Many argue that the use of Reese's Pieces candy in the blockbuster movie '*E.T.: The Extra-Terrestrial*' paved the road for a wider adoption and further development of product placement (e.g., Gupta & Lord 1998; Karrh 1998; Karrh et al. 2003; Balasubramanian et al. 2006). Although left unnoticed by many, brands have also been cleverly utilized in video games since the early 1980s, although their success has not been on par with that of films and television programs. Two prominent examples are McDonald's '*M.C.Kids*'⁵ and 7 up's '*Cool Spot*', both of which are advertiser-initiated and built around a brand, rather than placed in an already existing narrative (Vedrashko 2006). Recently, the increasing commercial clutter on television, audience dispersion, growing advertising costs, and technological progress empowering consumers have enabled sponsorship and product placement to acquire a stronger presence in the advertising world, simultaneously resulting in the reemergence and refinement of old tactics (e.g., Gupta & Lord 1998; Russell & Belch 2005).

The terms *branded content*, *branded entertainment*, *advertainment*, and the like, are expressions that have surfaced in a series of marketing and trade magazines at the beginning of the 21st century (e.g., Elkin 2002; Dunlap 2003; Weaver 2003b; Donaton 2004; Eleftheria 2004; Shaw 2005; Hamsley 2005; Lianne 2005; Manly 2005; Kanner 2005) and in academic literature (e.g., Karrh et al. 2003; Nelson et al. 2004; Russell & Belch 2005; Hudson & Hudson 2006; Scott & Craig-Lees 2006). An often cited example of seamless brand integration and the reincarnation of sponsor-created content is BMW's short film series '*The Hire*', exhibiting the carmaker's high-end vehicles as the genuine stars of the show. The content was distributed over the internet and backed up by traditional movie trailers online as well as in the cinema (e.g., Dunlap 2003; Weaver 2003b; Eleftheria 2004; Kretchmer 2004; Desker 2005; Russell & Belch 2005). As such, they illustrate how the internet and other new media channels have opened gateways for the symbiotic relationship between entertainment and advertising.

Contrasting the current trend of branded entertainment and product placement to the early days of sponsor-controlled radio programming, the commercial message has been reduced in terms of obtrusiveness. As today's consumers are more critical and resistant

⁵ Titled '*McDonaldland*' in Europe (www.mobygames.com).

to advertising (Ducoffe 1995), the use of direct and blatant purchase requests within programming would not be a preferable or even feasible option. Networks possess tighter control over entertainment production (Lavin 1995), consumers has more entertainment options to choose from (Balasubramanian et al. 2006), and regulation overall is stricter (Hudson & Hudson 2006; Mulcahy 2006). As surprising as it is, some researchers have disregarded the essential role of radio in product placement studies, although this can be overlooked due to the unclear and shifting definitions of product placement. In an attempt to unravel the haphazard jungle of ambiguous terms and concepts, the existing academic definitions on branded entertainment are discussed next.

2.3.2 Definitions on Branded Entertainment

Hudson and Hudson (2006), and Kretchmer (2004) are among the first scholars to offer a definition on branded entertainment. While it is evident that both definitions attempt to cover the phenomenon of converging advertising and entertainment, discrepancies exist in scope and perspective. These are consequently compared with the definition proposed in the preliminary study of this thesis. Table 3 on page 30 sheds further light on the underlying reasoning for the definition. To start off, Hudson and Hudson (2006) describes branded entertainment in the following manner:

“...branded entertainment is defined as the integration of advertising into entertainment content, whereby brands are embedded into storylines of a film, television program, or other entertainment medium. This involves co-creation and collaboration between entertainment media and brands.”
(Hudson & Hudson 2006:492)

The definition covers the essentials of branded entertainment, acknowledging that the phenomenon extends to any type of entertainment vehicle. Seamless and favorably evaluated integration with the narrative or plot necessitates co-creation and collaboration between sponsors and the other parties in the entertainment industry (Hudson & Hudson 2006). On the flip side, this definition fails to underscore content can be completely produced, financed, and controlled by a brand. This has been frequently referred to as *advertiser-funded programming* (AFP) in television media (e.g., Marketing Week 2003; Donaton 2004; Gray 2006).

Even though Hudson and Hudson (2006) acknowledge entertainment vehicles that are produced by single advertisers, they belittle the fact that they are considerably different from the general collaboration and brand integration efforts of television and film content. Wenner (2004) argues that programming funded by a single advertiser is

prohibitively costly in today's media environment. This is not the case in new media and the internet, which have expanded the realms of advertising and entertainment models (Rappaport 2007). Costs for production and online distribution, in particular, are a different ballgame. Kretchmer (2004) recognizes this by providing the following definition on *advertainment*:

“...entertainment content that mimics traditional media forms but is created solely as a vehicle to promote specific advertisers...” (Kretchmer 2004:39)

Kretchmer (2004) takes a more radical stance on the matter by stating that *advertainment* represents entertainment vehicles that are explicitly designed to draw attention to specific advertisers. According to her, the concept can be split into two manifestations: advertisement that acts as entertainment (*advertising-as-entertainment*) and entertainment that acts as advertising (*entertainment-as-advertising*), although this approach is not without its critics. Scott and Craig-Lees (2006) criticize her examples on product placement in describing entertainment-as-advertising. Using her logic, entertainment vehicles with prominent product placement are created solely for promoting a specific advertiser. This is clearly not always the case. Scott and Craig-Lees (2006) justly argue that the sponsors or advertisers are generally in an inferior position to content producers, e.g. television networks, as far as traditional product placement is concerned. Despite the discrepancies, her dualistic approach on branded entertainment proves some valid points, which are discussed more thoroughly in Chapter 2.3.4. Moving on to the definition devised in the preliminary study, it is evident that all three definitions bear strong similarities:

“Branded content (branded entertainment) is an entertainment vehicle premised on a brand that becomes a significant, yet inherent part of the outcome. It is a seamless integration of entertainment and indirect advertising, which the consumer perceives as sponsored entertainment, financed completely or to a large extent by the sponsor or sponsors.” (Tuomi 2006 – translated)

This definition covers the concept of single sponsor-produced entertainment vehicles. It also recognizes the emergence of brands becoming the focal point of entertainment and that the brands are to a large extent in control. It also puts further weight on *seamless integration*, suggesting that a good and meaningful fit between a brand, a sponsor, and content can improve brand recall and attitudes towards the sponsor (Russell 2002; d'Astous & Séguin 1999; Tiwaskul et al. 2005). These factors are summarized in the first three arguments in Table 3 below.

Table 3. Characteristics of Advertiser-Funded Content (Tuomi 2006) – Translated and Modified

1) The brand as a starting point
The brand functions as a starting point, becoming a significant, yet inherent part of the entertainment vehicle (e.g., Russell et al. 2005; Hudson & Hudson 2006).
2) The brand has an essential role
The brand requires a strong connection to the storyline or to a character's personality. Consumers should perceive the brand as purposeful. The placement modality (visual/auditory) should therefore be balanced with the level of plot connection (e.g., Russell 2002).
3) Advertiser-funded programming (AFP)
The sponsor is completely or to a large extent responsible for the financing of the entertainment vehicle in order to gain full control over the content (e.g., Karrh 1998; Karrh et al. 2003).
4) Purpose of the content
The purpose is to entertain the consumer, while the consumer is consciously being exposed to the brand in a subtle manner. The entertainment vehicle does not apply overt selling techniques and the content is not necessarily directly associated to the brand; as long as the content stays true to the brand's characteristics (e.g., Ferraro & Avery 2000; Karrh et al. 2003; Hudson & Hudson 2006; Rappaport 2007).
5) Value for consumers
Value is created through entertainment and information in a non-selling manner. Information should be more indirectly related to the brand, since an overtly factual approach will resemble that of traditional ads. The brand alone can generate value for the consumer and create interest in the content (e.g., DeLorme & Reid 1999; Woltman et al. 2003; Balasubramanian et al. 2006; Rappaport 2007).
6) Voluntariness
The content is based on consumer autonomy; the consumer decides whether she wishes to watch the program. This is the opposite of ads that are based on consumer interruption. Self-selected advertising is more favorably valued than forceful advertising (e.g., Shavitt et al. 2004).
7) Content environment
Branded entertainment offers an entertainment setting, in which the consumer is in an active, alert, and uncritical state of mind. This way, the consumer processes the content more intensively, without putting too much weight on the commercial purpose of the program (e.g., Meenaghan 2001; Scott & Craig-Lees 2006).
8) Program length and scope
Branded entertainment enables a more engaging and longer format for a variety of emotions than traditional TV advertising (e.g., Kamp & MacInnis 1995; Lehu 2007).
9) Transparent sponsorship
The entertainment vehicle should not attempt to conceal its commercial background. It should be perceived as sponsorship—i.e., indirect advertising (e.g., Karrh et al. 2003).
10) Advertising for advertising
As with editorial content, advertising in the form of trailers and previews is used to increase awareness. This allows consumers to decide whether to consume or not (e.g., Rappaport 2007).

Consequently, when brands take center stage in the content, the commercial origin is difficult—if not even an undesirable action—to conceal. Ferraro and Avery (2000) as well as Sheehan and Guo (2005), among other academics, implied that consumers are generally aware of the commercial placement of brands in media content. This is par-

ticularly true when the placements are prominent and essential to the content. DeLorme and Reid (1999) also noted that brands, as such, can provide value to consumers and act as incentives. This is clearly apparent in BMW's online short films or so called *webisodes*, in which the cars are considered as the main attraction; not as a commercial nuisance (Hudson & Hudson 2006). Rappaport (2007) acknowledges the emergence of new advertising models for the online era, one being based on the concept of *engagement*. The model focuses on the high relevance of brands to consumers and the development of an emotional connection between the two. Brands are therefore regarded as having the ability "to involve, inform, and entertain" consumers (Rappaport 2007:138). Given this inherent value, it is commercially and ethically questionable to create genuine hybrid messages.

For this reason, it can be argued that branded content or branded entertainment, in which the sponsor or sponsors are in control, should be perceived as *sponsored entertainment*, revealing its commercial background while offering what consumers mainly desire: entertainment (see argument 9 in Table 3). *Sponsorship* should be perceived as exhibited in Table 1 on page 17. The increased focus on entertainment depicts a shift from "interrupt and repeat" to consumer relevance (Rappaport 2007). While both information and entertainment are considered important in advertising (Ducoffe & Curlo 2000), one study reported that consumers prefer entertainment over factual, product or service-related information (Woltman et al. 2003). Naturally, the value of information may be strongly affected by the contextual relevance to the consumer (Wang 2006). Branded documentaries, for instance, might not be as entertaining as they are informative; hence the more neutral term, *branded content*.

All the same, "pure" entertainment and advertising are different breeds. Placements characterized by rich product information in an entertainment vehicle may irritate consumers and distract them from the entertainment element, consequently turning the content into an abrupt and undesired advertisement. Such placements can no longer be considered as seamlessly integrated into the storyline (Balasubramanian et al. 2006). Using Nebenzahl's and Jaffe's (1998) framework on disguise and obtrusiveness, the sponsor is not disguised, nor is the commercial advertising nature of the content, whereas the persuasive effort remains secondary to the main message of the content; i.e., entertainment. Despite this, the brand can arguably represent the primary message, as in the case of BMW's 'The Hire' (see arguments 4 and 5 in Table 3). Additionally, Rappaport (2007) presents another model based on *on-demand*, referring to the con-

sumer's ability to select their content and interactions with brands. Branded entertainment, as illustrated in argument 6 in Table 3, is based on voluntariness unlike ads. The consumer chooses what she wants to experience. Shavitt, Vargas, and Lowrey (2004) observed that self-selected ads influence consumer attitudes positively.

The general aim is to reach the consumer in an attentive, uninterrupted, uncritical state of mind (e.g., Meenaghan 2001, Scott & Craig-Lees 2006). The consumer processes signals that can reveal more about the characters, their identity and behavior in a program (Karrh 1998). Kamp and MacInnis (1995) concluded that ads with characters depicting strong emotions elicited greater attention, empathy, and more positive evaluations among consumers when the emotions were effectively tied to the brand. In terms of skeptical consumers, emotionally charged ads have been demonstrated to result in higher effectiveness than informative ads (Obermiller, Spangenberg & MacLachlan 2005). Greater content length or scope enables a more opportune environment for strong emotions coupled with brands. Lehu (2007:23) supports this reasoning by noting that the length of programs is an asset compared to brief ads on television. These statements are summarized in arguments 7 and 8.

Finally, some practitioners claim that entertainment produced by advertisers may require advertising to stimulate interest, just as with normal entertainment. The non-repetitive and non-intrusive nature of branded entertainment shows a stark contrast to regular advertising. Consumers need to become aware of the content before they can decide whether they wish to consume the entertainment vehicle or not (Rappaport 2007). For instance, BMW's short film series '*The Hire*' was advertised online and in cinemas. In today's online world, additional advertising is not necessarily needed. This is covered in more detail in the empirical section of the thesis.

Overall, all three definitions differ in their scope and approach. Hudson's and Hudson's (2006) definition focuses on general co-operation and collaboration efforts for enabling seamless brand integration. Kretchmer (2004), on the other hand, centers on ads that only mimic traditional entertainment, whereas the definition from the preliminary study concentrates on advertiser-funded content that is built around a brand and is perceived as sponsored entertainment. To capture the essence of all three definitions, the following chapter discusses models that create a sound link between different forms of product placement and branded entertainment. The models are contrasted to one another and used to support and expand the taxonomy developed in the preliminary study.

2.3.3 The Product Placement-Branded Entertainment Continuum

This chapter describes conceptual models that explicitly define and bridge the gap between branded entertainment and product placement. They also constitute the basis for the new extended models introduced in Chapter 2.3.4 (Figure 8) and 2.3.5 (Figure 9). The latter serves as the primary model for discussion in the empirical framework.

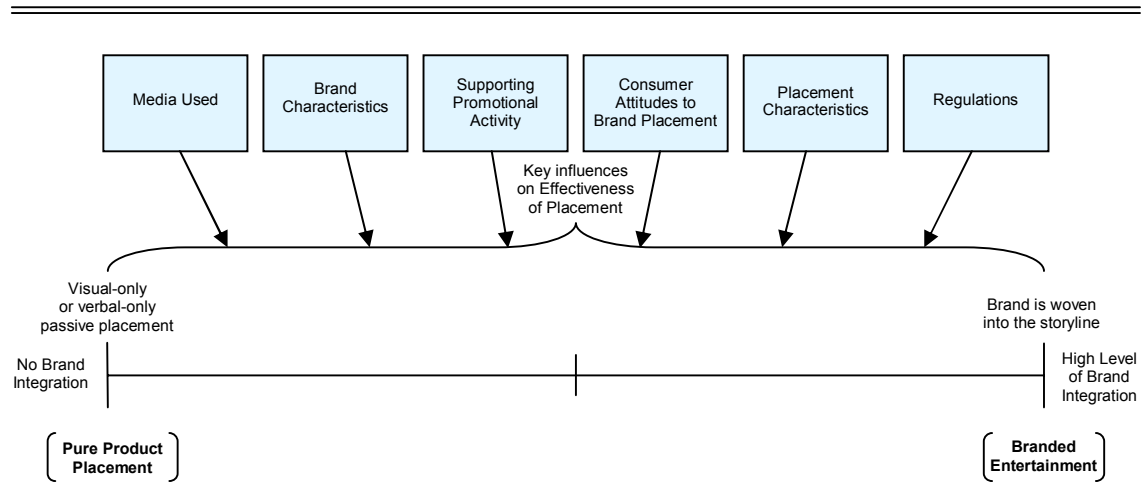


Figure 5. *The Product Placement-Branded Entertainment Continuum* (Hudson & Hudson 2006:495)

Hudson and Hudson (2006) presented a conceptual model that creates a continuum between traditional product placement and branded entertainment based on the level of *brand integration* with the storyline or plot (see Figure 5 above). The left extreme of the continuum depicts passive placements as described by d’Astous and Séguin (1999). Placements are either visual or verbal in nature, and as props, they lack integration to the narrative (Hudson & Hudson 2006). For instance, a bottle of Heinz ketchup displayed on a table in a kitchen scene will do little for the storyline unless it has an active purpose to be included. At the other continuum end, the brand becomes an integral part of the storyline or plot. Hudson and Hudson (2006) observe that advertising deals are increasingly occurring during the creative process in contrast to deals established once a program has been deemed popular.

The upper part of Figure 5 illustrates key factors that influence product placement effectiveness; i.e., 1) the *type of media used*, e.g., television, films and games; 2) *brand characteristics*; 3) *supporting promotional activities*, as in traditional advertising and promotional efforts; 4) *consumer attitudes* considering demographic and cultural differences, 5) *placement characteristics*, e.g., modality and plot connection, character involvement, and sponsor-program congruence; and 5) *regulations* pertaining to mes-

sage subliminality, ethically charged products, and children). These factors have been discussed in previous sections.

As noted in Chapter 2.3.2, Hudson's and Hudson's (2006) continuum undervalues the role of sponsors as producers. Likewise, Wenner (2004) leaves the picture muddled by distinguishing only between (*plain old*) *product placement* and *product integration*. Hudson and Hudson (2006) do, however, point out that an increasing number of games are brand-centric. These advertiser-produced games, or *advergames*, that are designed to market a specific brand or product (Winkler & Buckner 2006) are very different from the co-production and collaboration efforts described by Hudson and Hudson (2006).

Games can be further analyzed using Chen's and Ringel's (2001) three-step brand integration scale: *associative*, *illustrative*, and *demonstrative*. Alike Hudson's and Hudson's (2006) left continuum end, *associative* integration refers to products that are associated with a particular lifestyle or activity featured in a game. These are mainly logos and products as passive backdrops. *Illustrative* integration, in turn, is characterized by products that carry a significant and active role in the game play. Capitalizing on the non-passive gaming environment, *demonstrative* integration allows the player to experience a product in its natural context. The player can interact with the features of a product, such as selecting a specific car with certain equipment in a racing game, or shoes in a basket ball game (Chen & Ringel 2001). The possibilities of interaction are discussed further in Chapter 2.4 and throughout the empirical section of the thesis.

Taking a similar stance on the matter as the author of this thesis, Scott and Craig-Lees (2006) recognize the notion of advertiser-funded content, using the name *advertainment* to describe content that is designed to support a brand. Like Hudson and Hudson (2006), Scott and Craig-Lees (2006) use a continuum—although a more extensive one—to cover various placement forms. Ranging from *product placement* defined as a product or brand used to support content, either non-commercially or deliberately and possibly paid for; to *advertainment*, which is always commercial in nature and paid for. Instead of brand integration, Scott and Craig-Lees (2006) center on the advertiser's degree of *ownership* and *control* over the production process.

As seen in Figure 6 below, the authors use the term *brandcasting* to tie the two concepts together. While logical, it has its flaws. For one, it lacks proper recognition in the industry and is therefore likely induce confusion. Second, as discussed previously in Chapter

2.2.1, the distinction between branded and non-branded products, or *placed* and *included* brands as described by Karrh (1998), is hazy at best. Whether it is intentional or not, the salient use of genuine brands will inevitably carry a commercial significance.

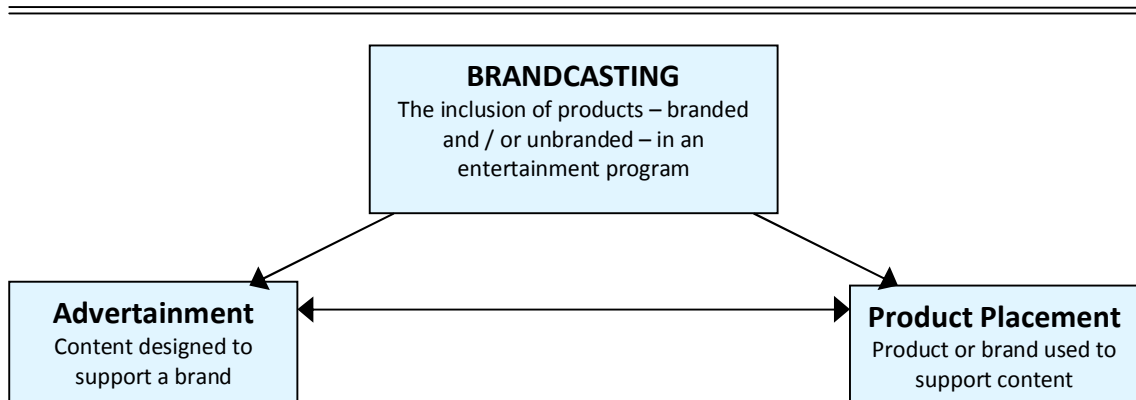


Figure 6. *The Brandcasting Continuum: A Basic Theoretical Model of Broadcast Processing* (Scott & Craig-Lees 2006:367)

Given its state of flux, branded entertainment in this thesis is applied as an umbrella concept. The taxonomy developed in the preliminary study; i.e., *brand placement*, *brand integration*, and *advertiser-funded content* provides much needed clarity to the matter. Table 4 below summarizes the general characteristics of the three categories, which are by no means mutually exclusive. The two latter categories portray branded entertainment. The third category, advertiser-funded content, represents *advertainment*, as defined by Kretchmer (2004). Figure 7 further below provides a graphic illustration.

Table 4. *Attributes for Different Levels of Brand Integration* (Tuomi 2006) – Translated and Modified

Attributes	Brand Placement	Brand Integration	Advertiser-Funded Content
Placement Strategy	Barter agreements	Paid inclusions/Tie-in deals/Barter agreements	Sponsors as producers
Placement Dimensions	Visual/Auditory (Placement modality)	Modality + Plot connection	Modality and plot placement congruent
Placement Moment	Late stages of production, Script/storyline finished	Early stages of production, Script/content adaptations	Brand as a source for content
Sponsor's Level of Control	Low control	Partial control	High control
Attitudes to Prominent Brands	Negative	Neutral/Positive	Neutral/Positive
Commercial Origin	Disguised, Hybrid message	Disguised, Hybrid message	Revealed, Transparent

The first category, *brand placement*, which represents product placement in its most basic form, is largely in line with the basic forms of the other taxonomies discussed. This category refers to brands that represent low levels of brand integration and sponsor control. In a gaming context, non-integrated, passive placements are often referred to as *in-game advertising* (Winkler & Buckner 2006). Brands may be included through an intermediary, such as a product placement agency, which attempts to find a suitable spot for the brand during the production stage of a more or less finished program environment. Sponsor control is reduced when placements occur as *barter agreements*, implying that the brand owner lends or donates a product, or offers a service in exchange for brand exposure (Balasubramanian 1994).

Using Russell's (1998) three dimensions, placements can be visual, auditory or both. The modality can vary to a large extent from passive placements to more prominent ones. A prominent brand placement is believed to result in higher brand awareness and recall (d'Astous & Chartier 2000). Since placements in this category do not constitute a part of the plot or storyline, blatant cases may be perceived as irritating and intrusive by consumers (DeLorme & Reid 1999; d'Astous & Séguin 1999; d'Astous & Chartier 2000; Avery & Ferraro 2000). In contrast, discreet product placement may go unnoticed by the consumer (Gupta & Lord 1998).

Brand integration refers to stronger collaboration between the parties involved, resulting in a more seamless match between the brand and the entertainment vehicle. This category, in turn, represents Hudson's Hudson's (2006) opposite end of the continuum. Wenner (2004) states that while traditional product placement deals were based on opportunities that could be found in the finished script, the term integration refers to brands becoming the script. This is achieved through more rigorous placement deals in earlier stages of production than with classic product placement (Russell 2002; Karrh et al. 2003). In such instances, the producers will more likely receive direct monetary support or indirect support through tie-in deals. Russell and Belch (2005) stresses the fact that placement deals from the producer's view are often made for financial reasons. Particular entertainment vehicles would therefore not exist without the financial support of sponsors. Content may consequently be adapted to meet their demands.

A prominent but well integrated brand placement is likely to yield neutral or positive emotions and attitudes among consumers (DeLorme & Reid 1999; d'Astous & Séguin 1999; d'Astous & Chartier 2000; Avery & Ferraro 2000). Similarly, a strong link be-

tween the sponsor and the content has shown to improve brand recall and sponsor attitudes (Tiwsakul et al. 2005; d’Astous & Séguin 1999). Sheehan’s and Guo’s (2005) arguments for *enhanced product placement* and *product integration*, including ‘*Cast Away*’, fit in this category. Another example of brand integration is the computer/console action game ‘*Worms 3D*’. Players gain the ability to jump higher whenever they find a Red Bull “power up.” This creatively reflects the energy drink’s slogan: “Red Bull gives you wings” (Twist 2004). The television show ‘*Extreme Makeover: Home Edition*’ exemplifies strong collaboration with multiple brands. In each episode, several brands improve the life of a family in need by demolishing, rebuilding and refurbishing their homes for free (Roberts 2004).

Advertiser-funded content is in this study used to denote entertainment vehicles that are completely or to a large extent financed by the sponsor. BMW’s short film series ‘*The Hire*’ serves as a benchmark example. The term *advergaming* works a subcategory for brand-centric, sponsor-produced games (Winkler & Buckner 2006). The sponsor maintains high control over the brand, content as well as the production and integration process in general; particularly when the brand functions as a source for content (Eleftheria 2004; Russell & Belch 2005). This allows the creation of entertainment vehicles where the brand stays true to its values and lives in harmony with the rest of the content. Brands can also demonstrate their features and offerings in a more controlled fashion, and as such, the commercial origin becomes transparent.

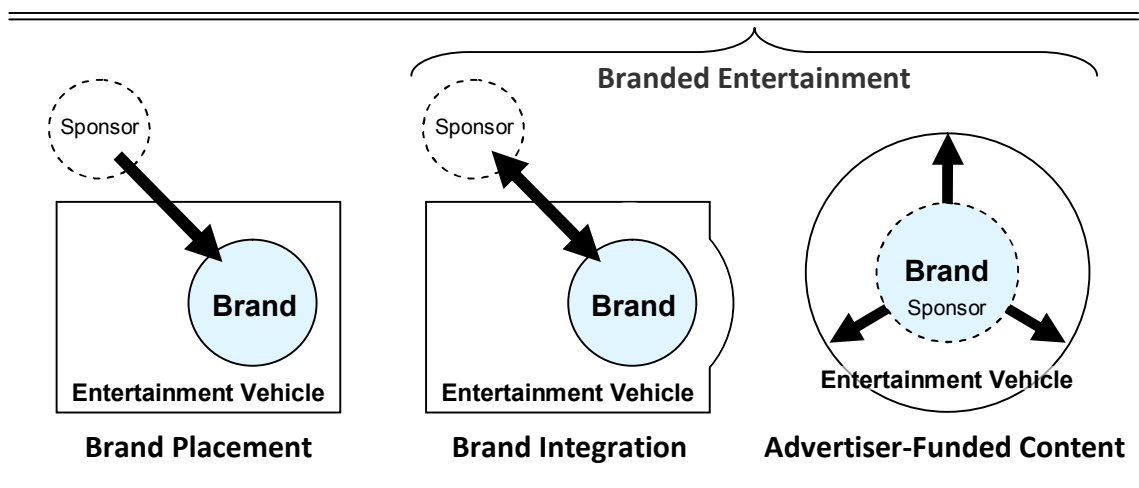


Figure 7. Brand Placement Strategies for Entertainment Vehicles

Using Chen’s and Ringel’s (2001) three-step scale for brand integration in games, it would make sense for brands to harness their inherent value and focus on reaching the highest attainable level; i.e., *demonstrative* integration. Non-interactive vehicles should

aim for an *illustrative* level. Especially in brand-centric cases such as ‘*The Hire*’ and ‘*America’s Army*’, a computer advergame financed by the U.S. army, the sponsor is unlikely to stay behind closed curtains. A corresponding argument was raised by Sheehan and Guo (2005) in connection with *product integration* and *product assimilation*.

While Table 4 and Figure 7 above manage to avoid some of the pitfalls that other models fall for, they remain limited in their perspective. More eccentric forms still remain uncharted, such as Sheehan’s and Guo’s (2005) *product assimilation*, which describes brand-centric content that is not controlled by brands. That said, Chapters 2.3.4 and 2.3.5 ahead introduce two new conceptual models that attempt to embrace all the elements discussed so far (see Figure 8 and Figure 9). Addressing the first purpose of the study, the models are further refined in Chapters 5.1.5 and 5.2.2.

2.3.4 Advertising-as-Entertainment vs. Entertainment-as-Advertising

Kretchmer (2004) presents two paradigms of *advertainment* that, in her view, mimics traditional media forms but is created solely as a vehicle to spotlight specific advertisers. The blurring between entertainment and commercial persuasion can be categorized into *advertising-as-entertainment* and *entertainment-as-advertising*. The first paradigm depicts ads that rest on entertainment, whereas the second one covers the wide variety of brand manifestations in entertainment content. Product placement represents the early form of the latter paradigm, which Kretchmer (2004) argues to have evolved considerably over the past decades.

The inclusion of product placement in the entertainment-as-advertising paradigm was criticized earlier on page 29. Unlike product placement, *advertiser-funded content* can be classified as entertainment content that is specifically designed for advertising purposes. To stir further controversy, advertainment has been applied synonymously with advertising-as-entertainment to describe the use of product placement in games (Nelson 2002; Nelson et al. 2004), whereas Kretchmer (2004) applied the opposite term, entertainment-as-advertising, to describe similar game examples. Despite these inconsistencies, the framework recognizes two major trends: 1) advertising becoming more indirect and entertainment-oriented, rather than focusing on overt selling (Rappaport 2007), and 2) “pure” entertainment being exposed to various forms of advertising messages (Hudson & Hudson 2006). Hirschman and Thompson (1997) observed that

advertising has previously been considered as a distinct field of study, separate from the areas of news and entertainment media. This is clearly not a realistic option today.

Figure 8 below merges Kretchmer's (2004) two paradigms with Hudson's and Hudson's (2006) illustration of the blurring boundaries between advertising and entertainment. Additionally, the model integrates Nebenzahl and Jaffe's (1998) two-dimensional ethicality construct to demonstrate the various forms of advertising methods in use. Complementing one another, these constructs provide a greater view of the complex symbiosis between the two domains. The overlapping zone in this case stands for *branded entertainment*; not the more narrowly defined *advertainment*.

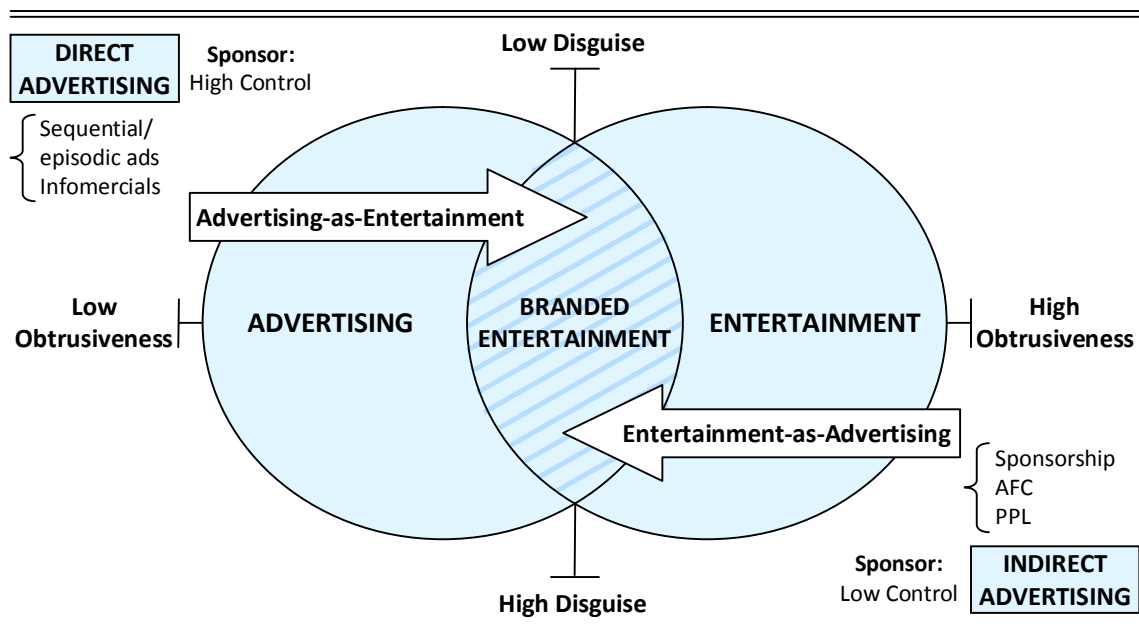


Figure 8. *The Two Paradigms of Branded Entertainment*

It is safe to say that the advertising-as-entertainment paradigm is inherently more sales-oriented and product-centric due to its origins in traditional advertising. It is depicted by low disguise, low obtrusiveness, but high level of advertiser control. The advertiser has the final say in production unlike in other content forms (Karrh et al. 2003). Kretchmer (2004) describes the emergence of sequential or episodic ads that resemble that of soap operas as a means to appeal more to consumers. Similarly, while not considered as branded entertainment per se, program-length commercials (infomercials), in some instances, approach the entertainment dimension in the form of documents, talk shows, and other entertaining forms; albeit with a hard-sell approach (e.g., Balasubramanian 1994; Elliot & Lockard 1996). Content of this kind could also become more entertainment-driven. Referring again to Nebenzahl's and Jaffe's (1998) ethicality concept, both

examples can be considered to portray higher levels of disguise and obtrusiveness compared to traditional advertising, hence placing them in closer proximity of the overlapping area that represents branded entertainment in Figure 8.

In contrast, provided that the entertainment-as-advertising paradigm emerged from the early passive and subliminal forms of product placement (Kretchmer 2004), it can be generally assumed to represent the other end of the advertising continuum, portrayed by a high level of disguise and obtrusiveness. In simple barter-like agreements, sponsors have generally had a low level of control over the placement context (Karrh et al. 2003). As Kretchmer (2004) observed, the paradigm has witnessed the development of new forms of convergence, such as more actively integrated brands and brand-centric and brand-funded games or *advergames*. In a more traditional sense, explicit non-integrated product placements or program sponsorship messages as defined by d'Astous and Séguin (1999) represent another advertising technique worth noting. As such, the level of disguise and obtrusiveness varies considerably between different formats. Plain sponsorship is much more transparent and direct than product placement, for example. Brand-centric, advertiser-funded content and its subcategory, *advergaming*, can be transparent, but even less obtrusive than sponsorship.

Figure 8 provides a useful holistic perspective on branded entertainment, even if it fails to depict finer nuances of branded entertainment. Nonetheless, it provides an effective overview of the phenomenon; ranging from traditional advertising to hybrid-like indirect advertising methods used within a non-commercial entertainment context. It is also worth mentioning that the closer a vehicle or technique is to the overlapping zone of branded entertainment, the less it matters to which paradigm it can be assumed to belong. The chapter ahead provides a more detailed conceptual outlook on branded entertainment by focusing on the right side of Figure 8 above; i.e., entertainment-as-advertising. This paradigm has been the focal point in previous product placement and branded entertainment studies.

2.3.5 A New Conceptual Model on Branded Entertainment

This chapter introduces a refined conceptual model on branded entertainment that is primarily based on the constructs by Sheehan and Guo (2005), Hudson and Hudson (2006), and the taxonomy developed in the preliminary study. To distinguish different techniques more effectively, Figure 9 below utilizes two dimensions: *level of integra-*

tion and level of control. The main premise is derived from the assumption that a high level of advertiser control over an entertainment vehicle should result in stronger brand integration. It is in the sponsor's best interest to emphasize integration as a means to avoid undesired brand connotations (e.g., Ferraro & Avery 2000; Karrh et al. 2003).

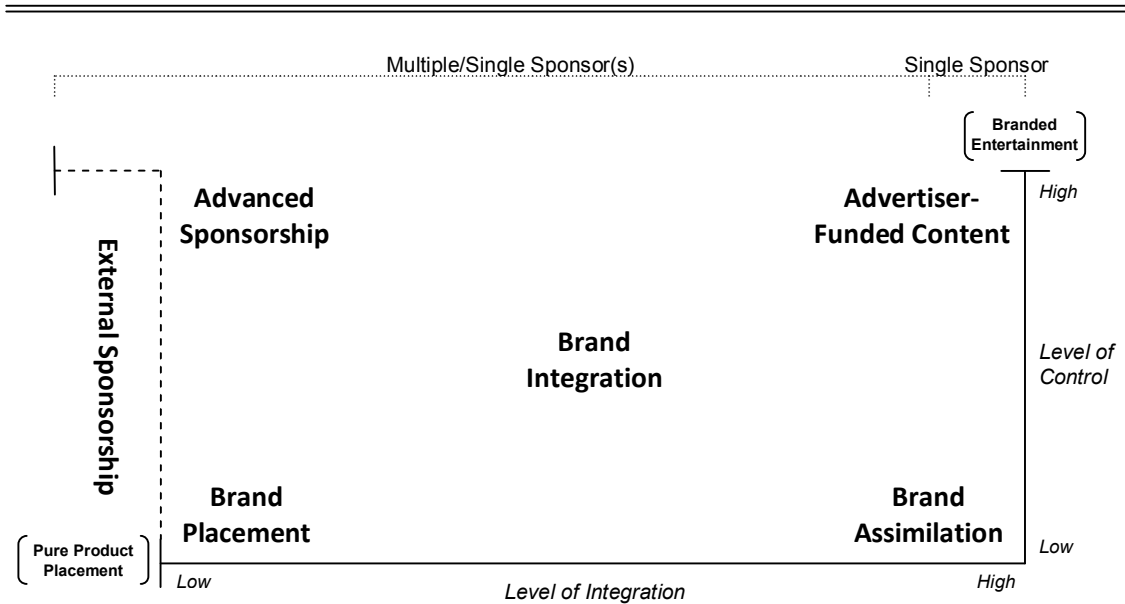


Figure 9. *The Two-Dimensional Product Placement-Branded Entertainment Continuum*

The model retains the taxonomy constructed in the preliminary study; i.e., *brand placement*, *brand integration*, and *advertiser-funded content*. The use of continuums highlights the fact that variations exist and that each category can extend from multiple sponsors to a single, exclusive sponsor. The upper part of Figure 9 illustrates this possibility. Additionally, the two-dimensional construct provides a more in-depth look into alternate subcategories. These include Sheehan's and Guo's (2005) *product assimilation*, which refers to brand-centric programs with low sponsor control. Figure 9 features the category as *brand assimilation* in order to establish coherence in terminology and highlight the brand as a more extensive phenomenon than a physical product.

Extending Hudson's and Hudson's (2006) continuum, the level of integration ranges from passive to active product placement with replaceable brands that lack connection to the plot; to plot integration of more contextually relevant brands as a consequence of more intense cooperation and collaboration; and finally to advertiser-funded and generated content with intrinsic brand presence. Regarding control, fewer sponsors result in a higher level of control among all sponsors. Barter deals indicate a low overall sponsor control over the entertainment vehicle, whereas sponsors being responsible for the majority of funding or production itself signify a high level of overall control. In its most

advanced form, advertiser-funded content would be produced by a single sponsor. Such content would chiefly be designed for advertising purposes, as described by Kretchmer (2004). *Brand integration* represents a flexible perspective on control, given the various forms of compensation available (see Table 4 on page 35).

The separate section to the left in Figure 9 stands for d’Astous’s and Séguin’s (1999) *non-integrated explicit product placement* (see page 21), although *sponsorship* is perhaps a more reader-friendly term. To highlight the lack of integration, the category in question is labeled *external sponsorship*. That said, content may be entirely funded and produced by a particular brand, even though the content itself does not contain any references. The only connection may be an external sponsor message or a mention in the credits. A relatively recent example is ‘*CTU: The Rookie*’; a series of webisodes based on 20th Century Fox Television’s hit series ‘*24*’ but produced and sponsored by Unilever’s Degree Men anti-perspirant and deodorant. Despite the lack of physical brand presence in the entertainment content itself, the brand has provided a starting point for the marketing deal that aims to reach a common consumer group (Frutkin 2007; Schiller 2007). Thematically, anti-perspirants and deodorants are fit for “sticky situations.” The higher level of control also minimizes the risk of unnatural and harmful brand associations (Ferraro & Avery 2000; Karrh et al. 2003).

It can therefore be argued that a high level of overall control will inherently result in production that ties its roots to the brand, whether or not the brand is an explicit part of the content. For this reason, the category equals advertiser-funded content with low brand presence, more so than *external sponsorship*. Likewise, the level of integration is not directly comparable to that of *brand placement*, which characterizes brands that are placed in late stages of production. All things considered, this placement strategy carries the general elements of branded entertainment as defined in Chapter 2.3.2. Creating an analogy with Kretchmer’s (2004) as well as Scott’s and Craig-Lees’ (2006) perspective on branded entertainment, the purpose of advertiser-funded content is to draw attention to the brand or the advertiser, in spite of the vague relationship between the content and the brand. Such instances are coined *advanced sponsorship* in Figure 9.

Branded entertainment is represented by *advertiser-funded content*, *advanced sponsorship*, *brand integration*, and *brand assimilation*. Apart from brand assimilation, each of the aforementioned categories constitutes at least a mid-level of overall control established through collaboration and co-production. Furthermore, the brand is embedded

into the storyline and/or acts as a creative source for content creation. *Brand assimilation*, on the other hand, is brand-centric and is a result of collaboration, although the sponsor generally lacks power over production. *Advertiser-funded content* represents the most advanced form of the pack. *Brand placement*, in turn, characterizes product placement in a traditional sense. Given that the model reflects teachings of traditional media, the final chapter of the theoretical framework discusses implications of the internet and mobile devices. This will establish a link with the empirical section of the thesis, which features revised, mobile-oriented versions of Figure 8 and Figure 9.

2.4 Branded Entertainment in a Mobile Context

This chapter extends branded entertainment to the mobile environment by briefly outlining the unique characteristics of mobile devices. As observed in the introductory part of the study, only a handful of studies have touched upon the subject of advertising and entertainment on mobile devices. Scratching the surface, they are primarily concerned with SMS advertising, ringtones, and the like. However, academic interest in brands within mobile games has grown recently (see Salo & Karjaluo 2007). Previous mobile research is reviewed and discussed so as to create a sound basis for the secondary objective of the study—i.e., to examine the possibilities of branded entertainment on mobile devices from a corporate perspective.

Unlike traditional media, mobile devices are “personal, interactive as well as time-, location- device-independent” (Steinbock 2006:90). They can also be regarded as the melting pot of media; called the third or even fourth screen of entertainment after the cinema, television, and the PC (e.g., Bayartsaikhan et al. 2007; Fitchard 2006; Radlo 2005). Unquestionably, these factors have a significant impact on what can be offered in the mobile world. The sections below illuminate the field of possibilities in more detail.

2.4.1 The Cross-Media Effect

Not long ago, entertainment vehicles were primarily constricted to their original manifestations. The recent push in media convergence has catapulted television shows and films into mobile devices (Bayartsaikhan et al. 2007; Fitchard 2006), and extended traditional media boundaries online (Wang 2007). Figure 10 below illustrates the modern complexities of entertainment vehicles across multiple media channels and the internet.

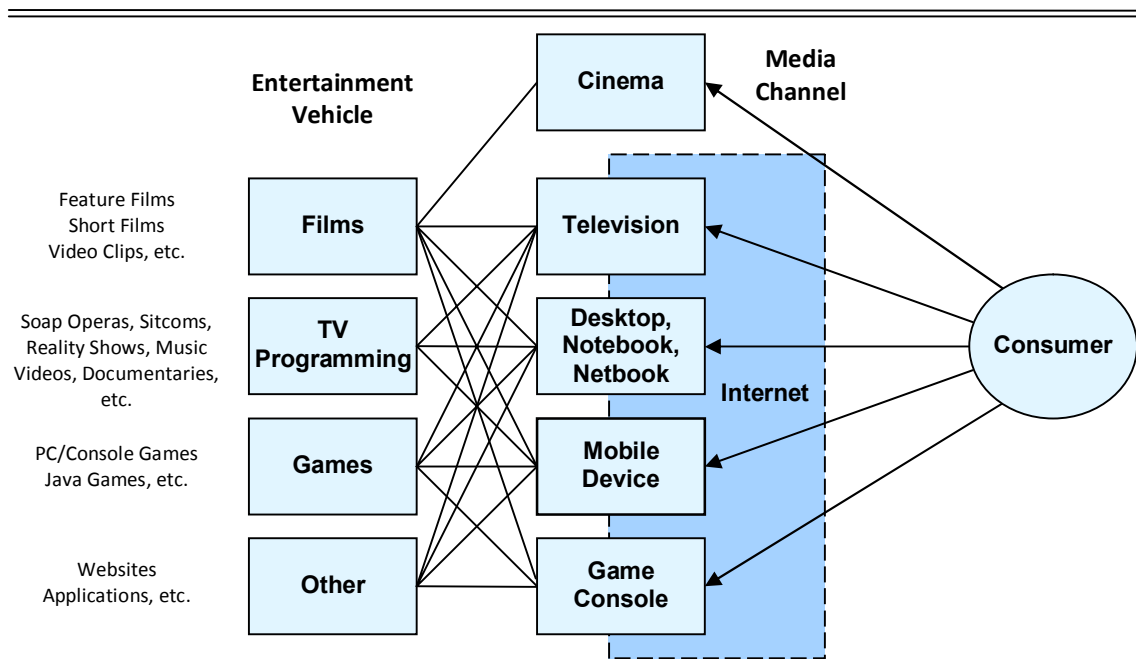


Figure 10. Entertainment Vehicles across Different Media Channels

Mobile television has been a hot topic in recent years (see Fitchard 2006). While television, in a traditional sense, is pushing forward on the mobile frontier, new concepts are shuffling the pack of existing media models (Rappaport 2007; Feldmann 2002). Given the small screen size of mobile devices, it is generally considered as a supporting medium used during unconventional and brief moments in one's everyday life. For people on the move, passive content is hardly the way to go, especially if an appropriate viewing moment turns up in the middle of a commercial break (Bayartsaikhan et al. 2007).

Episodic content is gaining momentum in the form of *mobisodes*⁶ on mobile devices—much like *webisodes* on the web (Bayartsaikhan et al. 2007; Fitchard 2006). Consisting of two to three minute-long episodes on mobile devices, '*Lost: Missing Pieces*' is a recent example that extends the mythical world of ABC's hit television show '*Lost*' (Wyatt 2007). The '*24*' franchise has also been expanded into mobisodes as a joint production between Vodafone and Fox Television (Radlo 2005). This trend reflects an on-demand approach with recreated content; consumers get what they want, when they want it (Rappaport 2007; Bayartsaikhan et al. 2007). This does not rule out the creation of original content specifically designed for mobile devices (Bayartsaikhan et al. 2007), but from a corporate view, content that is already familiar to consumers might be the safer path to choose at this stage (Fitchard 2006). The inherent risks of mobile media also support cooperation between mobile and broadcast players as well as brands

⁶ Episodic content designed for mobile devices (e.g., Fitchard 2006)

(Bayartsaikhan et al. 2007). Branded entertainment would in this regard open up strong opportunities, similar to the old days of radio programming in the U.S, whether the content is free or subsidized by sponsors (Heller 2006).

The recent emergence of brief video clips—i.e., often snippets of existing entertainment content or user-generated content—distributed on such websites as ‘*YouTube*’ have stirred further controversy to the previously sharp distinctions between classic media formats. This emerging channel has not remained unnoticed by advertisers, but the hasty pace has left researchers biting the dust. At the time of writing, research was limited to a handful of introductory articles covering ‘*YouTube*’ and other social media or “Web 2.0” channels with user-generated content (UGC); e.g., ‘*Facebook*’, ‘*MySpace*’, and ‘*Wikipedia*’ (e.g., Krishnamurthy & Dou 2008; Cheong & Morrison 2008). Social networks are believed to be pivotal for mobile devices (Ranchhod 2007). Regarding games, advergames have pushed ahead on mobile devices. Salo and Karjaluo (2007) refer to them as m-advergames, providing the following definition:

“...a game application used by a company for advertising purposes in a mobile handset of a customer.” (Salo & Karjaluo 2007:72)

The definition is similar to Kretchmer’s (2004) view on *advertainment*; i.e., content designed to spotlight specific advertisers. Providing further structure, Salo and Karjaluo (2007) distinguished between single player games, multiplayer games developed for a small physical distance⁷, and multiplayer online games. DaimlerChrysler’s rally game ‘*Jeep Off-Road Jam*’ is a brand-centric, single-player m-advergame that lets the player get acquainted with the company’s product portfolio (www.thumbworks.com). Multiplayer games provide various possibilities to communicate and interact with other players, which brings us to the topic of interactivity.

2.4.2 Personal Interactivity

Mobile devices are personal unlike any other medium as they offer innovative and personalized one-to-one marketing possibilities (e.g., Vatanparast & Asil 2007; Swilley & Hofacker 2006; Feldmann 2002). Interactivity has been previously observed in product placement studies on games. Contrary to passive television viewing, the player is required to interact with the gaming environment (Yang et al. 2006). As a concept,

⁷ E.g., Bluetooth technology enables a close-range wireless connection suitable for gaming between Bluetooth equipped devices (Salo & Karjaluo 2007).

interactivity still carries many meanings (Liu & Shrum 2002). The general tenet is that mobile devices offer increased possibilities to establish a direct and instant two-way link between the consumer and the advertiser; to involve the consumer with the brand; to switch between different media forms with ease, as well as to manipulate and co-produce content through real-time voting and other tools (e.g., Vatanparast & Asil 2007; Bayartsaikhan et al. 2007; Heller 2006; Spurgeon 2005; Feldmann 2002).

Braiterman and Savio (2007) observe that designing mobile content requires a new mindset, since interactions are user-driven and can occur continuously anytime, anywhere, and extend beyond the device itself. This content can, in turn, be interlinked with other devices. Consumers can, for instance, use a PC to retrieve map details from ‘*Google Maps*’—given the convenience of a fully sized keyboard and a mouse—and transfer the data to a mobile device (Braiterman & Savio 2007). Similarly, SMS based games played in connection to a television program or other specific context illustrate a cross-platform approach (Salo & Karjaluo 2007). Using mobiles for buying a Coke from a vending machine serves as another example (Feldmann 2002). Current attempts to provide mobile branded entertainment still constitute only the tip of the iceberg.

It is important to note that interaction between consumers takes place through various means, which remains the primary purpose of mobile phones (Braiterman & Savio 2007). The fact that consumers live in a networked environment should be recognized in branded entertainment efforts (Ranchhod 2007). Increased interactivity and consumer participation may also reduce the ability of advertisers to run the show in their favor (Spurgeon 2005).

2.4.3 Mobility and Location-Based Services

Location-based services (LBS) have been largely anticipated by advertisers but their development have been plagued by countless technical obstacles (Frank & Wuersch 2006; Raschid, Mullins, Coulton & Edwards 2006). The term refers to the ability to interact with one’s surroundings. While this section of the thesis was laid out, only handful of real and widespread instances could be found. Overall, location-specific services can consist of advertising on the spot. The services can also be opt-in in nature and allow a consumer to pin-point a store, building, or some other object of interest and receive multimedia content about that object (Frank & Wuersch 2006).

Location-based games have been tested on a small scale in various parts of the world in recent years. While still simple, many of the games have been so called treasure hunt games in which the play arena is premised on a real world location or a virtual one that responds to movements in the physical world. The player hunts virtual treasures with the help of diverse clues. For the most part, other examples consist of action/adventure-oriented or role-playing games (Raschid et al. 2006). Interestingly, some games have already featured sponsorship and product placement, as in the case of ‘*UnderCover*’ and ‘*UnderCover 2: Merc Wars*’ (www.undercover2.com). Offering sponsored hide-outs from enemies in real world locations and branded bonus packs, the game provides a glimpse of things to come (Raschid et al. 2006). This section serves only as an introduction to the in-depth discussion waiting in the empirical part (Part 3). It has also contributed to the structure of the interview guide and latter parts of the thesis.

2.5 Summary of Theoretical Framework

Regarding the first purpose of the thesis, the theoretical framework culminates in two new conceptual models on branded entertainment: Figure 8 and Figure 9. Using two dimensions, *brand integration*, and *sponsor control*, Figure 9 introduces five main categories: *brand placement*, *advanced sponsorship*, *brand integration*, *brand assimilation*, and *advertiser-funded content*; supported by a sixth peripheral category: *external sponsorship*. Figure 8 provides a more holistic view on branded entertainment using two contrasting paradigms devised by Kretchmer (2004): *advertising-as-entertainment* and *entertainment-as-advertising*. The model also features Nebenzahl’s and Jaffe’s (1998) dimensions on *disguise* and *obtrusiveness* to provide a clearer picture on the role of advertising in relation to entertainment in a given context, and whether the commercial intent and origin are apparent or not. Using these two models together portrays a detailed overview of branded entertainment techniques.

The final section of the framework discusses the unique traits of the mobile dimension in general terms, building a bridge to the empirical section that in large part tackles the secondary purpose of the study. These include the potential to create branded cross-media offerings, highly personal targeting and interaction, in addition to constant access and location-based services. The themes are consequently included in the interview guide for further exploration. Chapter 3 ahead presents the methodology of this thesis.

3. Methodology

This chapter describes the research method used to accomplish the two purposes of this study: 1) to develop a conceptual framework on branded entertainment that extends existing research and provides tools for distinguishing different techniques; and 2) to examine the possibilities of branded entertainment on mobile devices from a corporate perspective. The second research objective was further split into three sub-questions: a) what type of entertainment vehicles can and should be used; b) which branded entertainment techniques are recommended; and c) what is characteristic for branded entertainment on mobile devices? The first objective provides the prerequisites for addressing the second research objective. The follow-up questions of the second objective, in turn, constitute the general structure for the empirical part of the study.

Given the lack of research on branded entertainment, let alone general studies related to mobile devices, this thesis applies an explorative approach based on interviews with experts working in fields related to branded entertainment and mobility. A total of 14 representatives were contacted of which 13 were interviewed. The sections ahead explain the chosen research method. The chapter starts with a closer look on the research approach, followed by data collection and analysis procedures, and ends with a discussion on validity and reliability.

3.1 Research Design

The research approach in academic studies can generally be divided into a *deductive* and *inductive* one. A deductive approach is apt for testing and verifying theories, whereas an inductive approach helps to discover and to generate new theories. The actual research methods at one's disposal depend on the selected research approach (Saunders, Lewis & Thornhill 2007). Typically, a deductive approach refers to collection of *quantitative* data, while an inductive approach utilizes *qualitative* data. Quantitative research is mainly concerned with using standardized and objective measures to collect data from large, random samples. Qualitative research, on the other hand, is subjective, but provides flexibility in terms of being receptive to new insights and knowledge by digging deep in a small, but purposefully selected sample (Patton 2002; Saunders et al. 2007).

With regards to this thesis, there are many factors that support a qualitative research method. As previous theory is scarce and limited, an in-depth understanding of the research problem is crucial before standardized metrics can be developed and used. A large sample size is also out of the question, for only a handful of organizations are specialized in branded entertainment, mobile content, or both for the time being in Finland. The respondents were carefully handpicked and interviewed in person, rather than selected by chance from a large mass.

In the case of explorative studies, one research approach or method does not rule out the use of another. In fact, it can be beneficial to combine research methods for creating a more coherent and extensive research body (Saunders et al. 2007; Coffey & Atkinson 1996). The first research objective is addressed using existing academic literature that is tested against and complemented with the findings of the empirical study. This follows, more or less, a deductive approach. As for the second research objective, the theoretical framework serves as a basis for gathering insight and building theory from the data collected. This suggests an inductive approach. Combining the best of both worlds in the pursuit of new ideas, this mixed interaction between data and theory is called *abductive reasoning* (Coffey & Atkinson 1996).

What's more, exploratory studies are adjustable to change, which is particularly useful when the studied phenomenon is ambiguous and unexplored; as in this case. Focus and direction can shift whenever new data and insights are discovered (Saunders et al. 2007). With so many pieces to match, this rationale has been embraced with open arms in solving the great puzzle on branded entertainment in mobile media. Some preliminary structure is still in order to keep the pieces at bay in the sections to follow. This is where an *interview guide* proves useful. It is a practical checklist for making sure that all relevant areas are covered during interviews (Patton 2002). The guide is described in Chapter 3.2.2.

3.2 Collection of Data

The next section describes the chosen respondents and the sampling methods used. The sections to follow discuss the development of the interview guide and how the interviews were carried out.

3.2.1 Sample Selected

The sample is composed of 13 respondents that cover branded entertainment and mobile entertainment from a variety of perspectives. The method used is comparable to Russell's and Belch's (2005) managerial investigation into the product placement industry. With the exception of clients, the sampling frame consists of the essential actors involved in entertainment production and advertising. While Russell's and Belch's (2005) primary focus was on traditional product placement in the television and movie industry, this study considers additional players that represent mobile media. A broader, but smaller sample size in this thesis does consequently not warrant an equally extensive examination of the differences between respondent companies. The organizations range from a small, domestic media agency to a global internet services company.

Clients were left out due to the novelty of the phenomenon. Finding clients with intentions to apply branded entertainment in a mobile context is difficult, if not impractical. The fact that advertising and media agencies are reluctant to share information on projects still in the pipeline does not make matters any easier. Already realized projects, on the other hand, bring little value as far as future opportunities are concerned. Another aspect to note is that clients themselves are not specialized in innovative advertising—this is where the advertising, media, and entertainment professionals come into play. That said, one organization in the sample served a dual role: an advertising client and a developer of mobile entertainment and advertising solutions. This particular organization is also extensively involved in product placement practices in traditional media.

Similar to Russell's and Belch's (2005) study, the respondents have primarily been chosen through snowballing—i.e., by asking for details of potential respondents from previously contacted people. It is an effective method for locating “information-rich” people in key positions (Patton 2002). Contact was initially made with two organizations: a media agency specializing in branded entertainment, and a handset vendor. In a sense, the snowballing process started from the two poles of respondent types: one representing branded entertainment and the other representing mobile media. In addition to snowballing, some respondents were chosen by observing the media and skimming through articles on local business, marketing, and IT news sites, such as *'Kauppalehti'*, *'Markkinointi ja mainonta'*, and *'Digiviikko'*. Three of the respondents were found this way: an interactive entertainment company, a mobile games studio, and a music and entertainment company (see R7, R8 and R11 below).

Table 5. *List of Respondents and Organizations Represented*

R.	Industry/Company Type	Role/Title	Company Size
1.	Media and PR	Account Director	Domestic, Small
2.	Television	Director of Programs	Domestic, Large
3.	Mobile Devices and Services	Director, Television and Video	Global
4.	Entertainment Production	CEO/Executive Producer	Domestic, Small
5.	Media and PR	CEO	Domestic, Small
6.	Marketing and Advertising	Managing Director	Domestic, Large
7.	Interactive Entertainment	CEO	International, Small
8.	Mobile Games	Managing Director	International, Small
9.	Mobile Devices and Services	Director, Software	Global
10.	Communications	Marketing Director	International, Large
11.	Music and Entertainment	Director, Branded Entertainment	Global
12.	Internet Services	Country Manager	Global
13.	Mobile Virtual Network	Director, User Experience	International, Small

Table 5 above displays the 13 respondents and their respective companies. These comprise of an advertising agency, two media agencies, a production studio, a television channel, a music and entertainment conglomerate, a handset vendor, a communications service provider, a mobile virtual network operator (MVNO)⁸, a mobile games studio, an interactive cross-media entertainment company, and an internet services company. The list is arranged chronologically, starting with the first interviewed respondent. Following Russell's and Belch's (2005) research method, all respondents are in executive positions and possess several years of experience and a strategic overview of their respective areas. To understand where the respondents are coming from, the last column in Table 5 sorts their respective company size and profile into five generalized categories: *small domestic* (under 100 employees), *large domestic* (100-500 employees), *small international* (fewer than 300 employees; regular operations in two or more countries), *large international* (300-5000 employees; operations in two or more countries), and *global* (over 5000 employees; operations worldwide).

The moderately uneven distribution between different organization types is not considered as an issue. For one, some respondents have shifted jobs within the industries described above before and after the interviews, and as such, these career moves simply enrich their answers. Second, the selected sample aims at respondent diversity, rather than putting equal weight on organization types. Large variations improve information-

⁸ A mobile virtual network operator (MVNO) provides mobile phone service without owning the enabling infrastructure (i.e., base stations, systems and technology) and licensed spectrum frequency (see www.mvnodirectory.com).

richness in small samples and constitute a better basis for identifying general themes that are relevant to the purpose of this thesis (Patton 2002; Holme & Solvang 1997).

Six of the respondents—R1, R2, R4, R5, R11, and R12—are explicitly specialized in branded entertainment, while R6 possesses a more holistic perspective on advertising. Each respondent has a unique angle on the subject, as can be noted in Table 5. R1, R4, and R5 embody the production view on branded entertainment. R2 represents TV media and its pursuit to expand to the internet and mobile devices, whereas R11 offers a closer view into the music industry and its expansion towards an advertiser-funded entertainment model. Lastly, R12 specializes in both internet media and branded entertainment.

Experts in the field of mobility comprise of seven respondents: R3, R7, R8, R9, R10, R12, and R13. R3 and R9 offer a handset vendor perspective on entertainment and advertising. R7 and R8 design a wide variety of games and entertainment services for mobile media. R10 and R13 stand for two distinct communications service providers of which the latter is solely focused on offering mobile voice and text services through advertising. Lastly, R12 is also highly knowledgeable in mobile internet and media. One additional respondent specializing in mobile and internet television was contacted by phone, but the initial inquiry did not result in an interview. The number of respondents is still considered sufficient. Kvale (1997) states that interview studies are normally based on 5 to 25 respondents. The minimum number of respondents accepted was eight.

When it comes to choosing a good sample size, it is matter of balancing the breadth and depth of the data collected. This depends, of course, on the purpose and scope of the study, but also on the limited time and resources available (Patton 2002; Kvale 1997). Carrying these factors in mind, the time allotted for each interview was approximately one hour as the majority of respondents were generally occupied throughout the day. This, in turn, limited the use of proper in-depth interviewing and the potential to acquire more detailed aspects on the phenomenon from each respondent (Patton 2002). Additional respondents were contacted and interviewed at later stages for obtaining further data, clarification, and verifications on specific topics (Patton 2002; Johnson 2002), although the last respondents provided, in many regards, answers comparable to that of previous respondents. This indicates a sign of saturation, and more importantly, a sufficient sample size (Johnson 2002).

The respondents were assured anonymity and confidentiality repeatedly to avoid potential organizational concerns (Saunders et al. 2007). Mobile media remains sensitive to a number of organizations because of its strategically unclear role, serving as a testing playground for new business models. Some respondents have requested to review their interview transcripts to confirm that no potentially sensitive information reaches the public. From a researcher's perspective, anonymity and confidentiality support honesty and informativeness, which are believed to improve data accuracy and quality (Saunders et al. 2007; Johnson 2002; Kvale 1997). *Anonymity* refers to the nondisclosure of respondent names and their respective companies. *Confidentiality*, in turn, means the removal of data that may risk revealing the identity of respondents (Kvale 1997).

3.2.2 Design of the Interview Guide

Qualitative interviews can generally be divided into three categories, based on the level of question preparation and standardization prior to the interview occasion. Patton (2002) sorts these into: *informal conversational interview*, *general interview guide approach*, and *standardized open-ended interview*. Saunders and his colleagues (2007) split interviews into *unstructured*, *semi-structured*, and *structured* ones (Saunders et al. 2007). Using the latter taxonomy, the interviews fall in between a semi-structured and unstructured interview approach. *Structured interviews* equal *standardized open-ended interviews* in that the set and order of questions are preset. In this case, they are not.

Semi-structured interviews rest on an interview guide that provides general questions and topics of discussion on beforehand (Saunders et al. 2007). The interview guide establishes a sound and systematic framework for exploring all relevant areas and comparing answers between respondents, while leaving room for alterations in questions and their order for each occasion. It also leaves breathing room for deeper exploration of new insights. *Unstructured interviews* without a proper guide allow maximum flexibility in terms of acquiring data. The questions are formulated on the go, depending on previous answers and what generally seems fit at each given interview occasion. The method is ideal for expanding on previously collected information, to spontaneously react and adapt to situational changes and new insights, as well as to acquire elaborations on previous answers (Saunders et al. 2007; Patton 2002; Kvale 1997). To embrace both worlds, the interview guide was used to support the flow of interviews to varying degrees, but more meticulously during later interviews.

The interview guide was a living document, with questions being added whenever new valuable insights emerged. Each interview occasion featured a unique version based on previous answers and the respondent's background. A corresponding logic was applied by Russell and Belch (2005). Especially during the early interviews, discussions moved to areas not covered in the interview guide. Remaining neutral in formulations and inquiries was considered particularly important at this stage (Patton 2002; Kvale 1997), but the unexpectedness of some respondent answers may have led to spontaneous *leading questions* that reflect the interviewer's own perspective. Later interview guides were more comprehensive, while the interviews were more systematic, albeit still explorative. It must be said that not all interview guides were adjusted based on the preceding interview. This was simply because some interviews were scheduled for the same day.

Appendix 1 and 2 on provide an overview of the range of questions asked during the interviews. The questions were reviewed *thematically* as well as *dynamically* (Kvale 1997). Thematically, they reflected the content of the theoretical framework and the general purpose of the study in a relatively unstructured and open-minded way. Dynamically, they follow a short and simple structure to avoid any misinterpretations. The questions and terminology were additionally adapted for each occasion (Patton 2002; Kvale 1997). For instance, the term branded entertainment was avoided when the respondents did not explicitly use it. Certain organizations and respondents had a special focus on branded entertainment or branded content per se. In such instances, the respondents were asked to explain the meaning of the term to check if we carried the same view and understanding of the phenomenon itself. In other cases, the term was replaced with more general descriptions such as the blurring of entertainment and advertising. Appendix 1 is representative of the interview guides directed to experts in branded entertainment. Appendix 2 exhibits more questions concerning mobile media.

Following a funnel approach, the interview guide started with general open-ended questions on advertising and entertainment in addition to the future role of mobile devices. Open-ended questions enable the respondent to reflect upon issues from different angles and discuss matters that were not included in the interview guide or in the theoretical framework of the study (Patton 2002). It is also presumed to be motivating and activating for the respondents have much freedom in formulating their answers in the beginning (Patel & Davidson 1994). Focus shifted gradually to more specific questions concerning branded entertainment principally on mobile devices. The questions covered the assortment of entertainment vehicles available as well as the techniques used to fea-

ture brands in content. Follow-up questions were necessary for elaborations on previous answers (Patton 2002; Kvale 1997). Such questions included clarifications on the role of advertisers in content production and the presence of brands in the actual content. Later interviews put more emphasis on content distribution, the role of role consumers, ideal solutions, as well as validating emergent themes.

The last question was identical throughout the interviews. It provided the respondent the opportunity to bring up topics that may not have received the level of attention they deserve—if at all (Patton 2002; Kvale 1997). This question yielded interesting insights in several interviews, including the increased role of consumer engagement in content distribution and production.

3.2.3 Description of the Interviews

The respondents were contacted by email and phone during March-June in 2008. Each potential interviewee received an email detailing the general purpose and structure of the study, type of data to be collected and the types of organizations involved. The anonymity and confidentiality of the answers were also emphasized for establishing informed consent (Saunders et al. 2007; Kvale 1997) Ten out of twelve respondents were contacted by phone some days later to confirm that they had received and read the email. Four respondents requested and received an interview guide in advance. While supplying questions prior to the interview allows respondents to prepare themselves (Saunders et al. 2007), there is a risk for excessively systematic answers. A too strong a focus on the guide from the respondent's part may limit the potential to come across previously unconsidered factors (Kvale 1997).

The interviews were carried in May-July, mostly soon after the initial contact. All interviews took place in a meeting room, cafeteria or other type of undisturbed setting at the interviewees' workplace. Starting between 8:30 a.m. and 13:00 p.m., the meetings took place mostly in the morning and lasted one hour in average. Overall duration varied from 45 minutes to 75 minutes, constituting approximately 11 hours and 15 minutes of recorded material in total. The time slot and weekday allocated to the interviews was not believed to have a notable impact on the answers, even though some respondents seemed busy and were difficult to reach despite the attempt to conduct the interviews during a calmer period of the year. This may have affected the depth of replies and comments obtained.

Each interview occasion commenced with small talk that is helpful for establishing rapport and a relaxed atmosphere (Patton 2002). The study objectives were repeated to ensure that everyone acknowledged the aim of the study. The respondents were subsequently requested permission to record the discussions with a dictating machine, which was approved by everyone. At this stage, the purpose of the recorded material for data analysis was clarified. Reassuring anonymity helped to maintain an informal ambiance (Saunders et al. 2007; Kvale 1997). In three cases, the respondents wished to present their company, area of focus, and previous cases, before partaking in the actual interview. The presentations consisted of PowerPoint slides and video material.

During the interviews, new topics were introduced by first summarizing the central elements derived from preceding discussions and then describing the parts that follow. Short introductions to new themes aid the respondent to focus and arrange his or her thoughts before answering questions related to that theme. They are also helpful in making the interview more engaging and interactive (Patton 2002). Following this guideline was difficult at times, especially as discussions could be sporadic at times; jumping from one topic to another. Certain interviews were characterized by respondents bandying ideas freely, which is in line with the explorative nature of the thesis (Johnson 2002). Overall, some respondents were active, whereas others took a more passive role.

Once the recorder was switched off, the interviewees had the opportunity to reflect on additional aspects they felt were important or interesting. In most cases, the content of the study was also explained in detail—particularly the theoretical models created—using a recent printed copy. This allowed a more informal approach to the topic at hand, and potential comments and thoughts on the functionality of the models (Kvale 1997).

3.3 Analysis of Data

Data analysis is generally concerned with coding, indexing, sorting, retrieving or manipulating interview transcripts and other data. But in many regards, it is foremost a creative process of data interpretation (Coffey & Atkinson 1996). Equally important, qualitative research provides the opportunity to analyze material while gathering additional data (Patel & Davidson 1994). Formal transcripts were consequently created after each interview, in addition to detailed notes during the interviews. These practices reshaped and expanded the interview guide progressively, hence affecting the type of data to be collected.

The first step involved identifying key themes and patterns in the data (Coffey & Atkinson 1996). Each interview transcript was carefully examined and scanned for similarities as well as dissimilarities with other transcripts. The material was then grouped and coded for reassessment. For this process, notes taken during the interviews were of fundamental importance, largely because they extended beyond the recorded material. In some interview cases, the respondents were eager to share their views even before the recorder was switched on. As for structure, the results are presented similarly to the layout of the interview guide.

The discussion section features further groupings based on common patterns. These themes are discussed in relation to the theoretical framework and additional academic and industry literature whenever it is considered necessary. It is also worth noting that much of the data retrieved, at first glance, was not directly related to the research objectives. But, initial looks can be deceiving, and for that reason, the analysis follows an iterative approach, as suggested by Spiggle (1994). The freedom to jump between different analysis stages reduces the risks of leaving out valuable insights. This iterative process can be noted in the structure of the discussion section, Chapter 5.

To facilitate overall understanding and the opportunity to derive one's own interpretations, the results chapter features an extensive range of quotes from the interview transcripts. The quotes represent translations from Finnish and Swedish, and exclude any potential repetition, pauses, stuttering, grunts, and other inarticulations of spoken language that may lead to confusion. Their presence carries no further meaning in interpreting the results of this thesis (Kvale 1997). Given the different grammatical sentence structure of Finnish, in particular, verbatim translations are only practical in cases where it is necessary to reflect the interviewee's uncertainty or to emphasize underlying views.

3.4 Validity and Reliability

A qualitative study can be evaluated based on its validity and reliability. *Validity* refers to how well the chosen research method supports the purpose of the study and is fit for addressing and measuring the research problems. *Reliability* considers the likelihood that other researchers using the same method would find similar results. It also measures the overall transparency of the analysis process (Saunders et al. 2007). Put more bluntly, reliability is a matter of maximizing credibility through an objective and error-free analysis. Both factors are subject to speculation in qualitative research, which fol-

lows an inescapable element of subjectivity. The aim of an explorative study is to provide further food for thought and to increase understanding of the subject. To establish absolute facts about a given research area is a different matter. The feasibility of such an aim is also limited by the dynamic nature of branded entertainment and mobile media. For this reason, generalisability is of a lesser concern.

Validity has been addressed by using a flexible and iterative research agenda. For new and unexplored phenomena, such as this one, there may be no optimal solution in sight. Keeping things explorative, this study has utilized an extensive range of primary, secondary and tertiary data, collected throughout the course of the study. As for reliability, there are no guarantees that similar results would have emerged if the interviews were conducted by another person. During the interviews, respondent thoughts were intermittently summarized aloud to confirm a common understanding. Subjectivity was reduced by assuring respondent anonymity; remaining neutral and avoiding leading questions; as well as by taking notes and using a recorder, as noted earlier. Despite all the counter measures, some respondent influencing is bound to occur due to the nature of a dialogue. Some respondents remained also reserved in their answers. Many of the examples shared reflected already realized events, campaigns or concepts than upcoming ones. Not surprisingly, future visions were therefore rather general and cryptic at times. The use of additional secondary and tertiary data has helped to resolve ambiguities or gaps in information.

To maintain a sufficient level of transparency, the chapter on results covers an extensive array of respondent transcript extracts for interpretation and assessment. The selected quotes represent answers that were rich in detail, unique, and well formulated. The results also cover general views of other respondents. Similarly, the discussion section of the study takes systematic steps to illustrate how the conclusions came about. Some potentially insightful details have invariably been left out due to the constraints of this thesis and the total length of the transcripts. In spite of these limitations, this thesis provides a solid standing point for future academic work. The following section reviews the results from the 13 interviews.

4. Results

This chapter presents the data collected in the interviews. Given the explorative nature of this thesis, the questions asked during the interviews were open-ended and occasionally impulsive in nature. This flexibility yielded a range of topics and trends that remained unconsidered prior to the interviews. The results are categorized based on the overall structure of the interview guide and research questions. Chapter 4.1 covers general viewpoints on branded entertainment and mobile devices. Chapter 4.2 focuses on mobile entertainment vehicles and preferred branded entertainment techniques. Lastly, Chapter 4.3 summarizes the more specific answers on unique characteristics of mobile devices with regards to entertainment and advertising.

4.1 General Considerations

This section begins with a general description of branded entertainment and continues with a further outlook on brand integration, sponsor control, and related topics. The final subchapter reviews the role of mobile devices in a broad sense. Chapter 4.3 covers their unique characteristics in further detail.

4.1.1 Description of Branded Entertainment

Respondents were asked to describe branded entertainment or the convergence of advertising and entertainment, depending on their background. Despite multifaceted answers, similar views emerged. For advertising and branded entertainment professionals (R1, R2, R4, R5, R6, R11, and R12) the answers focused largely on distinguishing branded entertainment from traditional advertising and product placement. It was generally viewed as brand-produced content that consumers see voluntarily and that features a brand in various ways. Consumers do not necessarily consider it as advertising, and the content itself may be more informative than entertaining. Particularly R1 and R5 applied the term branded content often to refer to a broader set of content.

“It is entertainment content in which customer visibility is woven in; this is how I see it. The content is then probably completely funded by the customer, if we think about television content for instance. [...] So, it’s between pure advertising or long-form ad spots, or content that feature paid product placement type of visibility. It’s actually the middle ground between these two, and of course there are different lengths and forms of branded content.” (R2)

“Entertainment can mean anything for the consumer, and the biggest difference that one perhaps strives for is that the people who watch or enjoy it may not directly realize that the experience is paid by an advertiser. That’s the difference to advertising; you know directly when you watch advertising as such. The idea is that you want to watch this branded entertainment product.” (R1)

“We talked about these concepts, as in what is branded content? What is branded entertainment? And that lead to the question: what is brand-funded content? [...] There are a great number of different terms. Then there is product placement; what is the difference between branded content and branded entertainment? I don’t really use branded entertainment as a term; I prefer branded content because it is a bit broader as a concept. Entertainment is also content, but then again some editorial content is not entertainment.” (R5)

“I see the difference in branded entertainment from an advertiser’s point of view in that we create the content. We write the script and define what the content is and how the brand is portrayed in it. In product placement, we take the brand into finished content; we place it in the content.” (R4)

The advertising and branded entertainment professionals also considered sponsorship in various contexts. R2 explained that sponsorship in television refers to the external messages shown before and after a commercial break, which are worth more than regular ads. R5 mentioned that brand-funded content is not necessarily brand-centric or even directly related to the brand. The brand may present itself as an exclusive sponsor offering the content for free. The respondent continued explaining that sponsorship, or financial support, can also take place during and after production. Product placement, on the other hand, represents selling brands specific spots in a finished script and is therefore a cheaper means of establishing a brand connection. R11 focused on using the entire palette of tools in the creation of branded entertainment. R1 and R6 described sponsorship simply as a paid right to include one’s brand in content.

“Sponsorship is worth more financially because then the sponsor is continuously visible in the ad break identifiers, and we move from program space into advertising space, so you see this ‘this program is brought to you by...’ or before it and so on.” (R2)

“Their role is small in it, but it’s their treat, they provide the content for free. Branded content can also be that the customer pays the bill, gives out good stuff, and tells people that we’ve paid for this content. That’s like sponsorship. It’s also a part of all these product placements, branded contents, entertainment, etc. Sponsorship is also a means of persuasion. [...] “It is like, ‘we pay this so you can watch this.’ It has been done overseas; every television program has a ‘this program is brought to you by Rekorderlig ciders.’ [...] It’s like post-sponsorship. Funding for feature-length films is acquired in advance. Then there are product placements scanned from the script.” (R5)

“There are different fields we can use; from advertising, sponsorship and electronic media to activation. If a brand comes to us and wishes that a specific artist brand would be featured in its ad, picture, music or something else; our job is to tell this brand how they should carry out the concept. [...] This is all branded entertainment and it is huge when we start to list and create all these things. It’s really up to yourself how you make use of the environment in the right way.” (R11)

“In sponsorship you buy some situation, product or event and you just lend it your name.” (R6)

As for the content itself, R1, R2, R4, R5, R6, and R11 include concerts, festivals, seminars, and other off-screen events. The brand can, in effect, be associated with all forms of entertainment, depending on what adds value to the overall offering. R2 and R4 talked about branded events, such as ‘*Red Bull Air Race*’, a flight competition, which are then later broadcasted on television. One distinct case discussed with R1 was the ‘*Lost Experience*’, an online game based on the popular television series ‘*Lost*’. R1

called it a “cross-media spectacle,” since it involved consumers hunting for clues through websites, commercials, emails, and a range of other tools and media. R1 labels it as *interactive advertising* due to the swarm of abrupt advertising messages.

“Branded entertainment may just as well be concerts or events where the partner in cooperation and producer or the entertainment side have used a consumer’s perspective and considered how it could work best. How can this brand provide added value to the consumer; more to the existing experience? And then you find the spots because things that are slapped on top do not work. You can get a hold of all consumer groups through music, everyone from kids to granddads. You can basically exploit all the fields within entertainment.” [...] We have live media as well. That’s new in this branded entertainment field... (R11)

“Today, it’s everything that surrounds us and involves the company somehow. If you want to narrow it down a bit, it is content that is entertaining in some way or another, in which the name or brand is present. That’s one way to delimit it so that it won’t refer to traditional advertising.” (R6)

“I don’t see any limits. It can be a concert; the event itself is branded content. The consumer is not then watching it from some device; he or she is on site, watching the content that we have created. It is not limited to the screen in any way. It can be occasions and events, everything that can deliver the advertiser’s message to the public that is present.” (R5)

“I would say that it’s everything that the consumer wants to watch, and that has to do with and is created for a brand. [...] It [Lost Experience] was a cross-media spectacle, a huge investment. [...] I wouldn’t necessarily call it branded entertainment either. I would say that the consumers knew what it was about. It was more like interactive advertising than branded entertainment.” (R1)

From a more general perspective, R7 considers the complex relationship between brands and entertainment along three dimensions: content forms, media channels, and revenue models. Content is roughly either consumer-funded or advertiser-funded. R7 argues that people have previously viewed advertising as a separate content form, but they can now overlap and should reach the target consumers through all available channels. This places advertiser-funded content in a strong position under all circumstances.

“If you begin to expand on the entertainment and media field, you can place different content forms on one axis. Decades ago, people have considered advertising as one content form completely separate from other forms. Clearly, this is not how we see it today. If we place content on one axis and different media on another axis, we get a fairly comprehensive picture of the entire industry. [...] and then you have revenue models on the third axis, which are largely consumer funding and advertiser funding. As people commonly think in these terms today, you suddenly see that you have different content mixing with one another and that the content should typically reach the consumer through all media. But, as we consider the most efficient ways to monetize these opportunities, we have free and advertiser-funded content. When all three dimensions are considered, advertising is one respectable option for any entertainment content in any media.” (R7)

R12 had a clear view of sorting different forms into five groups: *sponsorship*, *promotion*, *product integration*, *branded content*, and *branded entertainment*. Sponsorship refers to placing logos on an object such as a vehicle in a Formula 1 race. In promotion, the brand advertises the connection it has established with a specific vehicle. In both these categories, the brand can be easily replaced as it carries no deeper connection with the sponsored object. Product integration, alternatively, refers to placements that form a stronger tie between the sponsor and the sponsee—e.g., a motor brand delivering a mo-

tor to a specific vehicle. This connection is harder to break, since it plays a role in the sponsor's success. In *branded content*, the two parties overlap as the motor brand builds the motor specifically to and with the car owner. Lastly, in *branded entertainment*, everything originates from the brand.⁹

“*Sponsorship* in practice is simply that you pay for a spot for your logo on Pitkämäki's shirt, and promotion means that you make use of the object in your own marketing. It's about buying media space. [...] *Promotion* is simply that SuomiSoffa makes a commercial with Pitkämäki and that they use their right to include the sponsored object in their own marketing; or that they send him to Citymarket to give signatures or put him on a product. It doesn't matter to the success of the targeted object. [...] It can be anything, and it doesn't matter what he does and he can be easily replaced. It might as well be SuomiSoffa or Shell or anything else. [...] However, with *product integration* you have a company that exerts a strong influence on the success of the object. [...] In *branded content*, you already are important to its success. For example, Mercedes does not build its own engines; they buy them from Ilmore in Formula 1. Mercedes has strongly been involved in sponsoring the development of the engine, so it plays an important role.” (12)

Other respondents shared similar remarks on the blurring of advertising and entertainment. In R7's view, it is a battle for audience attention that is won by providing superior value. The majority, particularly R1, R2, R4, R5, R6, R9, R11, and R12, also emphasized the fact that good advertising equals entertainment. R1 asserted that consumers should not try to find content, it should find them. Similarly, R4 pointed out that distribution is free for advertisers when the content is voluntarily spread by consumers. The content and its dissemination is based on engagement, rather than interruption

“The entertainment industry talks about this a lot and at the end of the day, it's not a contest on who has the best movie or who has the best game. It is above all a battle for audience attention. When you consider that as the general framework and then think about advertising, the same rules apply; grabbing people's attention is increasingly difficult.” (R7)

“The consumer shouldn't need to find it. The consumer shouldn't need to search for it. If you are my target group, I should do it in a way so that you, in any case, without even knowing it, will do it. I would create a music video that I know you will watch it, and I will be there visibly with my brand, and you won't even think about ‘hey, there's brand X.’ Instead, it will be a part of it.”(R1)

“Voluntariness instead of interruption, we go with this engagement angle. [...] We built this music video on the idea that distribution is free for good content, so we don't need to pay for it.” (R4)

The following section will present general views on preferred techniques and other conditions concerning brand integration and sponsor control.

4.1.2 Brand Integration and Sponsor Control

Ideally, branded entertainment represents a natural blend of advertising and entertainment. R5 argued that simply giving away “non-branded” content in the role of a sponsor is limited from the brand's viewpoint. R1 called such examples as “giveaways,” considering them as a cheap form of branded entertainment. In contrast, R11 believed that

⁹ *Branded content* and *branded entertainment* were explained before the recorder was switched on.

large consumer goods companies could turn into philanthropic entertainment brands that offer content free of charge. In R11's view, this move would make them heroes in the eyes of consumers. The respondent added that brands should still establish a proper link to the content for obtaining real monetary benefits. The content could reveal more facts and details about a brand, serving as a reason for consumers to tune in and to consider a purchase. Especially R1, R5, R6, R7, and R11 argued that branded entertainment allows consumers to spend time with brands they admire.

"If you want to tell more about the brand, apart from shouting 'I paid for this, we over here,' you have to turn to branded content and entertainment, and team up with people like us to create a spot and incorporate the message in a way that is a) interesting, b) delivered through." (R5)

"Hey, we are a nice company, we care about you and here's a 'Lost' clip for you; care about us.' [...] I personally think that it's a fairly cheap form of branded entertainment. You buy something the consumer likes, and then you give it to the consumer. [...] The only thing that matters in the content, whatever it is, is that the brand should be in principle viewed as a character that fits the content as a whole. [...] The essential factor is that the consumer wants to play and spend time with the brand in a way that he or she appreciates it and thinks it is fun. [...] Branded entertainment, it's everything the consumer wants to spend time with." (R1)

"Imagine what heroes they would become if they would liberate all content by signing a deal with us for instance; all our back catalogues we have recorded would be free to the consumer; 'sponsored by Coca-Cola or Intel' or a company like Microsoft. There should of course be some kind of catch so that it is tied to the brand, so that you buy that brand. They would become heroes." (R11)

R2 noted that playability is one element that could strengthen this relationship further. Many of the most successful television formats are reality shows and real-time competitions that let the consumer influence the outcome. R5 observes that whether the brand is integrated and visible or not in the content boils down to how much brands are willing to pay. Ultimately, as R9 among other respondents argued, content should feature brands in a relevant matter because consumers are largely aware of the ongoing clash between advertising and entertainment. Advertisers should consequently not attempt to shun the commercial origin of the message.

"Playability is one essential element that is clearly on the rise is all content. That's why there are TV programs such as Idols, Dances with Stars, and Big Brother that let you influence the outcome; that is, play the content. These are the most popular and successful formats at the moment." (R2)

"Product placement that is done in a very relevant manner will work for sure, and people will find it more pleasant than discrete advertising. You shouldn't underestimate the consumer." (R9)

R1, R4, R5, and R6 emphasized the fact that brands should convey a realistic picture in entertainment, exposing their brands to both sides of the coin. R5 noted that people in real life may drink a fine bottle of wine in a less refined context; they may consume alcohol with the intention of becoming intoxicated. Brands must follow the rules of entertainment and balance the fine line between artistic freedom and commercial intent—even in mobile media.

“You have use vernacular, as in ‘I-buy-this, let’s-get-drunk’ kind of way; you don’t prettify stuff. The risk with branded content and entertainment, in my opinion, is that we are too afraid to take content to such a level that it really is movie-like or something else that is entertaining; and which does not have some funder affecting it, as in ‘Hey, that’s no way to treat my product!’ You need to have the guts to step into the real world with the producer.” (R5)

“To find the correct balance between the commercial and the artistic. [...] The death sin is that the brand’s interests ruin the artistry. But it can’t work so that the artistic part runs over the brand; you need to find harmony and it is this harmony that represents branded entertainment.” (R1)

Regarding control, R5 preferred to develop a branded entertainment concept with one brand at a time. Breaks in communication and a conflict of interest are more likely to occur when several brands participate in financing, planning, and production. In the case of larger, more ambitious projects, multiple brands may need to share the costs and risks. R1 noted that global projects demand long-term commitment, while R3 reasoned that large projects must be scalable globally to justify the costs. R1 added that branded entertainment does not necessarily entail large projects at all; they can comprise of ten-second long video clips spread by people through phones or YouTube. As for content, R2, R5, R8, R9, and R11 stressed the fact that content production is generally the responsibility of entertainment professionals. Advertisers or brands, as such, are not necessarily capable of producing high-quality entertainment like video games.

“The content is always more complicated when there are several funders involved. Everyone wants their piece in it. It can be difficult to integrate, so I recommend that there is only one funder in production. But it’s not always possible when we are ambitious; we want to create something big, then we need several funders. One player does not have that big a pot for it, but then we come to the issue that we need to plan the content so well that there really are places available for all these funders, who then are clearly aware of how they are involved and at what price. [...] This sort of discussion with a customer will multiply when there are more of them.” (R5)

“They are afraid of doing this because it always entails enormous projects. We should create music videos and TV series or something else and it seems costly, slow and tough. But branded entertainment can be very small things as well. It can be a small, 10-second video that you send to your mobile, or it can be a snippet that you send to YouTube, which the consumers watch whenever they feel like it, or it can be a radio insert. [...] Strategically speaking, if the brand wants to create something global, you will need more long-term investments and so on.” (R1)

“Basically it would be bloody expensive and foolish to start training to do something from zero. We buy the palettes, the expertise and content is outsourced of course. The other model is that Nokia and other companies would produce entertainment. Dave Steward’s shift to Nokia is a step in that direction. Why couldn’t they suddenly be a representative of artists? They have a good chance of creating new stars and create new things through new content, for sure.” (R11)

Overall, brand integration, sponsor control, and other elements vary from case to case. These depend on the objectives of the overall campaign, brand awareness, and category as well as the target group.

“We go into these on a case-by-case basis depending on the brand, and we ponder what the purpose is; what kind of opportunities are we looking for.” (R11)

“...there are no rules; everything is case-by-case. All brands have their own target groups, segments and goals, and the same brand may have different goals each week. Sometimes you simply want to raise the top-of-mind position. Sometimes you just want to sell something.” (R1)

Many respondents touched upon the role of user-generated content and the lack of control brands have over such content. This is covered in Chapter 4.2.3. The following section presents general respondent viewpoints on mobile devices.

4.1.3 Views on Mobile Devices

The respondents were asked to describe the general role of mobile devices in the future. The common belief was that mobile phones will continue to turn into universal all-in-one devices—also for high-quality content production—as a result of industry convergence. It also became evident that mobile phones have already become an essential part of people’s everyday lives. R6 refers to mobile devices as the “remote control of life.”

“The phone and certain computer or PC features; they approach one another, but even the definition of a phone is becoming blurred. This portable device that you carry around, if it happens to have a phone feature, will turn into your remote control of life, inevitably in a way.” (R6)

“I personally believe that the role of the mobile device is equal to what your wallet and home keys have been so far. Simply put, it’s an essential part of you; it follows you all the time, no matter where you go. I see that a lot of functions will be connected to the mobile device. I am no techno visionary that can understand everything it may include, but I think that there is a limit to how many devices a person wants to drag along.” (R7)

“All media is accessible from the same device. There are slightly different approaches to this; many lines of business share a similar view. On one hand, you can have music, television, videos, games and internet on your PC device. On the other hand, these portable internet tablets allow you to do all these things, and since phones are much more powerful now, you can do very high quality media. Then there are media players equipped with video, game and internet-browsing features. Actually, all devices are closing in on the same dot where there is one device.” (R9)

Given this trend of convergence, the respondents share their views on how mobile devices fit in the greater media sphere. R9 and R12 considered mobile devices to represent the third or fourth screen for content, depending on whether the cinema counts as one. R9 notes that today’s handsets allow consumers to access and perform everything that is designed for the preceding screens, in addition to providing mobility. It is the latest unique addition that has altered the perception of space and time, and to some extent, reduced their meaning. R12, as many others, believed that different screens may serve different purposes, and that content may be adapted for mobile devices.

“We have begun to call it the fourth screen; you have screens and some screens have different content. The first screen is the cinema. Originally people gathered in theaters to watch news broadcasts, plays and films. The second screen was television; it brought news broadcasts and everything else into one’s home. The third screen was the computer and video games; you could do something interactive with the screen, and we see mobile devices as the fourth screen. You can do all these things: entertainment, news, interactive content anywhere, and that’s a fairly big change. It is almost as radical a change as when television arrived into our homes. [...] The things we did at home can now be done anywhere. It will probably change people’s perception of space.” (R9)

“Ericsson talks about a three screens strategy, suggesting different content for a mobile’s small screen, PC’s mid-sized screen, and a flat-screen at home; if you happen to have one. We’ll see, surely people will watch slightly different content on each screen, but it is probably much of the

same. It's because people watch a good number of YouTube videos on their mobiles, which is a great platform of course, but people don't watch them on their flat screens at home." (R12)

R10 and R12 added that mobile phones offer a new distribution channel for content and services already found in other mediums. Taking a similar stance, R6 did not believe in content solely designed for mobile devices, arguing that it should be a part of a greater entity. The respondent did suggest that small experiments and projects may be worthwhile. Overall, the internet was found to constitute a hub for all content. As data transfer capabilities grow, online media will be more accessible on mobile devices. Particularly R3, R4, R6, R7, and R12 claimed that mobile content will be increasingly web-based. Web-based content does not require consumers to install additional software; the internet browser is simply the interface for all content online.

"The mobile phone is only a distribution channel. It is a distribution channel for digital data, just like any other distribution channel. [...] We will see the same stuff on mobiles when the mobile broadband network expands more." (R12)

"But it can also be web content, and I believe that at some point in time, the web will move to these mobile devices entirely; these mobile pages and WAP stuff are just a step in between." (R4)

"I've seen cases where a TV series has been transferred to a smaller screen as shorter episodes. I don't really believe in it. The content should be the real thing because people are just used to it. [...] I believe that the internet will turn into such a media that all TV programs could be online if there is enough bandwidth. I don't see that different channels can have different content. I don't believe in tailored stuff on mobiles either; the content made has to come from a larger entity. As a pilot, it's ok; people are taught, but in the long run, I don't believe in it at all." (R6)

"The browser is your number one tool in addition to office tools and you can't really demand consumers to install anything special through the browser. I believe that the mobile is in a similar position that we won't see this phenomenon. We can try, but it's not likely to happen." (R3)

R9 compared different media devices based on their affordance—i.e., the strength of a specific media platform. The affordance of a personal computer lies in its large screen size, full-sized keyboard, and mouse, enabling the user to perform various tasks at a detailed level. As for a mobile device's affordance, it is small and follows the user everywhere. R9 claimed that the primary role of mobile devices is to produce and consume content, of which production, in particular, will grow in importance. Personal computers are more of a management tool for tweaking and editing, hence requiring higher involvement. Other respondents offered comparable assessments indirectly.

"We have begun to think that every platform has its so-called affordance; that is, what is the platform's strength. For example, the affordance of PCs and the Web is that the screen is big, and there is a QWERTY keyboard and a mouse that allow you to make all sorts of things on a detailed level. The affordance of a mobile device is that it is small, it tags along and you can produce content. [...] Regardless, I see that the most important roles of a mobile device are to produce content; you take photos and write content on the road, watch movies, play games, listen to music. The PC is more of a management tool for doing more, tweaking and editing; it's more of a high involvement type of device. But I believe that the role of portable devices in media creation and consumption will grow; it will be an important device for those things." (R9)

“Basically, anyone can produce content. It has turned into a production device that allows you to take photos, and record video and sound; perhaps even edit at some stage. It’s one part of it.” (R7)

Regarding special features, R12 believed the only unique feature is location awareness. All other respondents noted location-based services and potential for contextual relevancy too, although to varying extents. R1 summarized the role of mobile devices as interactive and activating tactical tools, given that they grant immediate and contextually relevant situations for advertisers. Most respondents noted how private and individual mobile devices are compared to traditional public mass-media platforms.

“The only thing that’s interesting with mobile phones compared to many other distribution channels is that you carry it with you, you can connect it to geographical data...” (R12)

“The role of mobile devices is definitely activating and tactical. It’s activating, since you can do things immediately. You don’t need to wait, you don’t need to make a phone call and wait in line. [...] It’s interactive, active, and tactical. I would say that this impulsivity is important.” (R1)

“The biggest difference is that it’s always with you and the other is that it is still a very personal device. Traditional media was sort of a shared, somewhat social phenomenon.” (R6)

All respondents considered the opportunities of social media. R2 and R12 argued that mobile devices have previously been used for one-to-one communication, with group messaging (one-to-many) representing the rare exception. The mobile internet allows interaction within communities to thrive in a wireless environment. In addition to location, the respondents generally agreed that social media represents one of the greatest opportunities. R2 reflected on finding a unique mobile element that could be combined with existing internet services like social media. R1 emphasized the importance of easy content sharing between a fixed PC environment and mobile devices.

“Traditionally, content has been pushed and you have consumed it alone; be it single-player games, movies or something else. However, the internet has brought a whole new possibility for interaction. It has first and foremost enabled content that can link the masses, which of course adds depth. If you had a thing that took place alone, now you have things that take place with many people. This will add a lot of different social elements.” (R7)

“How will communities and the use of mobile; how will they reach a stronger connection than now? The Web’s great victory, the last straw for the world as we knew it before, was the introduction of social media; that is, Web 2.0. Social services are the core of the Web at the moment. What is it on mobiles? Right now it’s mostly one-to-one, or group SMS or something similar. How can this dimension be used on mobiles, apart from the fact that all Web services will be accessible on one’s mobile? Are there any unique characteristics? Something that could make this user interface superior; that’s probably the killer application for mobiles in the future, I think.” (R2)

“I believe that we will a lot of ‘one-to-many’ communication instead of just ‘one-to-one’ communication, and the development of mobiles in the past ten years have practically only been about ‘one-to-one’ communication. We will probably see a big change. Sooner or later, mobile devices will open up to ‘many-to-many’ communication.” (R12)

Today’s mobile advertising was observed to be primarily SMS-based, although MMS cases have been noted. Barriers relating to user friendliness, data transfer speeds and pricing, and small volumes impede the further advancement of mobile branded enter-

tainment. When it comes to mobile services in general, R8 stated sharply that Finland is a developing country, lagging behind many other countries.

“Rich-media advertising on our devices is still in its infancy. It is unfortunately still SMS advertising, and banner advertising on the mobile internet. The internet is moving into our pockets at a good rate. A fair number of devices support a good browsing experience [...] but when we think about rich-media advertising that really refers to moving imagery and sound, it will take longer for it to arrive to mobile devices; partially due to the reasons I mentioned earlier—user-experience, data transfer, pricing—but also because the local volumes for rich media remain small.” (R3)

“And now that the transaction speeds remain so slow, you should do it in advance; that is, you go to your computer and upload the content you want to see when you have some spare time. [...] This real-timeness does not work for moving imagery as of yet due to transaction speeds.” (R5)

“Finland is an absolute developing country in mobile services. Probably 0.1 percent of our turnover comes from Finland, if even that much. I think it’s amusing that people think that we are even forerunners in these things. I can name straight away 15 countries that are ahead of us.” (R8)

The section ahead presents opinions on different entertainment vehicles.

4.2 Mobile Entertainment Vehicles and Techniques

This section summarizes respondent views on mobile television and other mobile video content. It is followed by a closer inspection of mobile games and finally other less conservative content forms in addition to views on branded entertainment techniques.

4.2.1 Mobile Television and Mobisodes

Mobile television was principally considered as a supporting medium that may provide special or extra material to complement the main content on traditional television, although R6 was against unique content. R2, R12, and R13 explained that consumers can check the status of an ongoing event or program such as Big Brother, an around-the-clock reality show, or other direct broadcasts in the form of news or sports at any given time. R2, R5, R10, and R13 also noted briefly that mobile TV can be suitable for pre-views and highlights of a regular television program. The general consensus was that mobile television will not follow a traditional model in the long run. Streaming provides consumers the freedom to select what they watch and when they watch it.

“I see it suitable for small tidbits or interesting TV content that progresses around the clock. You can then have a peak at what’s going on there right now, like Big Brother and mobile news. [...] I see it more a complementary than a primary channel. [...] some sort of highlights package could be interesting, or summaries or some important piece of info wrapped in an entertaining package.”(R2)

“It’s hard to find added value [...] it’s the same clip shown on regular news. It’s not more relevant or newer; it’s only displayed on a smaller screen. As for trailers and other entertaining snippets, why not? [...] Instead, you watch only the parts of a TV program you want to see, or then you listen to the music program that interests you right now, and not what’s on at three o’clock.” (R6)

“Linear TV is interesting for live broadcasts like news and sport, but for everything else, it’s not very enticing. [...] The advantage of broadcasting technology is that it is very cheap to transfer large amounts of data to many people simultaneously, but the disadvantage is that you have no opportunities; it is one-way communication. [...] It will shift entirely to on-demand.” (R12)

“Mobile TV is such a challenging area. If it is streamed, it is sent over the Web. [...] If it follows a broadcasting model such as DVB-H, then the advertising will be a part of the overall content stream. DVB-H is challenging because it requires a lot of work from Yleisradio [Finnish broadcasting company] and other companies to send such content.” (R9)

An interactive streaming format enables contextually relevant ads before, after and between the on-demand content. Ads can be allocated based on personal preferences and contextual factors. R9 used *Hulu.com* as an example; a free online portal for films and television series with interactive ad breaks. The consumer can choose whether she wishes to acquire further information by selecting the ads. R7 argued that such interactions could extend to an immediate purchase. In general, the respondents focused on sponsorship and brand integration, having favorable attitudes towards both approaches.

“All these sponsorship designs and perhaps online video type of advertising in the future; that is, the clickable ‘this program is brought to you by...’ ads you see on mobile TV before a clip starts. These can be in a more narrative form. [...] it’s more measurable that way, or it provides better value for the viewing experience. [...] it’s not forced but voluntary. [...] The role of the advertiser can be the same as in any other part of the motion picture world. [...] And of course, branded content would surely be a functional model.” (R2)

“At first, advertising will just be the same as it is now, but I suppose the biggest opportunity is the same as in TV. If you have well produced content, it does not simply need to be an advertisement. The channel is interactive; it can spur you to an immediate purchase.” (R7)

“Possibly in two different ways: one is of course by submerging it into the content, but you can only go so far with very short content. That’s where a Hulu.com type of model comes in; that is there are ads before the episode and the ad itself is not a part of the same file; there is an empty space that can always be filled with a relevant ad; and of course, if the device understands the context, the ad might be targeted even better to the user. They should follow this model; advertiser-funded; you are used to it with TV content. [...] If mobile TV is streamed, it is sent over the Web; that’s when this Hulu model may work; you have different slots [...] where the ads are shown and they can even be targeted to people.” (R9)

Short video snippets were jointly considered as a good concept, given the different consumption occasions and data transfer issues, but no-one had encountered significant success stories. R3, R6, R9, and R12 believed that mobisodes will increase in length as more consumers become accustomed to exploring and downloading mobile content at a lower cost. R9 considered TV series representing a good length when viewed in segments, while feature-length films may be fitting for special circumstances. R1 and R11 mentioned video greetings, such as a personalized video message from a favorite pop star, video ringtones, and other mobile-specific formats. All in all, videos can take various forms and be ingrained in various contexts. Branded ones should be short and straight to the point, according to R2 and R4. The opportunity for consumers to affect the potential storyline was additionally highlighted by R2.

“The short format is based on the assumption that people cannot watch long content. The other thing it is based on is the fact that getting the content on the phone can be expensive, since not everyone has the chance to use free Wi-Fi or other similar means. [...] Somehow, it feels that as connectivity improves with along with Wi-Fi, WiMAX, and operator data packages, the short format will increase in length again. [...] I believe that the short format will have its own role on mobile devices, but its length will grow as time goes by.” (R3)

“Mobisodes have been talked and written about a lot. It sounds very smart as a concept; short content, people have short moments. But what do people want to watch? What kind of content is there? What is a killer app? There haven’t been too many killer applications that have surfaced yet. When you talk with people, quite a few want to watch their favorite TV series. I haven’t seen this that this theory would have come true among consumers.” (R9)

“A video clip can be anything. It can be a feature-length film, it can be a commercial; it can be a video greeting. They should clearly be used much more than they are right now...” (R1)

“It would be a maximum of two minutes and as addictive as possible. Every episode would end in a cliffhanger. It would also be interesting if you could choose what happens next.” (R2)

R2 argued that mobisodes should be specifically designed for a smaller screen, instead of being cut and reduced in size from traditional content. R2 recommended the use of close-ups of actors for conveying emotions more effectively and keeping production costs at a reasonable level. R6 was against mobisodes, claiming that consumers will eventually demand real films and TV series; content that does not compromise quality. R3 explained that mobile content is still much of the same as in traditional media, since the film and TV industry, and the network operators, have no real incentives or need to innovate. This is contrasted by the music industry, which according to R3 must develop new business to stay alive. Many respondents argued against relying solely on mobisodes due to such barriers as reach, usability, and privacy.

“If we consider moving imagery, the screen is the biggest restriction in mobiles. The content needs customization [...] It means that we need a lot of close-ups. Camera handling requires a whole different set of game rules. That’s why many ‘soaps’ have been turned into mobisodes, or mobiseries. They have traditionally many close-ups and there aren’t really any exterior shots. [...] You don’t need mega setups or some helicopter scenes [...] it’s a waste of money in a way.” (R2)

“But this problem does not exist in the movie and TV-series business. They have no problem whatsoever. They earn incredible sums of money all the time. They have no obligation to invent new business models for the mobile; they use traditional licensing models also in mobiles at the moment. And, the operators are guilty of licensing it by traditional means, which has led to the fact that the operator side hasn’t witnessed anything particularly innovative. [...] It’s tough to introduce a new brand or new faces through the internet or mobile channel. [...] There aren’t too many TV drama or hit formats of some kind that have managed solely on the internet or mobile.” (R3)

“...regarding the release of a new product, it would be fantastic to send a video to as many as possible. [...] I dare say that the reason it is still uncommon in Finland is that it’s still too difficult to use mobile applications and it’s still frightening, and there are many who get annoyed by this. ‘What should I do with this?’ ‘Who is sending this?’ ‘I don’t know this,’ etc.” (R1)

The following section presents respondent perspectives on mobile games.

4.2.2 Mobile Games

Mobile games were primarily discussed by R7, R8 and R9, whereas R1, R6, R12, and R13 considered specific game-related topics. Mobile games are considered as a young and growing area for entertainment and advertising. R8 sees mobiles as the largest game platform in the world. Solitaire, Sudoku and other similar mobile games attract women and other less conventional consumer groups to play. R1 argues that the platform remains small as only younger mobile users are capable of acquiring and playing content. R7, in turn, complains that many mobile games fail because they are direct conversions of successful console and PC games. The operating situation for mobile games is different and should be taken into account. R9 draws attention to the fact that conversions also result in increased costs as each platform requires a different version with rewritten code, whereas music and videos do not.

“It [mobile devices] is already the largest game platform in the world. [...] Phone functionality increases all the time, which means that there will be more and more phones that are really enjoyable from gaming. That’s a big thing, and even though games have turned more into mass entertainment—it’s no longer confined to nerds playing in the basement—mobile phones take it much further. It opens entirely new target groups, such as women; much older women...” (R8)

“It’s relatively rare for the time being and I believe it’s partially because only the younger generation can use their phones well enough to understand all this. The target group is also relatively small in Finland, as in people who really have the time to sit and play, and download, etc.” (R1)

“There are good examples in the gaming world; big companies trying to shove successful console games onto mobile devices. [...] but the media and operating situation is different.” (R7)

R7 and R8 opted for advertising in online social games where consumers interact with one another in various forms virtually any time, given the propensity for consumers to always carry their phones. Such games can feature direct in-game communication and more general chatting in discussion rooms where the players can launch a new game. R8 considers such games as a mixture of different elements. Similarly to video content, R6 and R7 believed that mobile devices are useful for checking the status of social games like online role-plays that are primarily played on other platforms. They can provide added value whenever consumers desire real-time information about their characters and game events, as well as in other cross-media instances. R4 and R8, however, noted that phone compatibility may pose problems. Not all phones are necessarily supported by a game, and the more models are supported, the higher the costs.

“Mobile phones are always with you and they are always connected to the Web so [...] it’s really convenient to design social, community-based games. It’s much more about playing together with someone else. And in some sense, the border for what’s gaming, chatting and messaging is becoming blurred. [...] One big problem in making a social game with many simultaneous users is that how do I know if my friend has a phone he can play with if I want to invite him?” (R8)

“There are hugely successful role-play games that focus solely on the Web. It’s surprisingly rare to see companies utilizing the strengths of different media, while acknowledging their weaknesses. If we consider game examples, there are these continuous and massive role-play game communities in which people are immersed in. Since they want to know how their character is doing, a very simple extension would be to provide the chance to follow and check up on the situation on your mobile, even though you couldn’t play. This is one area that is likely to grow. People are interested in various entertainment and content around the clock, but it needn’t be mobile-focused. A mobile can simply bring clear added value to a service that works primarily in other media.” (R7)

“If you are involved in some online game, among others, then you will sort of carry it with you wirelessly and you won’t drop out of the loop if something happens there.” (R6)

Regarding branded entertainment techniques, product placement and advergaming were at the heart of discussions. R6 considered product placement as a considerable and vital growth area. R7, R8, R12, and R13 agreed on its growth, given that mobile games still represent a niche area, but they were more skeptical about its efficiency. The general argument was that games are a much more intensive experience than traditional media. *In-game advertising* is ineffective in the form of billboards and other equivalent passive background ads, and may be even considered as spam. R8 also claimed that while consumers may notice the brands, they may not recognize them on a mobile screen.

“Product placement is essential in games. The gaming world is probably one faced with real total growth, especially in mobiles. I see that the role of advertisers is to be present in games in a very similar fashion as in PC games. I don’t really see mobiles changing this.” (R6)

“Many think that product placement is a very big thing, and they need to believe in it; a lot of companies have invested a lot in it. We have nevertheless seen very few benefits. One good aspect is that if you use a lot of product placement, you can promise, let’s say, a hundred million ad views because when the ad rolls ten times in the background of one level, the numbers will be huge; even when no one necessarily notices them. [...] Especially games make up a very intensive episode; you focus on the game and on playing. Recent studies have shown that consumers do not even notice the billboard ads found in car games. It is so intensive that you need to focus.” (R7)

“If we compare it to watching television, the other experience is much more interactive than the other; it’s constantly much more interactive, and I don’t want to see ads at that moment; they annoy me. [...] It’s a new area in mobile games, and of course they work badly on a screen this small; it’s difficult to see what the product actually is...” (R8)

Consequently, respondents recommended a tighter integration and relevant connection between brands and content. R8 and R12 suggested that branded game items can offer some extra benefits that improve player performance. R7 and R8 added that stronger co-production is still virtually non-existent in mobile games. Advergaming completely financed by a brand were another story. R12 reasoned that production as such is not important; it is a question of how well a brand plays a part in the overall game.

“If they are placed in a smarter manner so that it impacts the game a bit more—that is, you can choose Nike’s new shoes and they enable a kick that no other shoes offer—then there might be some sense in it, and it might stay in your mind. (R8)

“I bet it will. I don’t believe that many have benefited from it yet; it’s still insignificant percentages of the entire production costs. I do believe that it will raise its head.” (R7)

R1, R7, R8, R9, R12, and R13 were in favor of advergames, which offer a better opportunity for consumers to spend time with a brand, though there are downsides. Advergames are more costly for a brand and there are fewer game producers that are willing to partake in such projects. R8 criticized that many advergames are produced by ad agencies that lack the skills to create real games. R9 was more positive in this regard, explaining that advergames have traditionally had low budgets. To get a solid return on investment, the respondent argued that advergames should be designed like any real game. They can even serve as new source of revenue, especially as a respected brand may signal quality, such as *Rapala's* fishing games produced jointly with a game studio.

“Another evident alternative for advertisers is to create an independent branded game, which allows the person to spend a lot of time with the brand. We have good experiences of such content. We have our own games that we create and sell. [...] The purpose is to create positive experiences, and one's success is shared with the brand. I personally believe the latter has much greater benefits. [...] It's a new area and it is a hell of a lot bigger as an investment to create a game.” (R7)

“The Web is full of them. It's also one of these eternal conflicts in our business; how well do they work? The problem is that their production costs are rather high. You need to invest a fair deal of money for the game to be good, and it's hard to find game producers that are very interested in making pure advergames. They are more commonly ad agencies that make them, and they are by no means game producers, and not everyone can make games. It's a unique skill.” (R8)

“Advergames have traditionally had a low budget, which leads to the perception that an advergame is not as good; production has not been as good. There might be one level and playability is a bit crappy. For it to be really beneficial for the brand, you should start building it like any other game. That is, you build a big game and the game itself can work as a business, but the brand lifts it slightly higher. Advergames are generally kind of cheapies. People do not play them for the sake of playing. That's why even the brand message may go to waste.” (R9)

R7, R8, R9, and R13 also discussed the option to place ad messages before and after the content, or in the title screen and equivalent sections of the game when the consumer is not actually playing. R8 referred to www.123play.com, a website that offers mobile games for free in exchange for accepting the inclusion of ads around the content. R8 believed that the best advertising method today, and for years to come, is sponsorship.

“Another simple opportunity found in mobile games is that you can, like in many other entertainment forms, run an ad before the game starts. That's one opportunity.” (R7)

“The places where ads can fit are at the beginning of the game before you start to play or at the end of the game, but not in between. [...] I believe that a sponsorship model and even this in-game advertising or product placement; I would imagine that sponsorship will remain as the most functional model for a long time.” (R8)

R9 and R12 considered the use of adaptive in-game advertising based on one's immediate location and current preferences, providing real value to the consumer. R9 added that updating ads on a weekly basis is not enough; they must be relevant for the consumer as well as for the current context. For instance, banners for the *'Simpsons'* movie in an ice hockey game is hardly a relevant or a good thematic fit.

“Cloud computing is something that we firmly believe in; that is, the games and the entertainment is on a server. [...] If it’s in the cloud, we can have ads that are relevant for you here, relevant for you now, or in five years if you play it again then, and so on.” (R12)

“Then there is the billboard tactic by EA; that is, the game is full of billboards that contain advertising. When the Simpson movie came out, every single billboard was bright yellow and had Simpsons: The Movie written on them. That was clearly not relevant at all for a hockey game. But since EA has this channel, they used it. A lot of players complained about it online, that the entire ice rink is bright yellow. There are good and bad ways to do the same thing.” (R9)

One particularly important aspect in games was believed to be a *call of action*. R7, R8, and R9 suggested that mobile content could remind or encourage the consumer, for example, to make an order or to participate in something, or to forward content to friends. With each action tied to a particular phone number, billing and other information is directly associated to a specific person. But if the games do not yield any leads or contacts, there is not much reason for brands to be included. In R7’s experience, mobile advergames offer a convenient way to redirect traffic to a website for purchasing a product or a service. On the whole, games can include a variety of tools that facilitate interaction between consumers and brands.

“One thing that’s interesting in mobile games is that there is this ‘call to action.’ You can be directed to do something based on advertisement. You can sign up for something by pressing one button, which sends a text message. You don’t need to type anything, you just do it: ‘are you interested?’ ‘Yes.’ Then you send a text message to the advertiser.” (R8)

“We may release a different type of branded game for open distribution on the Web in an effort to gather people to our site; it works really well.” (R7)

The next section covers other entertainment content, such as mobile applications.

4.2.3 Other Content and Reflections

All respondents discussed the use of mobile applications. R12 argued that social media applications and sites such as ‘*Jaiku*’ and ‘*Facebook*’ are entertainment in a sense, and that they offer interesting location-based opportunities. The Finnish short message platform, *Jaiku*, was also mentioned by R3, R4, and R9. The general idea of communities was largely about expanding advertising concepts and letting people spread content.

“In fact, these applications can be a highly important part of the greater whole.” (R4)

“The question is: what is entertainment? Social media is likely to develop a great deal, and so will their users. It is really practical to use them on your mobile. I’ve noticed that I use Facebook primarily on my mobile because it allows me to use my spare moments. It’s really rare that I do something in my Facebook profile on a PC. In addition, the fact that you can combine your mobile with *Jaiku*, which combines it with geographic data, can result in very interesting social media applications. We will probably see a lot of this, and in a way, it is also entertainment.” (R12)

Similarly, other respondents contemplated on the use of interactive video formats, map services and other applications, in addition to social media sites, many of which are

tangled together and tied to one's location. R2 and R5 described entertainment content on television that can be supported by mobile devices through video calling or GPS. R4 considered the integration of instant messaging in different contexts. Many respondents did not consider where one entertainment vehicle ends and where another starts. The common denominator was increased involvement on the consumer's part.

"Perhaps applications, video call stuff that let you become involved somehow. Content designed so that you take part in it. That could be one thing to offer in the future. You could have a television program that you could involve yourself in through a video call, or something similar. [...] An 'Amazing Race' type of concept that utilizes telecom or wireless technology. It could be GPS-related or tied to an application." (R5)

"Since people are used to affecting the outcome of TV content through a mobile phone, it would be handy if the mobile screen could play an even bigger role; that it would be more diverse." (R2)

"GPS will become more common in our product range. Mobile television will also increase based on different technologies. Other software houses will also create applications that fit our technologies. For instance, Google Maps works with our GPS as well as our own maps software. We can soon find interesting reports on usage and scalability." (R3)

The mix of roles was particularly obvious in R11's comments. A phone could replace tickets for events. As the ticket, the device would become a part of the experience. The respondent added that mobile devices will increasingly be used as a means of payment, given that the purchases can be directly linked to one's phone bill. When considering similar cross-media concepts, R7 explained that companies should focus on the type of entertainment they want to offer, and then see how different media channels can support and strengthen the overall offering. Whether mobile devices are in a supporting or leading role is not important as such. R7 also mentioned how competitions on soda bottle labels could be more immediately linked to mobile devices. Similarly, R3 voted for the increasing number of means to activate and inspire people.

"It could work as a ticket for an entertainment concept. You could use a barcode on your mobile as the ticket; paper tickets would no longer be used at all. You order it from a ticket service, receive it to your mobile, and scan the ticket at a concert. Movies will also probably face this change. Why can't it function as a means of payment? Just as it works already, that you use an SMS for buying parking time or something else. Why couldn't you buy virtually everything with it in the future? You could buy drinks in a bar; as in '20 White Russians to this phone number,' and you receive the bill as a part of your phone bill." (R11)

"At the end of the day, it does not really matter whether a device is in a supporting role or not. It is primarily the content, service and entertainment—what we try to achieve with the content that may constitute a community—that matters. And you have different channels. Every channel has its own strengths and weaknesses. [...] These competitions found on the sides of soft drink bottles and other similar things are damn good examples that can steer you to use your mobile device." (R7)

"I would say that the future of advertising is not necessarily about entertainment advertising, advertising with entertainment or advertising within entertainment. One step could be to use the device features in an even more multifaceted manner and to activate people in various ways." (R3)

The general argument for more interactivity in entertainment was the need to get a more customized advertising message delivered more effectively, to learn more about consumers, or to encourage her to an immediate purchase.

“...today’s world is more interactive. To get the message firmly through, you need to get involved somehow, and you need tools for that. From a client perspective, it would be very important to embed the interfaces with the same message in slightly different form into consumer’s lives.” (R2)

“Is marketing about selling more to existing customers or new customers? [...] The best way to achieve this is to create a dialog with your potential customer or existing customer. If you manage to achieve this dialog, for example through an entertainment product, it has great meaning. We can learn what customers want, what they like and dislike, what they think is good and bad, and so on. It’s just a bunch of guesses otherwise; what we refer to as market research. But here we get them directly from the customer. We do not necessarily even need to ask, since we get information about consumer behavior, and this may be more important than what the consumer tells us.” (R12)

“I see the biggest opportunities in that field, but you will have new mediums that can take advantage of the strengths in the old media – highly produced content that looks good. It is then immediate. It can be the sales channel. I feel that in many of these new media forms the base is old. What is evolving is the fact that the consumer would be taken much further from traditional advertising into the actual moment of purchase.” (R7)

On top of interactivity, the majority considered user-generated content and the ease of producing, editing and distributing content. The respondents discussed the trend of filming clips with mobile devices and posting them directly on YouTube, and its implications to branded entertainment. R6 and R9, for instance, discussed how brands may try to inspire consumers to create spoof ads as a means to create a visibility. R1, R5, and R6 all mentioned a local campaign for the chewing gum brand ‘*Frozn*’. Consumers were prompted to tell about genuine things in their lives and submit video stories to the brand website. Visitors could then vote on their favorite clip.

“It [user-generated content] has exploded now already, but we will see much more people uploading videos from their mobiles directly to YouTube.” (R12)

“Of course it changes things when people can make content easily, and a high-quality ad concept may inspire people to create content. Apple created this excellent ‘I’m a PC, I’m a Mac’ campaign, which inspired people to create spoofs. It’s a sign of good advertising.” (R9)

R12 observed that companies and consumers can create instruction or fan videos, in addition to promotional videos for products or services. Consumers can provide value for fellow consumers as the content in itself becomes a service, which spreads among consumers without any additional cost. Viewing the opposite side of the coin, the increased diversity and quantity of content is met by a growing share of poor content, as stated by R7. The respondent noted that good quality content involves many people and is often produced by either professional production teams or non-organized groups. R11 observes that the distinction between brands and consumers; amateurs and professionals are intermittently difficult to make, particularly when professional advertising content is designed to look as it were produced by amateurs.

“And there is of course the fact that companies can distribute, for example, ad snippets for free; then there is the question of how will you get the attention of your target group or the person you want to reach? We come back to it being a service form; you buy a mobile phone, and instead of getting a pile of manuals, you watch, for instance, a YouTube video, which shows you how to get it to work. Then, the ads become a form of service, so to speak. This diversity will grow considerably. [...] For example, if I plan a trip to Mallorca, then it allows me to watch videos of the hotel and I can see what the restaurant looks like, and so on. It is my research process before the purchase decision. User-generated content; perhaps, but the interesting thing is that the discussion is free of charge, so anyone can—even a company—share this information about themselves.” (R12)

“I don’t believe that anything will change production-wise; anyone can produce content. The outcome is that there will be more junk, and for consumers, it’s still quality that counts. [...] There are damn good production teams, independent creators or a group of creators, and it’s more likely groups that create content, since you need various types of expertise. They may be firms or people that are organized through other means.” (R7)

“The freedom of individuals is growing continuously and the world is also shrinking. Say that you have done a song or a funny video and 500,000 people all over the world have watched it. You see that you have fans and you can have a constant dialog with them. Such examples are born all the time [...] and then more and more people continuously realize that the content is created by advertisers. So, there is this ongoing question about what is real and what is not real?” (R11)

Yet, many respondents stressed the fact that content featuring brands is not necessarily initiated or approved by the brands. R1 and R9 pointed out that UGC that is positive or fits the company’s overall brand message should not be taken for granted. R1 and R4 believed that even negative content can be of value for the brand. Be as it may, R1, R3, R4, R6, among others, but advertising professionals in particular, expressed the need to accept the fact that the consumers are to large extent in control, although some level of monitoring is deemed necessary. Rather than avoid it, they should embrace UGC by providing the means for easy distribution and modification of existing content. Handing over the reigns to consumers will fuel consequent creations at minimal or no cost. R2 observed that only a small percentage of consumers wish to create or modify content, whereas the majority of consumers simply consume the outcome.

“Advertisers don’t have that much control. It may even be a scary setting for advertisers, but in my view, the advertiser could develop a palette of some sort that would serve these people and would later on start to live its own life entirely. These would also serve the brand. [...] The world of YouTube is interesting in the sense that whatever you put there, there will be from five to ten versions, and these can strengthen the brand even though some of them might be negative.” (R4)

“The brand should produce the original content in such a format that creating content modifications is rational, allowed and efficient.” (R3)

“This monitoring is important because it has to be done and managed in some way, but you can’t do it visibly, since the last thing you want to do is to tie the hands of consumers.” (R1)

“A small fraction of people makes content alone and participates in creating new content. A considerably larger group comments content or sends it to their friends. Finally, there is the largest group that may only watch, but do nothing; no real trace is left behind.” (R2)

R13 observed that consumers are increasing in importance as mobile advertisers. For network operators, consumers, individuals as well as groups, represent a growing cate-

gory of small-scale regional advertisers that, for instance, wish to promote a private party. Ads can be targeted to specific groups in a specific area at low cost.

“We are interested in advertisers that pay operators, but we are also interested in the private sector. Let’s say people that deliver a university paper or throw a party to other students in Helsinki. [...] It’s sort of related to the fact that YouTube is user-generated content, so we are also gradually moving in the direction that anyone can purchase ad space and access to target groups...” (R13)

Among other topics, R2 and R9 discussed *multitasking*, referring to people conducting multiple tasks at once, such as watching television while talking on the phone and surfing online. According to R2, clever advertisers will attempt to surround consumers through simultaneous multi-channel enforcement. R9 explained that consumers have the freedom to rapidly toggle between different tasks and media forms, reflecting schizophrenic behavior. Consumers can skip undesired ads that may appear before a video clip or a game by simply leaving the primary content running in the background while performing another task and switch back whenever they see fit.

“If you watch television while fiddling with your phone, you focus less on your mobile and more on television. Multitasking has increased anyhow and we have very strong research results that a person might watch television, surf online and comment on content, or send text messages to friends. Especially younger consumers can use three devices at once, and it’s not a problem for them. This brings us to the point that a clever advertiser client, in my opinion, would operate in all these dimensions simultaneously and captivate the viewer or consumer at that moment.” (R2)

“People have typically micro moments and mobile devices teach people to use these moments. [...] You can watch a snippet of a TV series or surf on the Web, or you can read RSS feeds or mails, or play a section of a game. [...] The games are always running in the background and you just jump in for a few moments and then jump out again. Their use is more intermittent, perhaps more schizophrenic. You don’t have a lot of opportunities for interaction when using media at home; you sit on a couch in front of a television for instance. You can’t easily switch from a browser to a game console and from music to video. With mobile devices, changing a context is extremely easy. [...] The pace is much more hectic with such a device. [...] It’s very easy to just go and check the headlines for Iltasanomat [Finnish tabloid], recent mails, as well as play some pinball while some bad ads are running. Mobile devices carry a unique role in this regard.” (R9)

As for brands, many respondents noted directly or indirectly that big brands may have a greater shot at branded entertainment on mobile devices. The intimacy of mobile devices results in a stricter consumer assessment on what gets in. Content from familiar and trustable brands, which signal quality, are more likely to be accepted. Large or small, R3 insisted that the content and advertising must utilize existing media channels. Creating new channels simply for advertising purposes is costly, risky, and unrealistic.

“But in mobile marketing it’s probably a good thing that the brand is big and recognized. It’s easier to accept a message when you know who the sender is. If I receive an advergaming from Nike, I can trust that it’s quality content and not a virus or something similar. If it is shoe brand ‘X’, I may become slightly suspicious as I have never heard about it.” (R1)

“This needs to happen within current media consumption channels as separate advertising applications are bulky and expensive to develop, plus that they are very risky. You probably remember those internet days when there were all kinds of entrepreneurs trying to fill your PC with all sorts of special applications. You eventually tried them, but you never really started to use them.” (R3)

Chapter 4.3 ahead delves deeper into the unique features in mobile media.

4.3 Unique Characteristics in Mobile Media

This section lists more detailed answers on the unique features of mobile media and their implications on entertainment and advertising. It is further divided into interactivity, contextuality and other considerations concerning the mobile channel.

4.3.1 Interactivity

All respondents stressed the value of interaction in mobile devices, which can be used for strengthening ties with consumers. The respondents were generally in favor of an on-demand and opt-in approach to content. R1 and R3 explained that opting in and out should be quick and easy for the consumer by law, although advertisers have intermittently stretched the rules. Allowing consumers to tell more about themselves allows also a greater relevancy in interaction for both parties. R1, R2, R6, R10, R11, and R13 mentioned ‘*Blyk*’, a mobile operator that provides free talk time and text messaging when the consumer accepts frequent, individually targeted multimedia messages. The MMSes commonly require responses to questions such as “are you interested in this product?” or “which model do you prefer?” This continuous dialogue provides more relevant ads to consumers, as long as they agree to receive messages.

“Consumers should be allowed to participate. If we think about mobile devices, probably 20 percent of its features are utilized. It may be because we just haven’t created large-scale forms for consumers to participate; let’s say designing a new campaign or content production. [...] In today’s world, it seems that the consumer then feels that the brand will get closer to her. That’s the biggest thing. The brand will remain fairly distant to the consumer if you apply traditional advertising means; because it is one-directional. The biggest advantage is that they accept you. Perhaps there won’t be such a reaction that advertisers are considered as something negative...” (R6)

“I believe that the most effective way is that consumers tell slightly more about themselves than what they are accustomed to, because they want to filter advertising. If it’s good advertising, entertaining, then they want it. I think locality or this kind of web 3.0 type of advertising will increase, but it’s still rather hype-centric. [...] And of course, there’s this ‘opt-in’ in mobile. It’s illegal to start advertising unless the consumer accepts it. There should always be an option to opt-out. And companies have, in fact, tested the boundaries of this law.” (R3)

“The idea—if I understood it correctly—is that you get a subscriber connection for free, more or less. You can talk for X number of minutes and send X amount of SMSes, but in return, they have the right to send you ads that you must browse through.”(R10)

While R2 believed contextual permission-based targeting is a step in the right direction, R10 was skeptical about Blyk. The respondent argued that the dialogue is artificial in the sense that the consumer *must* reply to a certain number of messages each day, and that the willingness to accept advertising is solely driven by the free messages and talk time. In contrast to the *one-time opt-in* option, other respondents, as presented in previ-

ous sections, discussed examples in which the consumer is primarily the initiator of a dialogue. R3, for example, noted that mobile videos can now feature interactive elements, such as direct links to competitions and other content. While small, such facilitating features may provide significant benefits and spur new opportunities.

Blyk is one step in the direction of permission-based marketing, as in ‘Send them. I’m ready to receive them.’ It’s a trend for the better, and when it comes to traditional direct advertising, you will gladly receive stuff that you are interested in and follow [...] It must be easy enough for the consumer to thank no, don’t send any messages. It shouldn’t require anything. The consumer has so much power in today’s world that this power must be taken seriously.” (R1)

“It works so that they force you to receive messages, and that’s where the problem lies in my opinion. ‘Okay, give me a subscriber connection! That suits me fine!’ So, we send some messages to you, but how interested are you really in seeing these messages? Your state of mind is like ‘ok, here it comes again.’ It’s advertising and it’s not said that it works. With what enthusiasm and intensity are you willing to watch the things being sent? I’m skeptical, it’s not so easy.” (R10)

“Our newest devices support Flash, which is an interactive tool. This means that videos can feature a pop-up button asking you to join a competition; ‘press here.’ It’s a small step, but a fairly considerable one. From the consumer’s perspective, it’s still a video—it starts like a video and you watch it like a video—but it can be interactive. It’s not really about big things.” (R3)

The examples raised were geared towards cross-media. R6 described how users today can post reviews of saunas on online maps from their handsets. The majority of respondents believe in consumers providing increasingly diverse content or links for specific locations. Similarly, brands can utilize online maps to enhance and broaden the consumer alternatives and experience by providing directions to the closest store or office. Both examples can be enriched with videos and other forms of entertainment, since changing contexts is quick on mobile devices. But many technical barriers remain in place; one being the restricted capabilities of older phones.

“That device provides the opportunity to participate in it. How can the consumer participate so that that communication won’t be only one-sided? That is where the map thing succeeded in certain services, since you can influence the content. Although it sounded like a utopian idea a few years ago, many people want to post address details and a review, for instance, of a Sauna in Kallio as in, ‘that was a damn good sauna.’ Then you see the information on Eniro’s maps service. ‘I created that; I’m a part of it.’ Perhaps it’s being realized in that area now, but why couldn’t it also become reality in some entertaining content? YouTube and other services on the Web are based on this, and so far, the technical solutions in the mobile department have not reached the same level that we would see the same thing. I know People use Flickr and other similar services...” (R6)

“If you download a video, you may receive a text message after two days, asking you if would like to see more. You may then be directed to a place for finding more or to perhaps diversify the experience. For instance, we can send the coordinates as a text message to GPS phone owners as our map application reads them directly from a message. The coordinates can then be displayed on a map, which allows you to choose whether you want to call them or go online, or to simply visit the site. Or is there something that could entertain me in the form of a video?” (R3)

“You can change context from a TV program to a browser, and then search and buy something you want if something inspires you. That’s perhaps the biggest difference; the device is interactive. You can continuously shift between contexts.” (R9)

R6 and many others asserted that current location-based services are just the beginning. R3 observed that providing directions to a place is one thing; integrating that with a consumer's phonebook details, social network friend lists, and other elements from social media is another. Much was said about connecting social media with location and having brands deliver content that can be easy to share among friends. R7 believed firmly in forming a direct sales channel with potential and existing customers.

“But, we have only scratched the surface of map services, GPS; particularly map services when you look at what Google does. It's not about really about the maps you have on your mobile, it's the content. If you go to New York for a walk and remember a part of a restaurant's name, a word; you simply perform a query with word 'X' and it can already suggest you different alternatives. Soon there will be photos, menus, and other stuff about a restaurant. There are a lot of things there that are not seen in Finland. Here it is more or less that you can navigate to a location, and that's only a fraction of what GPS can make possible; all photos, friend details. It's an area that will witness a huge swarm of activity in two or three year's time. And that's what people can participate in; you can post information and reviews yourself, and that this restaurant can be found here.” (R6)

“It's not too hard to imagine what the notes or contact book on our phones implies. You can throw your entire Outlook contact book into Facebook if you want; the same is true for LinkedIn. Its rational use on maps; to purchase map layers regarding certain services and then to enjoy entertainment content brought by brands, or to combine it with entertainment in some form; it could be a fairly good concept for success if you manage to do it the right way.” (R3)

“Everyone knows that the benefits of marketing and advertising are obvious, but the link to sales is pretty unclear. When will we shift to talking purely about improving sales? When will we act purely on the basis that these communities and others can be purely sales channels?” (R7)

R2, R9, and R12 highlighted the fact that interaction can also be passive in nature. Whatever the consumer does online, a data trail is left behind, whether the consumer likes it or not. Since mobile devices are personal and connected to a unique phone number, this trail can be tied to individuals. R12 reminds that the data should only be used when the consumer accepts it. R3 expects consumers to voluntarily share more information on their mobile devices in the near future, in exchange for more relevant content.

“And the advantage with the web in general, for good and bad, is that whatever you do will leave a trail behind, and this trail can be used as long as the consumer approves it; as in, 'yes, I gain a better experience when the trail is used.’” (R12)

“The plan is that our device users would soon begin to supply details about themselves onto the device.” (R3)

As for other details, R2 reckoned that mobile devices would serve as an ideal remote control for television and other purposes, which could also be tracked and analyzed by advertisers. Following similar ideas, R3 suggested that it would be important to consider mobile devices as an activating tool or aid for various purposes. The environment around the consumer should be included more effectively in the total offering.

“Yes, this would be a handy remote control in my opinion. This is just the right size if you think about it; that's they way it should work, but the content that comes here needs to fit this size.” (R2)

“It activates you contextually or according to relevancy to occasionally do something and to make use of the mobile device while doing it. We need innovative concepts that will utilize our maps, browser... let’s say video center, or even our contact book. I believe that we need experience formats in addition to this technology approach; there is a crying need for such formats.” (R3)

The section below presents respondent views on more contextually relevant matters.

4.3.2 Contextuality

The popular view among respondents was that brands should reach the consumer in an environment that is natural for both the brand and the consumer. R6 contemplated on utilizing the *natural* operating situation of a brand for entertainment and other purposes. R9 described how mobile devices can be aware of their whereabouts, movement speed, the consumer’s actions and desires. The respondent also noted that such devices can sense whether a consumer is moving by foot, by car or by another means, and whether she is in a foreign country or infrequently visited area. By combining this wide range of information, the devices can supply consumers with relevant content for any given moment, such as gas stations on a map when a car is running low on fuel. R12 considered such relevant advertising as a *service* that a consumer would find useful.

“You should think about the places where people encounter the brand. I don’t believe that it’s worthwhile to approach customers through traditional channel; as in, ‘now we have mobile entertainment such as these.’ You should find it from places where the brand’s use would be natural, and bring it out there. [...] Then the entertainment should be served according to the operating situation and the terms set by mobility. How can you get more out of it?” (R6)

“The mobile is contextual. It understands where it is and what its user does and likes. You can deliver much more relevant content when you know that the person is in Germany now. [...] You don’t think that your device will understand that you are in Germany and that you appear to move at a speed of 80 km/h. The device understands that you are then traveling by car in a country, which you haven’t visited previously, or not very often. It understands that you are abroad with a rental or someone else’s car. It understands that you have traveled for quite some time and that you will soon find yourself at a gas station, so you may see some highly relevant data on the map; as in, here are all the Shell stations now.” (R9)

“Successful ads are services. We will probably get rid of interruptive ads that are found in masses. There are already technologies for doing so. When ads are relevant to us; to our needs at that specific moment; to where we are, and to what we are doing; that’s when the ads become a service form. [...] Let’s take an example: you’re walking in Sahara and you see a sign informing you about juice one kilometer away, or that you can buy juice. You are surely pretty grateful for this information, but if you place it on Länsiväylä, you will just get annoyed, you won’t even notice it. It carries no meaning to you. So, particularly in online media, we can segment per person. We know you want to buy a bicycle or that you are hungry and looking for a pizzeria.” (R12)

Some respondents talked about adding value to conventional events and actions. R11 mentioned the use of a vending machine or visiting a gym. R3 described a more elaborate scenario in which a consumer discovers her surroundings in new light with the help of a mobile device. It can assist in exploring the famous filming locations in a city as well as help one locate stores for purchasing the accessories, such as clothing, cars, and

other brands that were used on screen. R8 was particularly keen on the further possibilities of tracking friend's whereabouts and activities, as long as they allow it and opt in.

"Only the sky is the limit on what you can give through this device in terms of value-added stuff at given locations. You may figure out what a consumer could do on her phone when she visits a gym; someone could offer you something from a vending machine when you use a code or send a message. Or, you could get an album for half the price if we get to see where you move." (R11)

"One example that comes to my mind is that you could place a map layer on Manhattan in New York, which tells you the sets of all movies that are famous. You could use the layer to tell which brands were involved in the films, which clothes were used and which cars are seen. An extremely interesting and effective concept, which makes people walk and move, and consume the experience on a mobile, and see where everything takes place with their own eyes." (R3)

"There is one application that has been fairly successful in the U.S., it's like Skype or an instant messaging thing, but you can always see where your friends are. When you're in a bar, you can check your own friend list and see their location, if they have granted you access. You can directly check who's moving around today and where they are on a map. Then you choose someone and send him a message; as in 'Hey, you're in Baker's, I'm in Lux, will you come here?' " (R8)

R3 discussed about the use of pre-installed ads that can be incorporated in different mobile contents in a flexible and contextually relevant manner. The ads can be updated regularly when the device is synchronized with a personal computer, for instance. In this way, consumers do not need to worry about potential data transaction costs. For advertisers, measurability is more straightforward. Similarly, R5 highlighted the potential to add branded video clips, advergames, and the like onto new devices by default. This is useful when data transfer capacity is limited and not based on flat-rate pricing.

"There is one technology that can be quite interesting in the future. You can store a week's worth of advertising onto your phone in a format that allows placement in different applications and content when you sync it, for instance. The consumer does not need to worry about paying for every viewed ad; it is transferred as a single data package. The other thing is that it makes displaying ads much more flexible. It can be a road sign in a game or it might be a banner in the upper or lower part of an application. You use the same data you save once a week on your phone. This can give birth to an interesting method. The telephone would act as a channel for advertisers. We can fit ten ads to this many phones every week, so would you be one of them? Another thing is that we know the number of situations in which we can show the ad. The data transfer cost will remain low and we can base measurability on the reports derived from the applications and other mobile environments. We could then retrieve the data in the next data transfer." (R3)

"You don't need to use data transfer connections if it is already downloaded onto your device and is ready to be played. Then it will work." (R5)

R1, R3, R4, R6, and R11 described multiple close-range technologies for interacting with consumers, one being Bluetooth. R1, R4, and R11 believed in its growth and wider adoption, while R6 and R3 were more reserved in their predictions. R1 viewed it as tactical advertising at the right time in the right place, as opposed to a traditional mass advertising strategy. R3 asserted that consumers are not willing to keep Bluetooth switched on if they consider it solely as a direct advertising channel. R3 also considered issues relating to security, standardization, and complexity of interactions. R6 had similar concerns, arguing that Bluetooth should be simpler and more direct. R11, in contrast,

saw it as an extremely good “beeper,” which consumers will accept, as long as added value is offered. R4 added that using Bluetooth as a call-to-action tool along with microblogging sites like *Jaiku* would represent ideal branded entertainment solutions, combining one’s immediate location with social media.

“Bluetooth is guaranteed to come. It’s relatively big in the world and it is guaranteed to grow as a tactical advertising form. You get different offers from stores while walking in a shopping center. I see a trend towards a more tactical approach so that we won’t send ten thousand SMSes and hope to get a response. [...] There will be more possibilities to avoid this ‘long shot’ strategy.” (R1)

“We have considered a lot on advertising forms that are based on local radio technologies; Bluetooth, Wi-Fi, and even RFID. They are cumbersome in the sense that they are extremely effective when the consumer performs a specific action as a response to good content or interesting advertising, but it’s terribly difficult to prove the permanent activation of consumers. Let me provide an example: you go to a cinema lobby with a large poster asking you to turn on your Bluetooth. Then you get something onto your phone. It works very well with interesting content and a relatively simple user experience. But imagine thousands of places where you should keep your Bluetooth on. That turns out to be a bit difficult because the amount of advertising reaches such magnitude that consumers will no longer accept it. Bluetooth has also its own security challenges with regards to viruses and such. And, every advertising form delivered through Bluetooth is slightly different, since there is no standard format; as in the consumer would just acknowledge a constantly blinking phone, with some things more attention grabbing than others. These often require interaction and involvement in the story and possibly contacting a WAP site among others, and the applications are fairly heavy. Its power is also tied to tight, brief special campaigns, but you can’t assume that people will keep Bluetooth on, if it is mainly considered as an advertising channel.” (R3)

“I haven’t seen it as very functional from a technical perspective due to a range of limitations, starting with receiving the message: ‘do you want to receive something from company X?’ The answer at that moment is often no already. It needs to be more direct somehow.” (R6)

“...linking it to branded entertainment would possibly require more call-to-action designs. [...] Some Jaiku type of microblogging solutions combined with Bluetooth could represent a killer entertainment concept.” (R4)

R3 also talked about *matrix tags* placed on a variety of items and structures. Scanning the tags with a mobile device lets the consumer gain direct access to a website or other content. R3 regarded the idea as being limited to small advertising campaigns. One reason the respondent brought up was the fact that many recent experiments involve too many intermediary phases before achieving the desired action.

“Other similar experiments have been proven rather poor, such as this Japanese... tag, which involves you taking a photo of a matrix tag. [...] It hasn’t really become as common as one might think. You would assume that the house walls and other places would be covered in them, but they aren’t. The consumer needs to be too active in such instances; too many intermediate phases in getting the information. As with Bluetooth, it is limited to similar campaign-like advertising.” (R3)

The last section covers some topics related to mobile network operators. The implications can be linked to mobile branded entertainment adoption and control.

4.3.3 Other Considerations

R8 talked about the role of network operators in acquiring mobile content, distinguishing between *strong* and *weak* mobile network operators. Strong ones work as media

hubs for their customers, as content gatekeepers, whereas weaker ones—like in Finland—simply provide the means for communication. This view was supported by R10 who compared Finnish network operators to electric utilities. R8 believed that consumers will increasingly acquire content beyond the operator's own domain when they learn to browse the internet on their handsets.

“At this moment, the most common way to find content in many countries is probably; phones are fairly often installed with the operator's menu, especially in countries with a package deal; that's almost all of them. The operators possess very strict control over the devices. All quick menus lead to their own services. It's usually the operator's portal that is the hub so to speak, which then lets you to go to the places they allow. The operator is sort of a media company. Big operators such as Vodafone and T-Mobile, Orange and others do just this, and that's probably the most common method. [...] Then, of course, you can find content simply on the Web where you have some SMS codes, as in 'hey, order this and send this code to this short number and you will receive a link in return.' This is much more common in Finland where we have weak operators. But, countries with strong operators, such as England, Germany, France and other big countries, probably one fourth of the content is at most found by consumers through some other channels. [...] It will probably change as people begin to realize all the things you can consume on your mobile.” (R8)

“What is our role? We are a sort of; I hate to say it, but we are like an electric utility. They make sure you get electricity. That's their role, and what you do with this electricity is your call.” (R10)

According to R3 and R4, mobile network operators should generally carry more responsibility in educating consumers to use new features and services, which is currently the burden of handset vendors. R10 agreed that more coaching and incentives are needed. R13, on the other side, stated repeatedly that advertising agencies should also learn and adapt to the growing role of mobile media. R10 was similarly complaining that advertisers are too conservative in their plans. R9 pointed out that this adoption rate rests on two interdependent elements: *usability* and the range and quality of *content*.

“Educating people, which should in fact be the responsibility of operators rather than the device manufactures, is still at an early stage. Of course, younger people who may know all this do not necessarily own a device for such things.” (R4)

“I wish that the culture in ad agencies will witness a big change so that mobiles will become a larger part of their palette. It's the only really measurable and personal channel with many variations, and it's also interesting for the end user. This means that ad agencies must learn new things” (R13)

“There are two parts: one is usability: 'how easy is it to get new content?', and the other is the content catalog: 'how good is the content that fits my device?' If one of these doesn't work, the entire formula doesn't work.” (R9)

The following chapter provides a brief overview of all the results discussed. Chapter 5 ahead discusses the findings with regards to the two research objectives of this thesis.

4.4 Summary of Results

Chapter 4.1, presented general views on branded entertainment and mobile devices, which were generally in line with what was presented in the theoretical framework. Some respondents extended the established framework by including off-screen events,

such as outdoor concerts. With regards to brand integration and sponsor control, the respondents talked about product placement, sponsorship, and branded entertainment from different angles. Many respondents emphasized realistic and frank integration, and the willingness of brands to hand over control to producers as well as consumers. The role of mobile devices was mostly that of a supporting medium. Content will be increasingly web-based and accessible on all platforms, and potentially adapted for the smaller mobile screen and more sporadic consumption patterns.

Chapter 4.2 focused on mobile entertainment vehicles and preferred branded entertainment techniques. Mobile television, in a traditional broadcast sense, was not believed to last in the long run. Respondents favored on-demand video snippets as well as longer clips or even films depending on the circumstances and screen size that can feature interactive sponsor messages and other integrated branded elements for engagement. As for games, advergames of different sorts and sponsorship were preferred over in-game advertising. Unlike video, music, and other more standardized formats, games demand reprogramming across multiple platforms. Most respondents also considered mobile applications and social media websites—along with their diverse multimedia content—as well as other cross-media experiences as a part of the entertainment sphere. Social media is also an emerging domain for the rising significance of user-generated content.

Chapter 4.3 centered on more unique and detailed features of mobile devices with regards to entertainment and advertising. Topics were roughly divided into interactivity, contextuality, and other factors relating mostly to the role of network operators. Discussions revolved around an opt-in and on-demand approach to advertising and content as well as ways to increase interaction between consumers and brands. In some cases, consumers may not be aware of the data being gathered about their actions. The interviews also brought up alternative roles for mobile devices, such as using it as a remote control or as an activating tool for various purposes. Location-based services stretched from mobile maps with active consumer input and involvement, to value-adding and contextually targeted services that expand on traditional activities or create new ones in unconventional moments and locations. Such entertainment offerings or services can be adjusted even based on movement speed. Lastly, some respondents discussed the applicability of close-range technologies like Bluetooth and matrix tags for advertising purposes. Some respondents also argued that network operators must take more responsibility for educating consumers in new concepts, even as their role might be diminishing along with other traditional players in the mobile ecosystem.

5. Discussion

This chapter addresses the research questions posed in the introductory section of the thesis. The discussion is split into two sections (see Figure 2 on page 8). To flesh out the discussion, the interview data presented in the previous section is complemented with additional academic and industry literature.

The first section focuses primarily on addressing the first research purpose, while serving as an essential introduction to the second purpose. Chapter 5.1 begins with a short discussion on how the results support the conceptual models, Figure 8 and Figure 9, introduced in Chapter 3.2.4 and 3.2.5, respectively. Subchapters 5.1.1 through 5.1.4 explore the central themes that emerged in the interviews and their impact on the models. These include cross-media opportunities, interactivity, user-generated content and social media. Chapter 5.1.5 ends the first section by presenting a revised version of the primary model, Figure 9 (see Figure 11). A moderately adjusted version of Figure 8 is later presented and applied in Chapter 5.2.2 (see Figure 14).

The second objective and its three sub-questions are explored in a systematic order in Chapter 5.2. Chapter 5.2.1 addresses the type of entertainment vehicles to be used in mobile media. Chapter 5.2.2 discusses preferred branded entertainment techniques by applying the revised conceptual models. Lastly, Chapter 5.2.3 goes into more detail on the unique characteristics of mobile branded entertainment, and presents an additional framework for understanding these features.

5.1 Establishing a Framework for Branded Entertainment

Branded entertainment remains multifaceted even among practitioners, although much of the ambiguity and surplus terminology among respondents could be interpreted using the two-dimensional branded entertainment construct (Figure 9 on page 41). The supporting dual-paradigm model (Figure 8 on page 39) was also useful in classifying the different, but converging views on advertiser *disguise* and ad *obtrusiveness*. That being said, the interviews did provide valuable insights for developing particularly the primary conceptual model. The outcome is presented in Chapter 5.1.5.

As expected, the interviews covered various manifestations of product placement, sponsorship, and branded entertainment. The examples were largely attributable to the categories *external sponsorship*, *advanced sponsorship*, *brand placement*, *brand inte-*

gration, and *advertiser-funded content* (see page 41). While anticipated, examples on *brand assimilation* were scarce as brands are unlikely to hand over full control to independent producers. Even in cases of low sponsor control, as in the disputed film ‘*Cast Away*’, it is hardly in the best interest of the producer to endanger future collaboration by portraying brands unfavorably. Control is therefore a relative term and should be treated accordingly. Overall, brand integration and sponsor control were useful dimensions in categorizing and differentiating the examples mentioned by respondents.

Interestingly, R12 provided his own categorization model, consisting of five steps: *sponsorship*, *promotion*, *product integration*, *branded content*, and *branded entertainment*. With a stricter focus on whether the brand can be replaced or not in a given situation, R12’s taxonomy fits well into the brand integration dimension of Figure 9. *Sponsorship* and *promotion* fall in between Figure 9’s *external sponsorship* and *product placement*, with promotion additionally being accompanied by a *tie-in deal* (see page 15). The remaining categories correspond to different levels of brand integration within the branded entertainment field. Taking a more general view, R7 considered different entertainment vehicles in relation to media channels and revenue models. The model reminds that both consumer-funded and advertiser-funded revenue models can coexist.

Many of the respondents argued that branded entertainment is generally free to the public, given its purpose to persuade. With reference to Figure 8 on page 39, one can argue that content that originates from the advertising-as-entertainment paradigm is free, whereas the entertainment-as-advertising paradigm, in a broad sense, is not. As sponsor control increases, the entertainment vehicle’s persuasive purpose emerges. These considerations have been included in a revised version of Figure 8 (see Figure 14), which is later presented on page 110. Nevertheless, the branded entertainment experts argued that while content may be completely funded by a particular brand for a specific advertising purpose and offered free-of-charge to consumers, the end result should not compromise the entertainment element and artistic creativity. Even in the case of in-house projects, control remains under fire from multiple directions.

As far as new media is concerned, defining the boundaries on entertainment is a much more daunting task. The interviews yielded examples on intricate and borderless cross-media solutions that are difficult to place in existing entertainment slots in academic research. Respondents even challenged the definition of entertainment by referring to ‘*Facebook*’ and other social media sites that boast various entertainment vehicles under

an umbrella. This ambiguity rings particularly true for mobile applications that can comprise of multiple entertainment components traditionally viewed as separate vehicles. To highlight this massively growing trend of hybrid content, the term *app-vertising* or application advertising has recently emerged in trade magazines (Schmitt 2009). These findings suggest a good level of open-mindedness when interpreting the branded mobile entertainment sphere. As broad as it sounds, R5's preferred term, *branded content*, may provide a step in the right direction.

Many respondents argued that branded entertainment could be whatever the consumer engages with, including concerts and sport events. This relates to the underlying issue inherent in branded entertainment and product placement research: the lack of a bigger, integrated picture. Whatever the case, factors beyond the mobile and other screens are important to note for two reasons:

First, in today's world of integrated marketing communications and industry convergence, cross-media solutions are becoming the norm. Viewing the bigger picture would therefore seem reasonable, but studies carried out across multiple mediums can be considerably more challenging to realize. Second, since mobile devices offer all audiovisual forms of entertainment on the go, the surrounding physical environment becomes relevant. Location-based services were a hot topic among respondents; not simply because of map-based opportunities, but also because of the possibilities for on-the-spot interaction with various elements. The immediate location of a consumer can have an impact on the type of branded entertainment offered and the content itself.

Bearing these factors in mind, mobile branded entertainment is beyond any other medium. The following chapters discuss the underlying themes that create these opportunities. These are sorted into cross-media solutions, interactivity, user-generated content, and social media.

5.1.1 Cross-Media Opportunities

The respondents generally opted for stronger cross-media solutions in the future. Mobile devices or the "remote control of life"—as R6 aptly put it—will engross a larger part of consumers' lives. To summarize the results, commercial purposes ranged from simply increasing brand awareness and recall to value-added offerings, and even to establishing a direct and immediate sales channel with consumers.

At the simplest level, mobile branded entertainment is designed to support other media channels in attracting the consumer's attention, or to simply offer a new distribution channel for existing content. On a more sophisticated level, they can provide value-adding extensions for primary content, similar to *'Lost: Missing Pieces'*. R7 observed whether mobile devices are in a leading or supporting role is not what matters. The key is the message and how it employs the unique characteristics of each media channel and vehicle. This brings us to the benefit of using mobile devices to follow up on content, as was observed by R1, R2, R6, R7, R8, and R12. Opportunities range from using mobile television to follow live news, ongoing events, and other topical content with mobile television, to checking the status of an ongoing online game or friends by logging into networking sites such as Facebook. As such, these value-adds can be branded even though the primary content remains unexposed to brands. This offers flexibility for brands to expand and experiment on already successful content.

Alternatively, branded mobile entertainment can focus primarily on a *call to action*. R7 argued that mobile advergames offer a convenient way to redirect traffic to a website for purchasing a product or a service, whereas R1, R3, R4, R6, and R11 contemplated on the use of Bluetooth for persuading to purchases through receiving content and alerts in shopping malls and other locations. R4, R7, R8, and R9 also suggested that mobile devices and its content could remind or encourage the consumer to make an order or to participate in an event. It was however the comments by R2, R3, R6, and R11 on using mobile devices as a part of daily activities and using mobile branded entertainment in normal brand operating situations; which moved the discussion further. They are a means to perform routines better, to create added value and ultimately more brand opportunities in the right place, at the right time. These results suggest that branded entertainment could represent the glue that binds the loose ends together. As a tactical and contextually-aware tool tied to an individual phone number, mobile devices can satisfy the immediate and sudden needs of consumers as well as fuel such desires on the spot. Above all, combining mobile devices with other channels adds further meaning to their significance as a major platform for commercial activities: a personal, direct link between brands and consumers.

Taking the concept of cross-media integration further, the results indicate that branded entertainment in mobile media can be split into two perspectives: *central* and *peripheral*. A central perspective denotes content in which the mobile device carries the leading role, as in playing a mobile advergame or creating a video message. A *periph-*

eral perspective refers to supporting functions such as using a mobile phone as a remote control, or to cast a vote in a TV competition where the television is the primary object of focus. Using a phone's GPS function to discover the filming locations of famous scenes serves as another peripheral example. In effect, both perspectives can result in cross-media solutions. Referencing again to R7's thoughts, it is ultimately not essential whether a mobile device is in a supporting or leading role, what matters is the content, service, and entertainment one desires to be delivered. Table 6 below provides further clarification on the two perspectives.

Table 6. *Central vs. Peripheral Roles of Mobile Devices*

Central	Peripheral
Primary/leading function	Supporting function
Perform on-screen actions	Support/enable off-screen actions
Main consumption device	Follow-up device
Content production tool	Content distribution tool
Direct sales channel	Payments (e.g., <i>concerts, amusement parks</i>)

As with other classifications so far, the central and peripheral perspectives represent the two extremes of a continuum. The bottom line is that branded entertainment is not limited to actions on the screen or a one-channel media strategy; brands need to consider the bigger picture. Similar to R7's thoughts on a direct purchasing channel, R11 reasoned that mobile devices could very well turn into our everyday means of payment in the future. They would function as supporting inputs in a process that represents a larger entertainment offering, such as a branded concert. Physical goods can be viewed as mere inputs in a service process, which reflects a new emerging logic in marketing proposed by Vargo and Lusch (2004). In a *service-dominant logic*, value is co-created between a brand and a consumer. It is a mutual undertaking that benefits both parties. Following along these lines, mobile devices can facilitate various tasks in our daily lives, thus offering a much broader view on branded entertainment.

The central-peripheral perspective is particularly important with regards to media multitasking and its challenges as raised by R2 and R9. R2 noted how the attention of consumers can be spread across multiple media simultaneously, whereas R9 argued that it is important to note the consumer's possibility to rapidly switch between different media channels and applications on mobile devices. Academic studies on multitasking have applied the logic of a primary and secondary task; similar to the one used in this study (e.g., Pilotta, Schultz, Drenik & Rist 2004; Pilotta & Schultz 2005).

Pilotta and Schultz (2005) sort media exposures into foreground (dominant) and background (secondary). A consumer may focus her attention on watching television at home. Adding a secondary task into the picture would reduce the consumer's cognitive ability to concentrate on the primary task. Pilotta and Schultz (2005) also refer to the potential for cross-media synergy by delivering the same message on multiple media platforms, either in sequence or in parallel. As far as branded mobile entertainment is concerned, a central perspective requires a different set of tools than a peripheral one. When the mobile device serves a peripheral function in the consumer's overall activities, advertisers can find it more difficult to reach the consumer who is preoccupied with a primary task or activity. That said, brands can occupy a consumer through the use simultaneous of multiple channels and platforms.

In addition to Bluetooth, R3 referred to code tags placed on diverse objects that can enable instant access to online content such as websites, videos, games, maps, and questionnaires when the consumer scans the tag with a mobile device. Such tags—commonly referred to as 2D barcodes—employ mainly two standards: QR (Quick Response) Code¹⁰ and DataMatrix (Wall 2007). 2D barcodes eliminate the need to spend time typing a website address or other details on a cramped mobile keyboard. Advertisers can place barcodes on virtually any object; be it billboards, posters, windows, newspapers or product packages—like labels on soda bottles, which R7 briefly mentioned. Although R3 had not witnessed extensive adoption of 2D barcodes, they represent the combination of on- and off-screen elements, and contrary to Bluetooth, activities that demand consumer action.

Likewise, “cross-media spectacles” such as the *‘Lost Experience’*, which was discussed with R1, illustrate the potential for more immersive, yet consumer-driven branded entertainment vehicles. While R1 did not consider the *‘Lost Experience’* as branded entertainment per se, it is a prime example of an alternate reality game (ARG), which is a growing, yet unexplored entertainment form. Ryan (2007:202) cited the practical definition offered by Unfiction.com:

“A cross-media genre of interactive fiction using multiple delivery and communications media, including television, radio, newspapers, internet, email, SMS, telephone, voice-mail, and postal service.” (www.unfiction.com/glossary)

According to Ryan (2007), ARGs provide vast branding opportunities with consumers being highly involved in a range of platforms. Several cases featuring mobile content

¹⁰ See page III for a QR code example.

have recently taken place in the U.S., Europe and Asia (Mascioni 2008). ARGs highlight the possibilities of mashing up different media within one vehicle as well as across vehicles. The infusion of chatting, instant messaging, and gaming in one entertainment vehicle, as described by R8, can be stretched even further and beyond the mobile screen to everyday activities, such as phone calls and location-based search queries on a search engine. ARGs and related concepts are discussed in the sections ahead.

In light of these findings, it is also worthwhile considering the potential of augmented reality (AR), which refers to solutions that combine real-world elements with virtual ones. With the recent introduction of more powerful mobile devices that are equipped with GPS, digital compass, and a camera, cases on augmented reality have grown at an explosive rate in 2009—also for brands (King 2009). Georgia Tech Augmented Environments Lab and Savannah College of Art and Design (SCAD) in the U.S. have recently introduced an experimental AR game called ‘*ARhrrrr!*’ As the player directs the camera of a mobile device on a flat game board, the screen displays a three-dimensional digital environment full of life. Moving the device around the board will show the virtual environment from the corresponding angle. What makes this example interesting is that placing Skittles, a brand of fruit candies, on the game board will trigger in-game events (www.augmentedenvironments.org). Advertisers could implement similar brand integration concepts even on a greater scale in outdoor environments. One recent example is ‘*Layar*’, an augmented-reality mobile browser that places a range of content layers on-screen, such as houses for sale, restaurants or other branded features (Stein 2009; www.layar.com).

Creating a larger branded entertainment experience in which the mobile device plays an integrative part remains unexplored. The examples above demonstrate how advertisers engage consumers to become an even greater part of the overall experience and the branded message itself.

5.1.2 The Role of Interactivity and Consumer Engagement

The common belief was that brands should capitalize on the greater interaction possibilities inherent in mobile devices. Much remains to be done in strengthening ties and learning more about consumers in this manner. Perhaps the most essential aspect of interactivity, from a brand’s perspective, is the chance to form a direct communication and sales channel with potential and existing customers based on their current location,

needs, preferences, and behavior. What is important to observe is that interaction occurs on multiple levels: *directly* as well as *indirectly*. Consumers can interact directly and willingly with brands through an advergame or through network operators that follow an ad-funded opt-in model, such as Blyk. R2, R9, and R12 highlighted the fact that interaction can also be passive in nature. Whatever the consumer does online, a personal data trail is left behind—whether the consumer likes it or not. This may certainly raise concerns of breached consumer privacy, which is beyond the scope of this thesis.

Throughout the discussions, it became evident that entertainment vehicles can vary considerably in their level of interaction opportunities and consumer involvement. Mobile television following a traditional broadcast model did not spark much excitement among the respondents. Apart from live broadcasts, conventional broadcast television represents low interaction opportunities and consequently poor flexibility in adapting content for a smaller screen; it is simply a direct extension of fixed-line television. Respondents were rather in favor of an *on-demand* approach to content, but the biggest potential lies in more interactive content that allows consumers to spend more quality time with the brand. R8's idea on making Nike shoes boost the performance of a player in a football game is a good example of *demonstrative* brand integration, as defined by Chen and Ringel (2001). Viewing the matter from a central and peripheral perspective suggests that this approach can be extended to real world items. This is where the demonstrative aspect becomes fundamental.

In addition to an on-demand approach, respondents shared examples on *opt-in* solutions such as Blyk and Bluetooth advertising, whereby brands ask permission to send content. The consumer agrees to receiving messages without controlling every individual message. But such cases were shadowed by high skepticism among respondents like R3 and R10, arguing that a one-time opt-in approach does not reflect a genuine dialogue. It is dictated by the advertiser, rather than led by the consumer. As a consequence, there is no guarantee that consumers are likely to process the ads with their fullest attention. The odds may indeed be more in favor of multitasking, suggesting that the level of engagement may remain low compared to content that consumers may actively find through a location-specific search query on their mobile device or through other means where the consumer is in charge.

The results favored consumers becoming participants, contributors, and co-creators, which were in line with Rappaport's (2007) suggestion on *involving*, *informing*, and

entertaining consumers. The heightened relevance and willingness to directly engage in the content could consequently offset the challenges posed by multitasking. Considering these two different approaches in relation to the presented conceptual framework, an *on-demand* approach is characteristic of the entertainment-as-advertising paradigm (see Figure 8 on page 39), given that it reflects the consumer's genuine interest in further engagement. In contrast, an *opt-in* approach carries stronger ties to the advertising-as-entertainment domain, because the content remains interruptive and is not based on complete consumer voluntariness. This is considered in the amended version of the model (Figure 14) on page 110.

To clarify the term engagement, academic studies have associated it, among others, with consumer involvement, commitment, loyalty, and relevance (e.g., Bowden 2009; Wang 2006). Supporting respondent views, Wang (2006) showed that engaging content results in more effective communication and consequently better advertising results. While a deeper theoretical discussion on engagement is beyond the scope of this study, the implications are clear; engagement is an important factor to note in branded entertainment. Engagement in this study is defined as the extent to which a consumer is capable of involving herself in a given context by affecting the content outcome. The more interaction opportunities exist within an entertainment vehicle, the stronger the potential for consumer involvement. Higher interaction opportunities require consumer empowerment, making consumers effectively collaborators and co-producers of content. This follows the principles of the service-dominant logic (Vargo & Lusch 2004), whereby consumers are empowered "to be creative collaborators in the production process" (Bonsu & Darmody 2008:356). Companies can in turn gain access to the minds of the consumers and benefit from their voluntary labor (Ibid.). As an example, '*Half-Life*' by Valve Software and '*Second Life*' by Linden Lab allow players to design and create advanced modifications of their respective games.

On the flip side, increased interactivity and empowerment come at a price. Sponsor control will naturally reduce as consumers gain power. The more freedom consumers have in influencing content, the less control the advertiser has over the outcome. Confining consumers to certain contexts with limited selections could still strip them of power, like predetermined colors and car parts in a racing advergaming. With this logic, the brand sets the rules and monitors consumers whenever necessary. Even so, it is obvious that not everything can be controlled and isolated. Both '*Half-Life*' and '*Second*

Life' have been subject to user modifications with brands prominently displayed without formal approval (see Vedrashko 2006).

In another example, the American car brand Chevrolet supplied consumers with ready-made video clips and music on a website for assembling an advertising spot with customizable wording for a new Tahoe sport utility vehicle model. Illustrating the brand's lack of control, a number of user-generated ads were highly negative in nature as they emphasized the SUV's unsustainably high fuel consumption (Bosman 2006). Concerning the mobile world, mobile devices are ideal for spontaneous content production and quick distribution. This trend is outlined below.

5.1.3 User-Generated Content

As R9 expressed it, mobile devices are important for producing as well as consuming content. The majority of respondents uttered the need to capitalize on user-generated content. Respondents discussed the trend of filming clips with mobile devices and posting them directly on an open video-hosting site, such as YouTube. As the results show, many respondents indicated that UGC establishes a stronger bond and dialog between brands and consumers. From an academic perspective, branded user-generated entertainment remains largely unexplored, yet the interviews indicate it as a considerable growth sector. Like branded entertainment, user-generated content is an exhaustive field in its own right.

Summarizing respondent thoughts, UGC ranges from product instruction videos, fan videos, and product reviews to edited, remade, and imitated spoof content. Feedback and user comments are in this thesis considered as forms of interaction and engagement rather than UGC. Whatever the definition, UGC carries major implications for branded entertainment. R9 explained that brands may wish to create a phenomenon that drives consumers to generate content and increase brand visibility. For established brands, the sense of quality and trustworthiness may be further drivers for efficient consumer-driven content distribution and production, although this is by no means an obvious advantage, and not all brands wish to venture into this field. The respondents also acknowledged the strong likelihood of content that is attributed to a brand, but is not initiated or approved by that particular brand. The power of consumers is no laughing matter, especially when their creations may deviate considerably from the desired brand positioning and, in some cases, foster a negative message.

The last point was recently materialized by two former employees of Domino's Pizza in the United States. The employees used a mobile device to record a series of videos where they demonstrated an utter disregard for hygiene standards, while serving meals to customers. In a matter of days, the videos caused the largest PR scandal in Domino's history (Clifford 2009). The need for monitoring was expressed among respondents, although R1 argued that it should be performed behind the scenes. While none of the respondents reflected such stark views, advertisers in the United States have previously prompted video-hosting sites to remove brand-related user-generated clips by referring, among others, to inappropriate and deceptive content, false claims, and copyright infringement (Marek 2007; Story 2008). Content has a tendency to remain online despite removal attempts. An overt and explicit quest to eliminate UGC may also cause more problems than solve existing ones.

The respondent comments and the case above illustrate how content distribution and social media sites like 'YouTube' and 'Facebook' surpass the advertiser's direct control range. Sponsor control can therefore pose a considerable challenge, rivaled by consumers as well as independent producers. In another internet video featuring brands, two persons create an extravagant display of soda geysers shooting up into the air by dropping Mentos mints in bottles of diet Coke—a reaction that has been relatively unknown until recently. The snippet resulted in a viral effect spurring a countless number of Coke-Mentos experiments posted online. What Coca-Cola first considered as an unexpected and undesired phenomenon developed into an advanced, barter-like brand integration campaign. New videos explicitly supported by Coca-Cola and Mentos consequently followed the original experiment (King 2007). Coca-Cola has since then embraced positive user-generated content by collaborating with popular video makers to make additional content (Morrissey 2008). Content produced by consumers can generally be positive or negative, and follow the brand's official message or not (see Berthon, Pitt & Campbell 2008). It is a balancing act between risk and opportunity.

Harnessing the value of consumer credibility, some advertisers have willingly jumped on the UGC bandwagon by creating competitions and other incentives for consumers to create ads. R1, R5, and R6 described a local case in which consumers shared video clips of them on a branded site. In similar cases, the best clips have even ended up on television (Story 2007). In this sense, consumers become a part of the campaign planning and content production. This constitutes a category, which can be referred to as *advertiser-funded advertising* (UGA). In cases where consumers simply edit existing content or

create branded entertainment extensions with preset tools, it is important to make the entire process as convenient and straightforward as possible for the consumer. R3 explained that no additional tools should need to be downloaded nor installed, and even the slightest complexity may discourage consumers to mash up content. Interestingly, R13 argued that the role of consumers as local advertisers of private parties will serve an increased revenue point for network operators. This suggests a further shift in power from traditional brands to consumers in how new media is being shaped and developed.

This may serve one reason for entertainment content that mimics user-generated content, but is created solely as a vehicle for endorsing specific brands, as explained by R11. Contrary to traditional hybrid messages that combine the strengths of advertising and publicity—i.e., the media, these examples constitute a union between advertising and amateur content. Like with *publicity*, content by fellow consumers is considered a more reliable source of information than advertising (Cheong & Morrison 2008). The jeans brand Levi's recently experimented with stealth ads by spreading an amateur-like video online in which a young male back-flips into a pair of jeans held aloft by fellow mates (Solman 2008). The ethicality of such examples is open for further debate. In view of this discussion, user-generated advertising (low disguise and low obtrusiveness) and “fake” user-generated content (high disguise and high obtrusiveness) are worth including in the dual-paradigm model of branded entertainment (Figure 8 on page 39). The additions can be reviewed in Figure 14 on page 110 along with other implications.

What is important to observe is that UGC is generally the product of a small group of consumers within each segment. R2 pointed out that most consumers are simply consuming content and—apart from commenting and sharing—not producing it in a wider sense. Many respondents expressed explicitly or implicitly that word-of-mouth online through social media portals is a major force that can be a great opportunity for companies as well as consumers who wish to advertise. Consumers should not try to find content, it should find them, as was explained by R1. Despite the risks of open sharing, keeping tight control over how and where content can be consumed can be too big an obstacle for consumers. If the content is too restricted and hard to reach, consumers are not likely to bother (Morrissey 2007). Strengthening the social dimension in mobile branded entertainment is a risk worth taking.

5.1.4 The Emergence of Social Media

The interviews imply that some of the biggest opportunities, besides location, are found in online communities. R2 and R12 observed that mobile devices are traditionally one-to-one oriented—i.e., communication between two individuals. Recent advances in mobile internet functionality and usability have opened up the doors for *one-to-many* and *many-to-many* communication between consumers as well as brands in the form of “microblogging” or more rich media forms through social media portals. This facilitates the spread of branded entertainment produced by advertisers as well as consumers across all platforms, but more importantly, it creates new social entertainment vehicles that can utilize one’s immediate location. Combining the information found in a mobile phone-book with that of social media platforms creates a vast and detailed contact network.

The respondents considered various forms of branded online communities for spending time as well as sharing, developing and creating content. Discussions revolved around social networking sites like ‘Facebook’ and ‘LinkedIn’; microblogging services like ‘Jaiku’, and more recently ‘Twitter’,¹¹ which are based on delivering short status updates to everyone that follows the sender; and other societal platforms like ‘YouTube’ for sharing and commenting on content. R8 and R9 considered additionally social games that are more commonly referred to as *massively multiplayer online games* (MMOGs or MMORPGs for role-play games).¹² Combining chatting, instant messaging and gaming, games such as ‘World of Warcraft’ and ‘Second Life’ illustrate how consumers can perform multiple social activities within one single vehicle, as do social media websites. But social mobility among respondents was extended to consumer input on mobile maps and tracking the location of friends, both of which can be interlinked with microblogging and other social media channels. This is exactly what services like ‘Foursquare’ (www.foursquare.com) have been experimenting with lately.

With these examples in mind, an opt-in approach is generally more feasible if it is directed to friends and other respected and trusted sources, rather than brands. Consumers can allow particular friends to see their location and activities, as R8 explained. Thinking further, friends can track each other in an alternate reality game (ARG), which implements real-life environments along with branded products and services. Consumers could alternatively have the opportunity to visit a brand landmark, such as an old

¹¹ R3, R4, R9 and R12 mentioned Jaiku. At the time of writing, Twitter, a similar microblogging service, was the world’s fastest growing social media site (Nielsen Online 2009).

¹² See e.g., Meredith, Hussain and Griffiths (2009), and Hof (2006).

Coca-Cola factory site, where consumers have access to location-specific augmented reality (AR) material and videos. These could show how life at the site used to look like, depending on the time of the day. Consumers could mark their favorite spots of the guided tour and leave video feedback for others to see and discuss, and to expand on the overall experience. The outcome would be a seamless mix of on- and off-screen actions, as well as an infusion of central as well as peripheral elements on a mobile device.

It is also important to note that online communities may facilitate the generation of new ideas and high-quality UGC tied to brands. Communities represent a meeting place for like-minded enthusiasts that may possess the required skills, although R7 and R8 emphasized the need for a professional group dedicated to the field in question. While advertisers may find it difficult to pull off a premium advergame due to limited expertise and resources, a group of dedicated brand enthusiasts formed through a community could deliver quality at minimal cost. After all, one of the most successful online games of all time, *'Half-Life: Counter-Strike'*, was the product of amateur game developers and players giving constant feedback throughout the development of the game (Pearce 2002). Online communities represent hives of diverse talent and functions, with each consumer bringing something unique to the table; be it art direction, programming, or simply, good ideas. Brands may wish to establish stronger ties to communities and facilitate immediate contribution through mobile devices, and harness the value of location by perhaps arranging physical workshops with consumers in active regions. By and large, a focus on consumer engagement and UGC within dedicated communities may alleviate some concerns on quality and brand message alignment.

However, the dominant role of existing social media sites that keep advancing in the mobile space, in addition to the results of this thesis, raise some questions about the role of branded social media platforms. Recent cases such as Budweiser's centralized brand-content hub, *'Bud.tv'*, have shown that consumers rarely have enough incentives to visit brand-controlled websites with restricted and limited content (Morrissey 2007). The respondent views suggest that content should be based on a consumer dissemination model, whereby content can easily spread from one platform to another, rather than being confined to a "walled garden." As a result, it is difficult for brands to build their own communities. Consumers will create one using the tools available, if they see the need for one. Brands do not own the communities built around their brand; they can simply support them through improved means of contribution and dissemination. The strong preference of web-based content also indicates that walled gardens controlled by

network operators are likely to experience more cracks in their walls as consumers adjust to the full accessibility and functionality of the mobile internet.

Chapter 5.2 continues the discussion on branded mobile entertainment by addressing each of the three sub-questions. These were related to entertainment vehicles, branded entertainment techniques, and unique and central features of mobile media. Based on the discussion so far, the following section addresses the first objective by presenting a revised conceptual model on branded entertainment.

5.1.5 The Branded Entertainment Spectrum (BES) Model

The branded entertainment spectrum model (Figure 11) below is a revised version of the two-dimensional product placement-branded entertainment model (Figure 9) presented on page 41. The key additions relate to the increasing involvement and empowerment of consumers in entertainment media. Consumers are no longer passive bystanders of entertainment production in audiovisual media. They have increasingly become co-producers and even sole producers of content. Figure 11 involves three essential parties: the advertiser/brand, the producer of editorial content, and the consumer. In addition, the revised model accentuates the role of single versus multiple brands and sponsors.

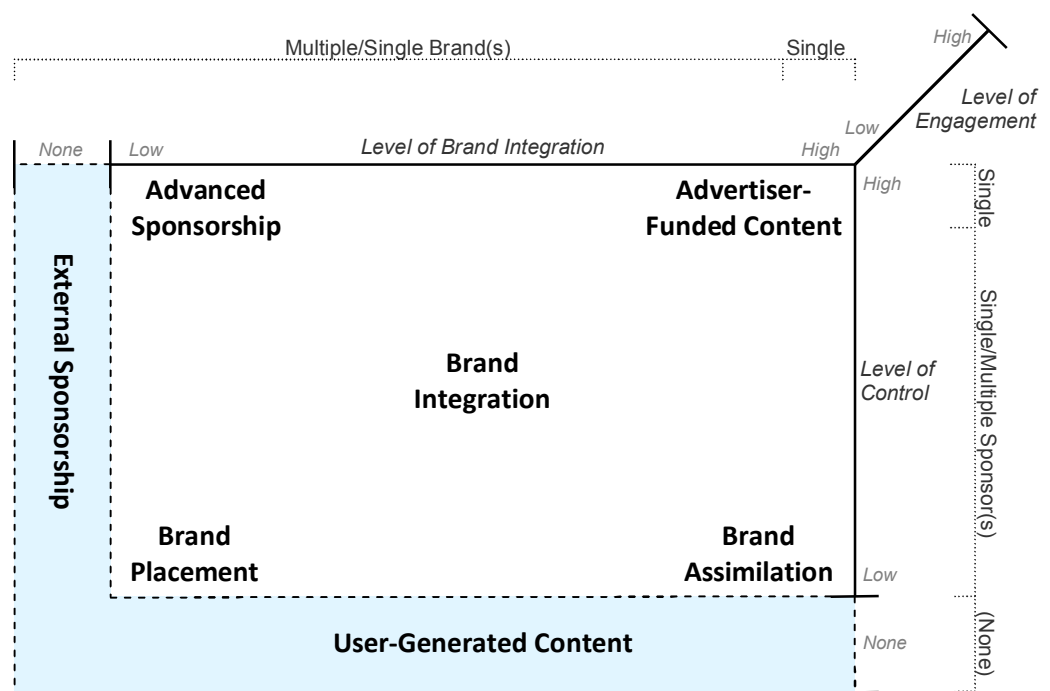


Figure 11. *The Branded Entertainment Spectrum (BES)*

The new vertical bar to the right of Figure 11 indicates the number of sponsors involved in entertainment production. The horizontal bar on top of the model refers to the number of brands present. This change provides further clarity in understanding content involving one company or sponsor applying several brands, or vice versa. Corporate brands like *Procter & Gamble* carry an extensive range of different category sub-brands like *Gillette*, *Pringles*, and *Ariel*. As a general rule of thumb for the model, higher brand integration results in fewer brands being spotlighted, and stronger sponsor control decreases the total number of sponsors involved in entertainment production. *Advertiser-funded content*, in its noblest form, builds up around a single brand and is the creation of a single sponsor.

The third continuum, consumer engagement, demonstrates the different roles of consumers. In broad terms, consumers can be viewers, participants (co-creators) or independent creators of content. Figure 12 below provides some comparative examples. A low level of engagement refers to content with little interaction opportunities. The content is passive and unresponsive to consumer input, as in the case of traditional non-live television programming. A higher level of engagement is present in programs that utilize telephone, SMS, or other means of consumer voting. These provide the possibility to affect the outcome of reality shows and competitions, such as *'American Idol'*.

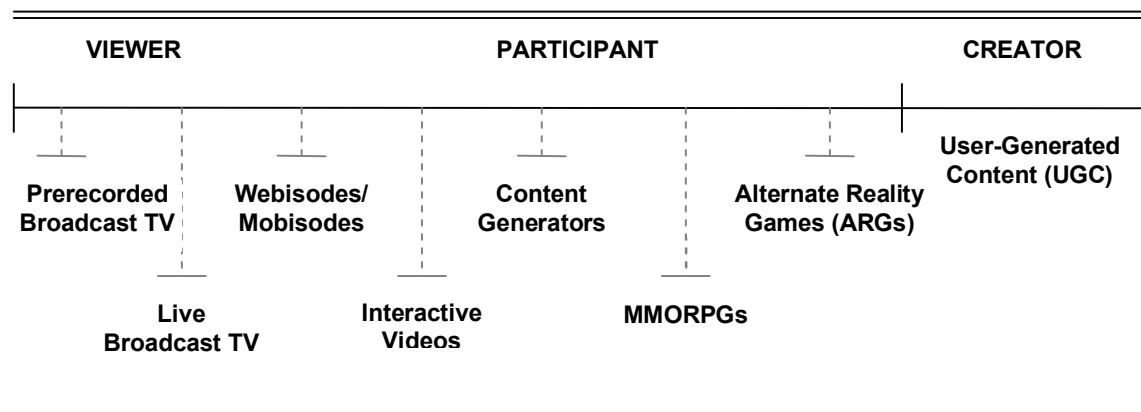


Figure 12. *Level of Engagement (Interaction) Exemplified*

Video games are certainly more engaging, with players interacting with the game environment, as are on-demand video snippets with incorporated web links and other interactive or demonstrative features. Highly engaging games may allow the player more freedom to customize various elements, such as the visual appearance of one's character in a MMORPG, or require her to interact with multiple media forms and even visit physical locations, as in the case of alternate reality games (ARGs). Lastly, inde-

pendent user-generated content represents a category of its own, given that the user may create content from scratch.

When the level of consumer engagement increases in strength, the level of advertiser control weakens. This will ultimately result in *user-generated content* uncontrolled by the sponsor, which is represented in the new peripheral segment of Figure 11, similar to *external sponsorship*. Consequently, the advertiser control continuum ranges now from *none* to *low* to *high*. Sponsors lack control when consumers produce content independently, by not limiting themselves to restrictive pre-made material and tools. Such content generally lacks approval or support from the brand. As for the level of integration, brands can have a passive, an active, or even a central role as indicated by the continuum. To clarify matters further, the control dimension refers to the relationship between the brand and independent producers of editorial content—apart from the UGC segment—whereas the engagement continuum describes the relationship between the brand and the consumer. Sponsor control is particularly low in high engagement *brand assimilation* examples, where the independent producer and consumers call the shots.

The lower left corner of Figure 11 illustrates that brands can decide to highlight and back up favorable content already produced by consumers. This explains the indication of no sponsor ties in brackets in the vertical bar to the right of the UGC category. Brands can consequently partner up with consumers and support the creation of further branded entertainment, either financially or through other means. This way, some level of corporate authority may be attained. The previously discussed Coke-Mentos case demonstrates how such a move would turn consumers into formal producers or co-producers, depicting high levels of engagement, and place subsequent content into the main branded entertainment square in Figure 11. It is also vital to note that even user-generated content can be highly interactive and engage fellow consumers, perhaps even to a greater degree than advertiser-funded content, because of higher source credibility.

The next chapter focuses on discussing branded mobile entertainment opportunities. Chapter 5.2.2 applies the BES model along with a refined version of the dual-paradigm model (Figure 8) to provide deeper insight on recommended techniques.

5.2 Commercial Possibilities in Mobile Media

By now, it is evident that branded entertainment is a challenging area that involves a variety of techniques and entertainment forms. The branded entertainment spectrum or

BES model for short (Figure 11), along with a fine-tuned version of the dual-paradigm model (Figure 14), provide the tools for approaching the second research purpose and its three sub-questions. Each sub-question is addressed below.

5.2.1 Entertainment Vehicles

Mobile entertainment vehicles are shorter and more compact in size and substance compared to that of traditional media. Content-wise, they still stand for virtually everything the internet has to offer. If R3, R4, R6, R7, and R12 are to believe, content will become increasingly web-based and interactive as the user experience and functionality of mobile internet browsing improves. Web-based content is more flexible and less prone to compatibility issues, suggesting that the current strictly controlled content stores with downloadable applications represent a passing phase. The respondents generally agreed that content must be adapted for mobile devices, although they should represent a part of a wider cross-media offering. On one hand, brands must acknowledge the limits of the screen size, sporadic and short usage, and the generally supportive role of the device. On the other hand, they should embrace the opportunities related to interactivity, immediacy, continuous connectivity, location specificity, personal attachment to one's device, as well as the growing social dimension.

The interviews did not yield any specific insight on what type of entertainment vehicles are particularly useful. Advertisers generally assess and design vehicles on a case-by-case basis. Throughout the interviews, key elements related to brand strength and category as well as the purpose of the overall campaign. It is clear that certain entertainment vehicles are more difficult to adapt to mobile devices than others; music and video are a breeze compared to games that may be technically different for each device. That said, R8 noted that mobile devices represent the world's largest game platform, reaching a wider audience than any other game console or gaming device. The mobile market is still in its adolescent years, held back by usability and compatibility issues, as well as data transaction speeds and costs. But there is light at the end of the tunnel thanks to the emergence of touch screen devices and cohesive operating systems. Wireless data transactions have been curbed by preloading content whenever a fixed, Wi-Fi or other form of "free" connection is within reach. The following aspects still remain pivotal:

Adding game-like and other interactive elements to content can be useful in engaging consumers to perform a preferable action on the brand's part, such as a direct mobile

purchase. Brands should harness the opportunity of *demonstrative* interaction, more so with touch screen devices, whereby consumers can freely explore and experience the unique features of a brand. These would ideally take place during natural consumption moments. Interactivity can also reveal more about the behavior and needs of target consumers, and as R9 and R12 mentioned, content can adapt to one's immediate location and current preferences. Mobile racing games can feature customized street ads, restaurant chains or branded car parts for unique individuals in different regions of the world during a specific period. This heightened contextual relevance turns the advertising element more into a form of preferred and sought-after service. The increased interactivity carries also a downside as it shifts control from brands to consumers. Whatever the case may be, consumers are already empowered to create content and share it on their own. Potentially negative content is still considered better than no news by respondents like R1 and R4, although this view depends on the type of brand in question.

The combination of central and peripheral perspectives can boost and create new entertainment and brand experiences that cater for the immediate needs of consumers in their daily lives. Building further on R11's example, a Coke vending machine may encourage a consumer to participate in a small mobile advergaming through a Bluetooth connection or via a 2D barcode. Incentives like the possibility to win a free drink on the spot can activate consumers in the right places. Whatever is initiated on a PC can also be continued on a mobile device and finished at an appropriate place and moment. Advertisers can motivate consumers to use the inbuilt cameras and video cameras on phones to expand on pre-constructed branded entertainment vehicles and concepts. The results show that involving consumers in the design and production could also be a mutually rewarding learning experience and a means to tighten bonds.

Mobile social media will continue to grow, although it does not mean that brands can easily create portals of their own. One recent example is '*Bobba*', a mobile virtual world that follows the success of its big brother, '*Habbo Hotel*' (www.bobba.com). Established social media companies and platforms have the edge, as consumers wish to expand their existing social networks. Brands need to integrate their offerings onto existing platforms, since succeeding with a limited walled garden is against the odds. The overall experience is also more important than the enabling platforms, vehicles and channels. Examples on augmented reality (AR) and alternate reality games (ARGs) illustrate the further potential of more intricate and immersive branded entertainment experiences that mix real-life environments and items with virtual elements. The de-

monstrative aspect of brands can be shared and further developed with other consumers in ways that can be beneficial for everyone involved.

There is certainly a need to bear in mind that such intricate offerings are not on everyone's agenda. Scalability may be a larger consideration for big brands, whereas some niche brands may represent an ideal playground for interesting consumer-engaging concepts. On the whole, mobile entertainment vehicles should constitute part of a greater borderless and dynamic experience that is shaped by brands, the entertainment industry, other potential parties, and most importantly, the consumers.

5.2.2 Branded Entertainment Techniques

Some of the techniques presented in the branded entertainment spectrum (BES) model (Figure 11) are more likely to be used in mobile media. The decision rests to a large extent on the purpose, as well as the type and scope of an entertainment vehicle and brand. Whatever these may be in a mobile context, Figure 13 below suggests medium to high levels of brand integration, sponsor control, and consumer engagement. The reasoning for this approach is outlined below. There is also a strong case for *external sponsorship*, even if it does not represent branded entertainment as such. It is still worth considering as a part of a greater entertainment offering.

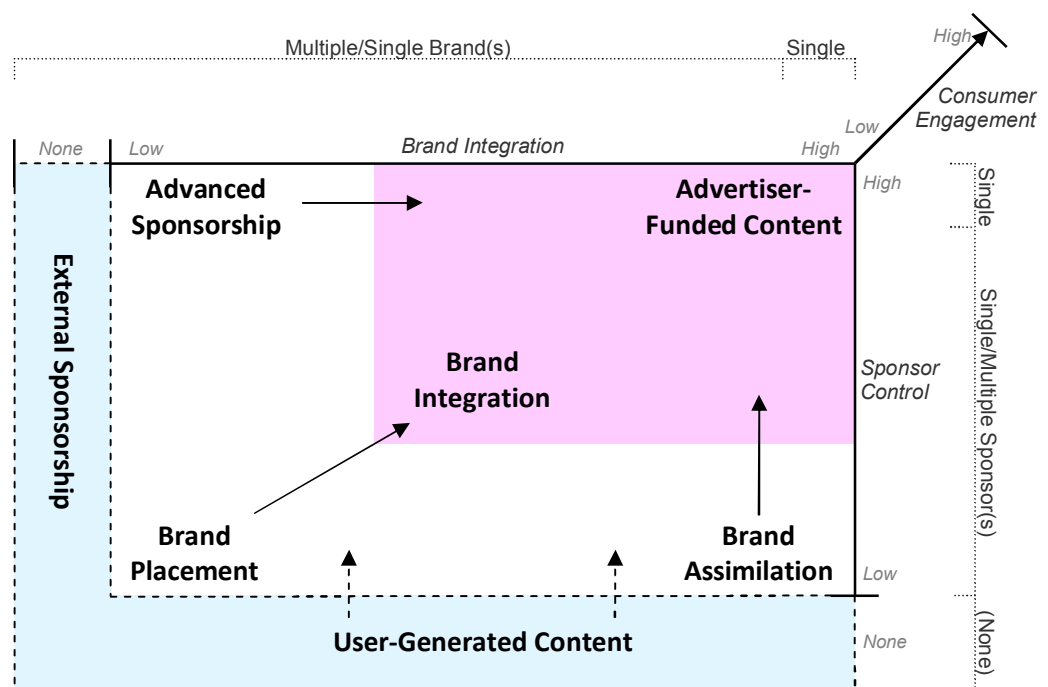


Figure 13. The Branded Entertainment Spectrum – Interview Implications

Given the mostly supportive or secondary function of mobile devices and the inherent limitations of the screen and usability vis-à-vis other media forms, *advanced sponsorship*, *brand placement*, and *brand assimilation* are not directly advised. Brands that are poorly integrated and lack higher meaning have a higher tendency to dissipate into the overall experience. At worst, they may represent a few sporadic and forgettable pixels on screen in a noisy and highly disruptive environment. If they are too overt and erratic, consumers can quickly switch to other applications or tasks, as was noted by R9. When consumer engagement is high, *brand placement* and *advanced sponsorship* may be particularly unsuitable techniques to pursue, since consumers are likely to screen out everything that is not directly associated with the primary message. In the case of games with intensive and interactive environments, R7, R8, R12, and R13 believed that in-game advertising is ineffective in the form of billboards and other passive background ads. That said, adaptive advertising, as explained by R9 and R12, is expected to develop and become more of an integrated part of the content.

Brand integration and consumer engagement should consequently increase to create a meaningful overall consumer experience in which the brand remains in the spotlight. Extending familiar and already successful content or brands into the mobile domain is therefore a safer bet than new-to-the-world concepts. Advertisers should also maintain a sufficient level of control in the background to minimize the risk of consumer- or producer-inflicted damage to the brand. This does not mean that brands can live without compromises and avoid less flattering imagery. Transparency is essential as mobile media represents an immediate and interconnected channel for communication. The power of word-of-mouth should be respected accordingly.

While brands would generally prefer high levels of control and integration, the risks and complexity inherent in the mobile arena suggest the opposite. The respondents remained unclear in this aspect, but one could assume that brands would be more hesitant to invest exclusively in larger mobile projects that carry higher risks. R8 and R9 noted repeatedly that making a good game—branded or non-branded—is not a simple task. Potentially high production costs are one factor to worry about. Advertisers may also lack the expertise to produce a high-quality advergaming, whereas mobile game studios seem reluctant to produce such content. Enthusiastic online community members may deliver quality at minimal cost, but at the expense of sponsor control. It is still unclear whether mobile advergaming really are worth the investments, especially when the mo-

bile game market remains relatively small. This leads to the assumption that *brand integration* could be the optimal choice for games.

Despite the current size of the market, mobile games can, in fact, be considered as a business area in their own right—not only as mere tactical advertising tools. High-quality mobile advergaming, such as ‘*Rapala*’, can offer a revenue stream of their own. The much touted direct sales channel possibilities by R7 can also be implemented within diverse content as the virtual branded items in ‘*Habbo Hotel*’ and ‘*Bobba*’ show. Free mobile games may charge the players for special features or upgrades. In some “freemium” cases, branded features could be offered for free, although some more unique branded elements could require an *in-game* or, more generally, an *in-app purchase*. Again, the alternatives should be weighed for each given context, but it can be argued that more sophisticated cross-media entertainment offerings may require the cooperation of a variety of players, including mobile operators. This provides further support to *brand integration* instead of *advertiser-funded content*.

Regarding *external sponsorship*, respondent views were generally favorable, with some arguing that it is currently the most convenient technique to pursue, particularly in games. R7, R8, and R9 provided examples on free content that rely on the use of traditional ad breaks or sponsor messages at the beginning and end of the actual content. R8 mentioned www.123play.com, a website that offers mobile games for free in exchange for compulsory ads surrounding the content. In similar spirit, R9 was impressed with ‘*Hulu*’, a free online portal for films and television series featuring ad breaks. Bordering between external sponsorship and product placement, the use of *app display ads*, as mentioned by R3, are also likely to increase as the market grows. What makes app display ads and other forms of mobile external sponsorship more relevant is that they can be increasingly contextually targeted. Stronger integration can be achieved if the consumer accepts to share more information about their interests and behavior.

However, examples on *advanced sponsorship* were few and far between. R5 observed that if the objective of the message is anything beyond brand awareness, then integrating the brand into the content is the way to go. Particularly in a risky and still small mobile environment, it makes little commercial sense for a single brand to fund content that lacks proper ties to the brand. For small-scale projects, advanced sponsorship may be worthwhile if the content is flexible enough to be spread through multiple platforms.

External sponsorship is a more effortless and convenient means to enter the mobile scene, although its efficiency along with other techniques remains to be seen.

User-generated content is here to stay—for better or worse. The respondents presented mixed views on UGC, some arguing that it is generally poor-quality content, but the effective collaboration with enthusiastic online communities can offset such concerns. Video content is easy for anyone to produce with an integrated video camera, whereas games and other more intricate entertainment mobile applications require professionals or highly skilled amateurs and longer commitment. Either way, brands must acknowledge user-generated content and its potential impact. Since maintaining a tight leash on consumers is out of the question, brands can highlight and back up favorable content already produced by consumers (see lower left corner of Figure 13 on page 106). Brands can support successful amateurs by improving their initial offering and aiding in location-based distribution and applicability, for instance. They can additionally facilitate the creation of content that constitutes a more controllable part of the total concept. Company-managed mobile websites can host a variety of tools for editing and production, while the site itself must remain open for social interaction and let users share and utilize the finished content beyond its original habitat.

Alternate reality games and other location-based social experiments can support consumers to generate content that affects the plotline and shapes it further. Letting consumers vote for the best user-generated video clip or to encourage them to post video commentary from a specific location onto a brand-managed website are examples that can be somewhat controlled. But it could be costly to assume that nothing unexpected will happen with UGC, as some of the previously discussed examples have shown. A *laissez-faire* approach is therefore not advised. It should be noted that multiple techniques are applicable simultaneously, especially concerning greater cross-media branded entertainment entities. Consider an alternate reality game played on the streets of a city. Consumers could use GPS to navigate to sponsored stores with branded items that are crucial for cracking a code in the game. With this in mind, the BES model serves only as guidance. Each category remains flexible, rather than being set in stone.

Figure 14 below, is a revised version of Figure 8 on page 39. Adding some key points, the new version considers the different funding models in use. Advertising-as-entertainment represents content that is free and may be permission-based, particularly in mobile media, whereas entertainment-as-advertising refers to content that is primarily

paid by consumers directly or through a subscription, if they wish to consume it on-demand. Figure 14 considers also user-generated content—both mimicked and genuine—as a part of the entertainment domain. The advertising domain stands for user-generated advertising (UGA), which is more transparent in terms of its intention, as in the case of ad competitions or ads for personal purposes.

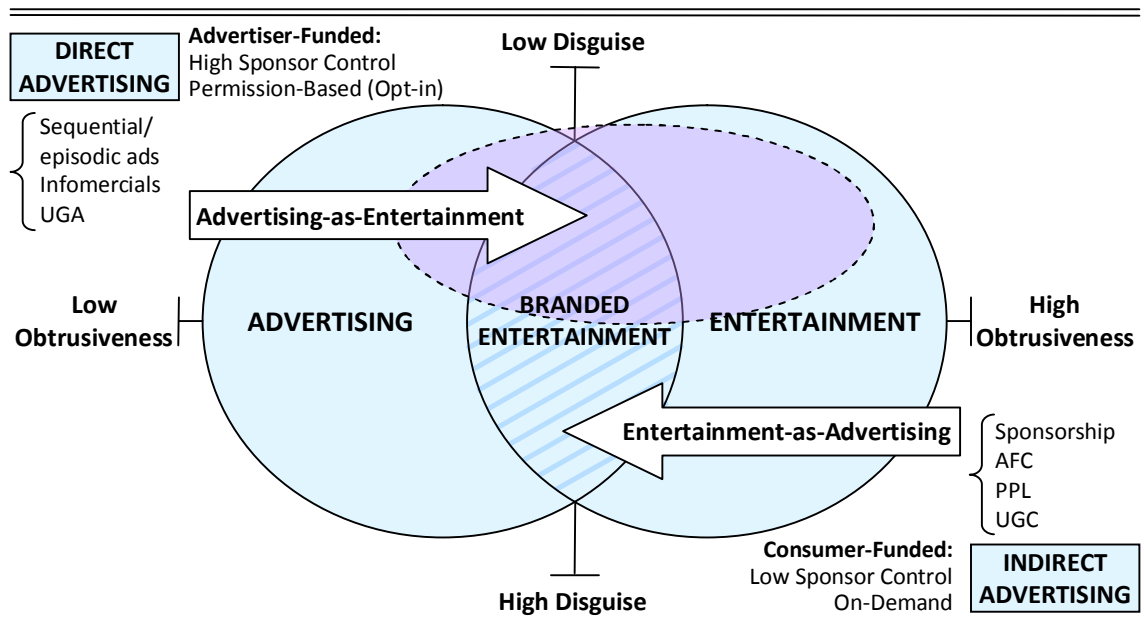


Figure 14. *The Two Paradigms of Branded Entertainment – Interview Implications*

The purple shaded area in Figure 14 represents the recommended area of focus for brands. Brands that adapt a lower level of disguise are more likely to maintain a long-term commitment with consumers that is built on trust. It will also keep the doors open for immediate sales opportunities in ordinary and less ordinary circumstances where consumers may be considering a purchase. The oval shape indicates that the offerings may cater for the various needs of consumers through interactive extensions. Consumers may play a mobile game featuring brand integration, and at any given time, press on a branded item that takes them directly to an in-game sales channel. Brands can experiment with incorporating opt-in elements into on-demand entertainment content, whether these are virtual or physically bound. These branded voluntary expansions can be considered as value-adding *services* rather than ads.

5.2.3 Unique Features in Mobile Media

The respondents argued that consumers will eventually have full internet functionality readily available anytime, anywhere on their mobile devices. While this may be true, neither the browsing experience nor the general functions could ever match that of lar-

ger devices. Consumers' consumption habits, times or circumstances are also different in mobile media, which is why the need for content modification and adaptation is hardly a surprise. In light of the discussion thus far, brands should harness the unique advantages of interactivity, accessibility relating to immediacy and continuous connectivity, location specificity, and device intimacy coupled with social interconnectedness. These are in line with the factors first raised in the theoretical framework in Chapter 2.4.

Figure 15 below summarizes these features into four elements: *location*, *device centrality*, *social scope*, and *consumer role*. The elements represent continuums that can be further broken down into subcategories. It is the combination of these elements that constitute the unique branded entertainment environment of mobile devices.

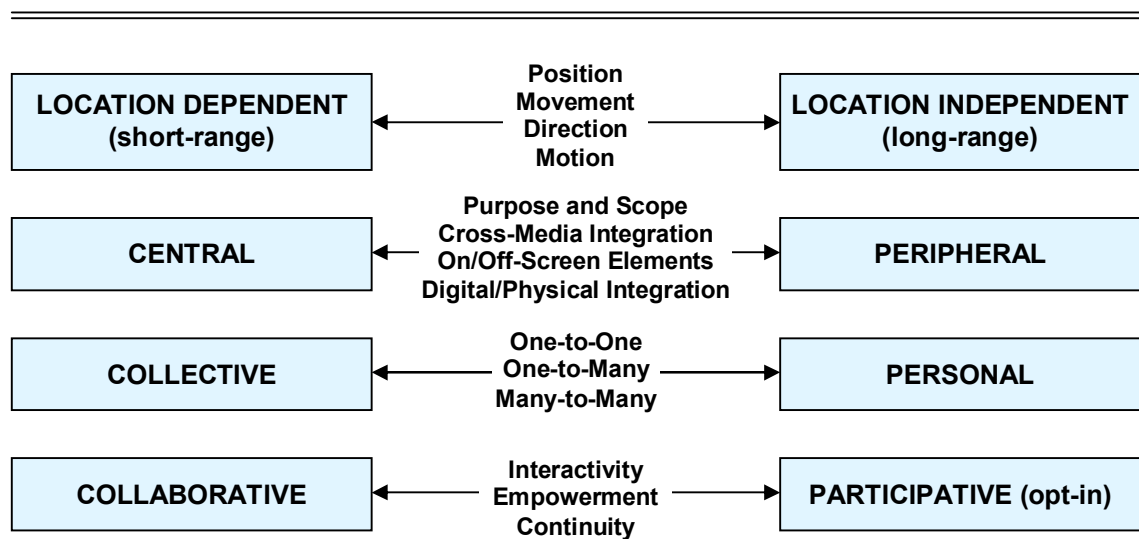


Figure 15. *Essential Branded Mobile Entertainment Considerations*

Location not only refers to the fact that mobile devices provide location-independent consumption of content, they also allow immediate location-based opportunities. It is particularly the latter that grants a wide range of opportunities for brands. One can distinguish between *short-range* and *long-range* location-based services. Short-range services are physically bound to a specific location whereas long-range services may refer to a site irrespective of one's current physical location. Map applications, such as 'Google Maps' fall into the long-range category. Close-range opportunities include the use of technologies like Bluetooth, Wi-Fi, and RFID (Radio Frequency Identification), in addition to 2D barcodes.

It is important to note that many methods require the active input of consumers, which in many cases can fall short due to general complexity or lack of sufficient interest. As

R9 emphasized, both issues need to be overcome. Consumers who are highly engaged in alternate reality games (ARGs) and augmented reality (AR) offerings, which combine on- and off-screen worlds, are perhaps more likely to use some of the technologies mentioned here, assuming that they contribute to the overall experience. Location-based opportunities are tied to the consumers' willingness to opt-in and inclination to try new technological solutions. With so many hyped and novel means of communication, it is easy to overlook the fact that the consumer needs to take the first step. Brands should understand the situational needs and interests of consumers in a given location. Some opportunities may materialize through consumers performing a location-aware search on their mobile devices, whereas in others, they may be triggered by trustable contacts through location-based social media channels like 'Foursquare'. A consumer might receive an automated notification from a friend about a branded entertainment offering when the consumer is in the vicinity of it. Direct contacts from brands are less likely to work well.

In addition to distinguishing between short-range and long-range solutions, location can be further split into *motion*, *position*, *direction*, and *movement speed*. Although not explicitly mentioned by respondents, recent mobile devices such as the iPhone by Apple utilize accelerometers, digital compasses, and other sensors to track the tilt of a device in one's hand. Turning and shaking the device will let brands employ *motion* for various purposes. The fishing game example 'Rapala' could be extended to a more immersive fishing simulator where the mobile device works as the rod itself. While this does obviously not equal the real thing, it still provides a greater opportunity for illustrative brand integration, allowing consumers to experience and test a range of products and services.

Brands can additionally combine a person's current exact *position* with *direction* with the help of inbuilt digital compasses, as was noted in the examples on augmented reality. Using the mobile device as a pointer can provide even more contextually specific branded entertainment prospects. Lastly, R9 stated that advertisers could utilize *movement speed* through satellite tracking or other means to identify whether consumers are moving by car or train as opposed to walking on the street. A branded entertainment offering should be adapted accordingly as a growing number of devices boast advanced features. By analyzing behavioral patterns and location, the mobile device could assist its user by automatically suggesting content or adapting it to reflect current conditions—perhaps even before the consumer is aware of her needs! This type of anticipatory interaction emphasized by R9 is likely to develop in the future.

The second element summarizes the differing roles of mobile devices—i.e., *central* vs. *peripheral*. As discussed earlier, the perspective one adopts depends on the purpose and scope of the planned branded entertainment offering. A central perspective can be exemplified with a simple mobile advergame that aims to increase brand recall, whereby the experience is largely confined to actions on-screen. A more peripheral approach can in turn refer to a complex branded entertainment experience that stretches across multiple media channels and includes off-screen elements. From mobile devices as fishing rods, remotes, and other forms of controllers, to a means of payment and a personal tour guide, a peripheral perspective can let brands consider unconventional, but potential value-adding situations and ways to augment normal brand usage moments. Brand integration can be digital, physical, or preferably *both* for maximum impact.

The third element, social scope, considers the level of communication—i.e., from *personal* to *collective*. Branded entertainment can be highly customized to an individual based on her interests and location, among other aspects. Or it can be social, encouraging consumers to discuss, share or expand and create content together with brands and fellow consumers. Consumers can be responsible for many of the tasks performed traditionally by brands at lower cost, although the control and integration of brands can vary considerably. Brands can apply both personal and collective perspectives simultaneously, particularly in more intricate location-based cross-media solutions. Some actions in a branded alternate reality game might require the simultaneous input of several players in a given location or across multiple locations. Companies should bear in mind that brand-enthusiastic consumers may be more willing to form closer ties with other like-minded patrons than with the brand itself.

Lastly, advertisers should at least view branded mobile entertainment on a participative or opt-in level. Consumers are in charge of what, when, and where they consume something, leaving an electronic trail for brands to follow. Considering anything below this level would rule out the very essence and benefits of mobile devices. It is unlikely that a traditional broadcast model for mobile television will attract many consumers in the long-term, as the respondents noted. The increased interaction opportunities of mobile devices make consumers often the co-creators of the overall experience, if not the co-producers of the content itself; hence the *collaborative* perspective. This strategy can incur cost savings, innovations, stronger customer relationships, and an understanding of what consumers really want. Besides the level of interaction and empowerment, the entertainment vehicle can vary in terms of *continuity*—i.e., the content is clearly struc-

tured and marked with a beginning and an end, or extended, reshaped, and created by consumers' active input for an indefinite period. This carries important implications on how location should be applied.

Before brands can capitalize on these opportunities, there are a range of issues to consider—some more obvious than others. Even though consumers may understand the benefits and know how to use such new concepts, they may still be discouraged by the sheer embarrassment of performing some eyebrow-raising mobile maneuvers in public. On a larger scale, the interviews showed that the mobile landscape is a relatively unknown field for traditional advertising and entertainment companies. If brands want to expand into mobile media, old players need to adapt and expand their areas of expertise. Brands will otherwise rely on new players specialized in mobile and cross-media solutions. As the spiders in the mobile infrastructure web, mobile network operators are also likely to put up a fight so as to maintain a strong role in all things mobile, although R8 noted that their power varies considerably between countries. Strong operators act as media hubs for its customers, whereas weaker ones—like in Finland—simply provide the means for communication. Considering how many of the cases to date have no direct ties to mobile networks, there is a looming risk that telecommunications companies continue turning into mere data pipes or “electric utilities.” Network operators may indeed be one of the bottlenecks for further development as R3, R4, and R8 implied.

The complexity of future mobile entertainment offerings will inherently carry more costs and challenges, which requires brands to share the burden. *Brand integration* may prevail as the de facto standard for branded entertainment experiments, whereas *advertiser-funded content* may be more commonplace in smaller-scale entertainment projects. But for brand integration to work on a larger scale, the parties involved must understand the larger scheme of integrated marketing communications. Strong teamwork may also help to overcome compatibility issues and other technical obstacles hindering the further development of branded entertainment in mobile media.

6. Conclusions

This chapter summarizes the discussion of the previous section relating to the two research objectives. It considers general implications, managerial recommendations and contributions of the thesis. The chapter covers also limitations and weaknesses, and an outlook on future research areas.

6.1 General Implications and Contributions

The branded entertainment spectrum (BES) model (see Figures 11 and 13) and the dual-paradigm model (see Figure 14) address the first objective of the study. Branded entertainment is used as an umbrella concept to describe the various degrees of integration of brands into entertainment content, in addition to the shifting role of brands, entertainment producers, and consumers as collaborators or producers. The engagement continuum in the BES model carries a vital role in conceptualizing the role of consumers. One can conclude that there is no straightforward “one-size-fits-all” solution or clear borders between the categories presented in the models.

The blurring of advertising and entertainment is no recent trend and it is not showing any signs of slowing down. Mobile media offers a wide variety of opportunities in combining various traditional and emerging media into a greater *branded experience*. Mobile media can serve a link between on- and off-screen worlds along with digital and physical integration of brands. It enables new immediate contextual interaction opportunities tied to the consumers’ current needs, behavior, and whereabouts. Such branded experiences can be individually targeted as well as socially charged; both of which can allow consumers to contribute to the production and expansion of the initial content. An active consumer base may consequently attract new people to share, edit, collaborate, and create more substance. All of this may provide valuable behavioral insight, create new innovations, strengthen relationships, and grow profits. Branded experiences should constitute a part of consumer’s daily lives and provide added value to common and not so common situations. Figure 15 and its four interconnected elements—*location, device centrality, social scope, and consumer role*—provide a deeper dive into the unique characteristics of branded entertainment in mobile media.

Faced with an unfamiliar and risky territory that remains crippled by barriers, brands may prefer some entertainment techniques over others. *Brand integration* may prevail

as the industry standard for branded entertainment experiments, whereas *advertiser-funded content* may be the preferred choice in smaller-scale entertainment projects. *External sponsorship* is additionally a low-risk strategy that can be combined with larger entertainment experiences. Each technique should be weighed against the purpose of the message. With this in mind, branded entertainment vehicles could represent a direct source of revenue, as opposed to simply being considered as tactical tools. Establishing an in-app sales channel extension within an entertainment offering is one option that can be expanded in many ways. The shaded areas in Figure 13 and Figure 14 represent the suggested areas of focus for brands and advertisers.

Overall, this Master's thesis provides one of the most comprehensive outlooks on branded entertainment to date. It covers a wide range of research areas for establishing a coherent framework on this fragmented research field. It connects the dots between previous studies on product placement, sponsorship, branded entertainment, and the numerous other terms used to describe advertising and entertainment cocktails. It also considers other advertising-related research focusing on traditional as well as emerging interactive media. Unlike previous conceptual models, the models in this thesis observe the vital role of consumers in influencing and creating content. This makes them more flexible and geared towards new emerging media, rather than being bound by the constraints of traditional passive media.

Most importantly, the thesis considers the opportunities of mobile branded entertainment in a far-reaching and holistic manner. It propels the discussion from established forms, such as mobile advergames confined to the mobile screen, to immersive cross-media entertainment experiences that are more or less location-based, dynamic, and social in nature. To this end, this new industry-altering domain awaits further practical and academic exploration.

6.2 Managerial Recommendations

It is evident that both branded entertainment and mobile media require different mindsets from brands and marketers than traditional media. In preference to examining entertainment vehicles, which are increasingly difficult to categorize, brands should consider the overall branded experience perceived by consumers. It is likely to consist of multiple media and be driven by contextual factors. Brands should explore mutually rewarding ways to embed branded experiences in the everyday lives of customers. This

customer centricity calls for co-creation of value between brands and customers, not to mention the other players in the mobile ecosystem. The importance of educating consumers can never be underlined enough, nor can user-friendliness and approachability.

To find more fertile grounds, companies should explore unconventional partnerships and increase their knowledge of consumers' daily lives. It is also clear that branded entertainment should continue to represent an on-demand approach, although an opt-in approach may set the stage for value-added services. As the branded experience extends beyond the mobile screen, companies can integrate even tangible items into the overall offering and let consumers test and develop existing as well as new products and services. Such instances can also allow brands to identify new business models and sales opportunities. Immediacy should additionally be further utilized by facilitating and understanding content dissemination in social media networks. While this carries risks of reduced control, it is a fact that brands must accept in today's mobile internet era.

6.3 Limitations and Future Research

Branded entertainment as a concept continues to evolve and take new forms in mobile media, which is why this thesis has only laid the groundwork. Given the extraordinary pace of development, conducting the interviews only one year later would most likely have yielded different views and areas of focus. Many of the themes discussed have therefore only been covered on a general and preliminary level. This resulting breadth but lack of further depth is inescapably one of the greatest limitations and weaknesses of this thesis and its explorative approach. In defense of this thesis though, to study one piece of a puzzle makes little sense if the puzzle itself is unknown.

Considering the interview results and various sources of data as a whole, it becomes clear that Finland is lagging behind in the realization of sophisticated mobile offerings. For the sake of generalisability, it would be vital to extend the scope to other countries and focus further on each of the areas in the branded entertainment spectrum model. This need is emphasized for *user-generated content* and the *consumer engagement* dimension, both of which carry major implications for the daily lives of consumers.

For one, further research is required in the dynamics between consumers, brands, producers, mobile network operators, and other potential players in mobile branded entertainment. Whether consumers continue to adapt new roles and create content on behalf of brands, together with them, or shape their own brands, is a research area in its

own right. Similarly, the introduction of immediate and location-based purchase, advertising and entertainment opportunities between brands and consumers, as well as between consumers themselves begs further exploration. Best practices for different circumstances have yet to emerge, although collaboration between all parties is likely to increase. The trend may also be the opposite as some respondents led to believe. Traditional advertisers and even network operators may fall out of the loop if they fail to adjust to the expanding mobile landscape. But where there is a challenge, there is an opportunity. Identifying and eradicating hurdles for further consumer adoption and participation of different players is another area worth pursuing.

Second, using mobile devices as either primary or peripheral devices for branded entertainment raised a series of new questions. Previous research has largely been concerned with viewing handsets as primary devices for consumption, which is why a peripheral view on the matter calls for increased attention. The peripheral functionalities are also the ones to expand more, since location-based and augmented reality solutions are at their initial stages. Both close-range and long-range location opportunities offer a variety of smaller areas to pursue beyond a technological standpoint. This will also raise questions about potential partnerships with unconventional players and facilities, such as amusement parks, sports centers, stores, and banks.

Third, as difficult as it may be, the greater picture should not be ignored. It would make sense to consider *branded experiences*, rather than single branded entertainment vehicles. As the cases in this thesis show, cross-media offerings are becoming the norm and the further integration between on- and off-screen or virtual and physical elements through the various parties involved will provide greater insight into the everyday lives of consumers or generally, people. Naturally, all of the suggestions stated here can differ across countries, which also calls for country-specific studies and comparisons. All things considered, tracking and understanding the daily patterns of people may yield new benefits and possibilities for society at large.

Svensk sammanfattning

Traditionell reklam har tappat gnistan. Konsumenterna har blivit mer kritiska och svårare att nå (Ducoffe 1995). Reklam är i många avseenden oönskad då den avbryter det som konsumenterna primärt är ute efter (Hairong, Edwards & Lee 2002; Shavitt, Vargas & Lowrey 2004). Framför allt reklamsnuttar har blivit utsatta för ett flertal hot, allt från fragmentering av medielandskapet till ökad makt bland konsumenterna. Det är därmed ingen överraskning att annonsörer har varit på jakt efter nya metoder för effektivare kommunikation (Ducoffe, Sandler & Secunda 1996). Av dessa har produktplacering förefallit som en eventuell lösning (t.ex. Karrh 1998; Tiwsakul et al. 2005; La Ferle & Edwards 2006). Produktplacering är ett sätt att överkomma den irritationsfaktor som förknippas med reklam. Enligt PQ Media (2008) verkar det vara en lyckad sådan. I USA har produktplacering och så kallad underhållningsreklam nämligen ökat snabbare än traditionella reklamformer. Däremot har trenden i Europa varit svagare på grund av strängare lagstiftning.

Problemområde

Under de senaste decennierna har produktplacering fått ett starkt fotfäste inom underhållningsindustrin. Trots detta har fenomenet inte forskats särskilt mycket i akademiska kretsar (t.ex. Balasubramanian et al. 2006; Scott & Craig-Lees 2006). Tidigare studier har beaktat produktplacering främst i tv-program och filmer (La Ferle & Edwards 2006), men också spel har väckt intresse bland forskare (t.ex. Nelson 2002; Nelson, Keum & Yaros 2004; Yang, Roskos-Ewoldsen, Dinu, & Arpan 2006). Med tiden har begreppet produktplacering blivit allt suddigare och oklarare (t.ex. Ducoffe et al. 1996; Law & Braun 2000; Russell & Belch 2005; Scott & Craig-Lees 2006).

Konsumenterna i USA verkar vara positivt inställda till varumärken som utgör en naturlig del av programinnehållet (Gupta & Gould 1997; DeLorme & Reid 1999). Produktplacering kan anses öka realismen (Gupta & Gould 1997; Karrh 1998; D'Astous & Séguin 1999; DeLorme & Reid 1999) och öka underhållningsvärdet då konsumenterna känner igen bekanta varumärken (DeLorme & Reid 1999). Men eftersom annonsörerna saknar fullständig kontroll över hur länge varumärken visas, var de placeras och hur de presenteras, löper varumärken en risk för olämpliga sammanhang som kan skada bilden (Karrh 1998; Ferraro & Avery 2000; Karrh et al. 2003).

Ordet *integrering* används allt oftare för att beskriva varumärken som utgör en del av handlingen i motsats till varumärken som förblir passiva sättstycken (Russell and Belch 2005). En del varumärken har även övertagit rollen av producenter för att övervaka integreringen (Karrh 1998; Karrh et al. 2003), vilket har gett upphov till ordet *underhållningsreklam* eller engelska begrepp såsom *branded entertainment* och *advertainment* (t.ex. Hudson & Hudson 2006; Russell & Belch 2005; Kretchmer 2004). Trenden är därmed klar: gränsen mellan reklam och underhållning har suddats ut.

Trots att underhållningsreklam har varit på tapeten i professionella tidskrifter och andra medier är Hudson och Hudson (2006) förbryllade över hur akademiska studier har till stor del uteblivit. Som pionjärer har de introducerat en av de första konceptuella modellerna inom området. Hudson och Hudson (2006) konstaterade emellertid att mer forskning behövs för att skilja åt mellan olika placeringstekniker, samt mellan olika underhållningsformer och mediekanaler. För att förstå vart underhållningsreklam i framtiden ska ta vägen, förutsätter nya medieformer, framför allt mobilmedia mer studier. Musik, video, spel och Internet är numera vardagliga egenskaper i mobiltelefoner och andra mobilterminaler, men navigering, mobil-tv och andra mer avancerade egenskaper kommer att öppna nya dörrar för underhållningsreklam.

Akademiska studier har tillsvidare koncentrerat sig på SMS-reklam och underhållning i form av ringsignaler och bakgrundsbilder (t.ex. Merisavo, Kajalo, Karjaluto, Virtanen, Salmenkivi, Raulas & Leppäniemi 2007; Wang 2007). Reklam i mobilspel, inklusive spel producerade av annonsörer har dock nyligen noterats av akademiker (se Salo & Karjaluto 2007), men deras studier har endast lyckats skrapa ytan av *underhållningsreklam* och dess *möjligheter inom mobilmedia*. Denna magisteravhandling fokuserar på dessa två brister inom forskning.

Syfte och avgränsningar

Denna avhandling har två syften:

- 1) Att utveckla en konceptuell referensram för underhållningsreklam som utvidgar tidigare forskning och erbjuder verktyg för att urskilja tekniker.
- 2) Att redogöra för de kommersiella möjligheterna inom underhållningsreklam avsedda för mobilterminaler.

Det andra syftet kan fortsättningsvis indelas i tre frågor:

- a) Hurudana underhållningsformer kan och borde tillämpas?
- b) Vilka tekniker för underhållningsreklam rekommenderas?
- c) Vilka särdrag finns det för underhållningsreklam för mobilterminaler?

Avhandlingen bidrar till en mer strukturerad och detaljerad förståelse i underhållningsreklam. De verktyg som presenteras hjälper sålunda både forskare och proffs att urskilja olika tekniker. Framöver detta ger den mer specifika inriktningen i mobilterminaler, dvs. mobiltelefoner och andra bärbara enheter med Internet-koppling en sund utgångspunkt för moderna och flexibla modeller. Fokuset ligger i avancerade mobilterminaler som är avsedda för mobilkommunikation. Härmed utesluts minidatorer (netbooks) och andra större bärbara datorer.

Inriktningen stannar på ett allmänt plan, vilket innebär att olika underhållningsformer, t.ex. filmer och spel, såväl som varumärken av olika slag har diskuterats jämnt. Det väsentliga ligger i hur olika medieformer kan tillämpas inom mobilmedia. Denna avgränsning kommer därmed också att utesluta mer ingående detaljer gällande industristruktur och teknologi. Avhandlingen har till mestadels utförts i Finland, men slutsatserna torde vara överförbara till andra länder och regioner. Empirin består av intervjuer med respondenter från flera internationella bolag samt kompletterande andrahandskällor utanför Finlands gränser.

Genomgång av tidigare teori och modeller

Detta kapitel redogör kort för de väsentliga teorier och modeller som avhandlingen bygger på. Trots att många akademiker påstår underhållningsreklam representera nästa generations produktplacering (t.ex. Russell & Belch 2005) är fenomenet i sig inget nytt.

Akademiska definitioner på produktplacering har utvecklats till följd av framsteg i reklambranschen. Produktplacering har ofta uppfattats som en form av *hybridkommunikation* (t.ex. Karrh 1998; Gupta & Lord 1998; Russell & Belch 2005). Begreppet hänvisar till betalda ansatser att påverka konsumenter med meddelanden som uppfattas som objektiva och tillförlitliga (Balasubramanian 1994). Nebenzahl och Jaffe (1998) skapade en tvådimensionell modell för att bedöma hur etiska olika reklamformer är. Liksom hybridkommunikation, *döljer* etiska reklammeddelanden deras ursprung och avsikt att påverka konsumenternas beteende. I sådana fall är säljbudskapet också *underställt* en mer framträdande form av kommunikation såsom handlingen i en film.

Russell och Belch (2005:74) definierar produktplacering som ”en avsiktlig inkorporering av ett varumärke i underhållningsform”. Tidigare definitioner har varit avgränsade till främst betalda placeringar i filmer och TV-program. Infomercial är enligt Balasubramanian (1994) en annan väletablerad form av hybridkommunikation och hänvisar till produktreklam som är till sitt innehåll och sin längd likt ett TV-program, såsom dokumentärer och pratshows. Till skillnad av produktplacering, representerar infomercial innehåll där varumärket står i rampljuset och som är fullständigt utformade och kontrollerade av annonsören. Hybridkommunikation kan också jämföras med sponsring eftersom en del forskare förknippar den med produktplacering (D’Astous and Séguin 1999; Ferraro & Avery 2000; Tiwsakul et al. 2005; Scott & Craig-Lees 2006). Som motsats till produktplacering, syftar sponsoring på externa produktmeddelanden som avslöjar sponsorn. Båda metoder försöker nå kunden i ett okritiskt och åtkomligt tillstånd – antingen öppet via sponsoring eller i smyg via hybridkommunikation.

Russell (1998, 2002) kategoriserade produktplacering enligt tre dimensioner: visuell (screen placement), auditiv (script placement) och anknytning till handlingen (plot placement). Modellen har varit i aktivt bruk i senare studier inom produktplacering (t.ex. Sheehan & Guo 2005; Balasubramanian et al. 2006; Hudson & Hudson 2006). D’Astous och Séguin (1999) presenterade en alternativ metod för att differentiera metoder inom produktplacering, dvs. *implicit* och *explicit* produktplacering. Implicit placering betecknar varumärken som saknar en uppenbar roll i innehållet medan explicit placering hänvisar till varumärken som är synliga och kan förekomma i dialogen eller i form av bekanta melodier och slogans. Den explicita kategorin kan uppdelas ytterligare i *integrerad* och *icke-integrerad* produktplacering. Ordet integrerad hänvisar till varumärken som förekommer som en del av innehållet, utan att ta ställning till om dessa är integrerade i handlingen eller inte. Explicit icke-integrerad produktplacering är däremot sponsormeddelanden som påträffas i början och slutet av ett TV-program eller före och efter en reklampaus. Modellen har tillämpats i senare studier trots att sponsoring inte i sig klassas som produktplacering (t.ex. Ferraro & Avery 2000; Tiwsakul et al. 2005; Scott & Craig-Lees 2006).

Senare studier har tagit ett bredare perspektiv på produktplacering och tillämpat mer vidsträckt kontinuum för att skapa en koppling mellan produktplacering och underhållningsreklam. Dessa baserar sig på graden av produktintegrering med handlingen (Hudson & Hudson 2006), äganderätt och kontroll (Scott & Craig-Lees 2006) eller en kombination av dessa (Sheehan & Guo 2005). Produktplacering (ofta i samband med

ord som klassisk och traditionell) beskriver former i nolläget av dessa kontinuum. Andra ändan är dock mera klurig att definiera på grund av ett flertal olika definitioner och perspektiv på underhållningsreklam. Sheehan och Guo (2005) stannar på ett mer taktiskt plan inom produktplacering än Hudson och Hudson 2006 samt Scott och Craig-Lees (2005), trots att de tillämpar två dimensioner (se Figur 4 på sidan 22).

Hudson och Hudson (2006:492) definierar underhållningsreklam (branded entertainment) som ”integrering av reklam i underhållning så att varumärken är inbäddade i handlingen av en film, tv-program eller annan underhållningsform”. Författarna påpekar också att dessa aktiviteter förutsätter samskapande (co-creation) och samarbete mellan underhållningsindustrin och varumärken. Definitionen och modellen lägger dock inte tillräckligt stor vikt på underhållningsreklam som uppenbarligen är avsedd för reklam såsom Kretchmer (2004) och Scott och Craig-Lees (2006) gör. Kretchmers (2004:39) definition på underhållningsreklam (advertainment) är “underhållningsinnehåll som imiterar traditionella medieformer men som är skapad enbart som ett medel för att marknadsföra specifika annonsörer”. Begreppet analyseras från två motsatta paradigmer: *reklam-som-underhållning* och *underhållning-som-reklam*. Det första paradigmet utmärker reklam som dämpar säljbudskapet till fördel för underhållning. Det andra paradigmet utgör exempel på underhållning som alltmer blir utsatt för varumärken och reklam. Modellen tar ingen större ställning till olika tekniker och bortser den mellanform av reklam och underhållning som beskrivs av Hudson och Hudson (2006).

Medan varje modell har sina styrkor, har ingen av dessa tillsvidare lyckats till fullo anamma underhållningsreklam. De modeller som presenteras i den empiriska delen råder bot på detta. Modellerna beaktar också trender inom mobilmedia och andra nya medieformer som saknar omfattande studier. Enstaka studier har beaktat till och med existensen av reklamunderhållning i mobilmedia och även i mobilspel (se Salo och Karjalainen 2007), men dessa har dock inte tagit större ställning till de möjligheter som finns inom personifierad interaktivitet och lokaliseringstjänster samt underhållning och reklam som kombinerar och går utöver vanliga medieformer.

Metod

Avhandlingen baserar sig på en *kvalitativ* studie med en *explorativ* infallsvinkel. Explorativa studier ämnar öka kunskap inom okända och diffusa områden genom eventuella ändringar i fokus och riktning då nya insikter uppenbarar sig (Saunders et al. 2007). I

motsats till kvantitativa studier som baserar sig på standardiserade och objektiva mått för data från stora och slumpartade sampel, är kvalitativa studier subjektiva men flexibla med en liten men avsiktligt vald sampel (Patton 2002; Saunders et al. 2007). Empirin bygger därmed på intervjuer med 13 experter från reklam-, underhållnings- och mobilindustrin. En intervjuguide utgjorde ett preliminärt plan för olika teman som torde diskuteras (Patton 2002). Intervjuarna fattade sammanlagt 11 timmar ljudmaterial som har transkriberats och analyserats i flera omgångar.

Avhandlingen tillämpar både ett *induktivt* och *deduktivt* tillvägagångssätt för att besvara det tvådelade syftet. Ett deduktivt angreppssätt passar väl för att testa och verifiera teorier medan en induktiv sådan hjälper att upptäcka och skapa nya teorier (Saunders et al. 2007). Framförallt i explorativa studier kan en kombination av dessa emellertid resultera i en mer koncis och omfattande struktur (Saunders et al. 2007; Coffey & Atkinson 1996). Det första syftet följer mer av en deduktiv metod eftersom modellerna byggs upp på basis av tidigare forskning och testas och finjusteras i empirin. Det andra syftet lutar däremot mot ett induktivt förfarande eftersom den teoretiska referensramen fungerar enbart som en utgångspunkt för att skapa nya modeller och teorier ur intervjumaterialet. Svaren har därtill kompletterats med akademisk- och industrilitteratur för att skapa en mer heltäckande bild av fenomenet. Explorativa studier skapar en god utgångspunkt för fortsatta studier i stället för absoluta sanningar inom ett visst forskningsområde.

Resultat

Resultaten följde i stort sett de riktlinjer som sammanfördes i den teoretiska referensramen. En del respondenter ansåg underhållningsreklam sträcka sig också till evenemang och andra händelser som ligger utanför mobilskärmen. I överlag diskuterade respondenterna produktplacering, sponsoring och underhållningsreklam ur flera olika synvinklar. Några respondenter betonade hur viktigt det är att åstadkomma en ärlig och realistisk integrering av varumärket, vilket innebär att makten över produktionen och innehållet måste till viss mån delas med producenten och konsumenterna. Mobilterminaler utgör främst en stödande funktion. Innehållet blir fortsättningsvis mer webbaserat och tillgängligt via alla gränssnitt och terminaler. Vissa respondenter tror dock att det måste anpassas till en mindre ruta och sporadiska konsumtionsmönster.

Angående olika underhållningsformer och tekniker, ansågs mobil-TV i traditionell mening vara en förbigående trend. Respondenterna föredrog ”on-demand” videosnuttar och

längre videoformat som utnyttjar interaktiva sponsormeddelanden och andra element för engagemang. I anknytning till spel föredrog respondenterna reklamspel och extern sponsring framöver produktplacering. Spel måste dock omprogrammeras för att fungera på olika gränssnitt och mobilterminaler. Majoriteten diskuterade också möjligheter inom mobilapplikationer, socialmedia och upplevelser som överstiger mediegränser. Socialmedia ansågs också vara en viktig estrad för användarskapat innehåll.

Den sista delen av resultaten fokuserade på unika och mer detaljerade egenskaper för mobilterminaler och hur dessa kan förknippas med reklam och underhållning. Diskussionerna kretsade kring koncepterna ”opt-in” och ”on-demand” samt olika sätt att öka interaktiviteten mellan varumärken och konsumenter. Det är värt att påpeka att konsumenten inte alltid är medveten om att information om hennes beteendemönster eventuellt kan spridas till varumärken. Intervjuerna lyfte också fram alternativa roller för mobilterminaler, t.ex. som en fjärrkontroll eller som ett verktyg som aktiverar konsumenten att utföra specifika funktioner i olika sammanhang. Platsbaserade tjänster sträckte från mobilkartor med användarskapat innehåll till värdeskapande och kontextuellt inriktade tjänster som utvidgar traditionella eller skapar nya aktiviteter i specifika ögonblick och platser. Sådana underhållningsofferter eller -tjänster kan till och med anpassas till hur snabbt man rör sig – t.ex. till fots, med cykel eller med bil.

Några respondenter diskuterade hur Bluetooth, tvådimensionella koder och andra kommunikationsteknologier för korta sträckor kan tillämpas för reklamändamål. Åsikterna var starkt delade mellan respondenterna. En del betraktade Bluetooth som en lämplig påminnare och alarm i fickan. Andra respondenter ansåg Bluetooth vara för påträngande och invecklad. R5 tyckte också att så kallade 2D koder som kan placeras på diverse ytor och avläsas med en mobilkamera har för många steg till det egentliga ändamålet. Till sist tyckte en del respondenter att nätverksoperatörerna måste ta större ansvar för skollningen av konsumenter i nya tjänster. Flera respondenter tyckte att det inte är mobiltillverkarnas uppgift att upplysa konsumenterna om nya telefonegenskaper och möjligheter. Annonserarna ansågs också vara för anspråkslösa och okunniga i mobilreklam. Traditionella aktörer kan därmed bli utfrysade från det mobila ekosystemet.

Konceptuella modeller för underhållningsreklam

Den teoretiska referensramen och empirin gav upphov till två konceptuella modeller som besvarar första syftet av avhandlingen. BES-modellen, kortformen för ”Branded

Entertainment Spectrum” (se Figur 11 på sidan 101), använder tre dimensioner för att identifiera olika tekniker. BES-modellen baserar sig främst på koncept skapade av Sheehan och Guo (2005) samt Hudson och Hudson (2006), och de modeller som utvecklades i förstudien för denna magisteravhandling. Den andra modellen (se Figur 14 på sidan 110) som tar ett mer holistiskt angreppssätt på underhållningsreklam, har sitt ursprung i de koncept som har uppvisats av Hudson och Hudson (2006), Kretchmer (2004) och Nebenzahl och Jaffe (1998). Resultaten har också bidragit till modellernas slutliga form.

BES-modellen består av tre kontinuum: *integrering*, *kontroll* och *engagemang*. *Integrering* hänvisar till hur väl varumärken är invävda i innehållet och dess handling. *Kontroll* är ett mått på varumärkets makt över produktionen och slutprodukten. Det nyaste kontinuumet, *engagemang*, beaktar konsumenternas varierande roll i produktionen och den övergripande upplevelsen. Dessa tre kontinuum ger upphov till sex kategorier: *produktplacering*, *produktintegrering*, *avancerad sponsring*, *produktassimilering* och *annonsörsfinansierat innehåll*. BES-modellen beaktar också två perifera kategorier: *extern sponsring* och *användarskapat innehåll*. Ju starkare integrering ett visst varumärke lyckas med, desto färre varumärken finns med i innehållet. Ju starkare kontroll en viss annonsör förfogar över, desto färre annonsörer kan delta i produktionen. Den ädlaste formen av underhållningsreklam kännetecknas därmed av innehåll som baserar sig på ett varumärke och som är finansierad och producerad av en annonsör.

Produktplacering representerar placering av produkter i traditionell mening; varumärken utgör passiv och utbytbar rekvisita som saknar koppling till handlingen eller avsevärd påverkan från annonsören. *Produktintegrering* syftar på smidigare samarbete mellan annonsören och producenten, vilket resulterar i att varumärken utgör en naturlig och icke-utbytbar del av innehållet och dess handling (t.ex. Russell & Belch 2005; Balasubramanian et al. 2006). *Annonsörsfinansierat innehåll* utgör exempel på något som i första hand är finansierat av ett varumärke och avsett för reklamändamål. Medan varumärket formar en grundläggande del av *annonsörsfinansierat innehåll*, är dess närvaro mer implicit i *avancerad sponsring*. Varumärket kan exempelvis nämnas i eftertexten eller som ett externt sponsormeddelande. Till sist kan *produktassimilering* avses vara motsatsen till *avancerad sponsring*. Varumärket är i huvudrollen, men utan större inflytande från annonsören. Enkla barter-avtal mellan producenten och annonsören kan leda till att producenten gestaltar varumärket på ett oönskat sätt.

Angående de två perifera kategorierna, är *extern sponsring* varumärken som är varken inblandade i produktionen eller i själva innehållet. Sponsring i traditionell mening innebär att annonsörer och deras varumärken ansluter sig till redan färdigställt innehåll i form av externa sponsormeddelanden. I vissa fall kan annonsörerna ansvara för alla kostnader och erbjuda innehållet gratis åt målgruppen. Denna kategori är viktig att minnas eftersom det emellertid kan vara svårt att skilja åt mellan interna och externa produktmeddelanden. *Användarskapat innehåll* är förmodligen den mest intressanta och ansenliga nykomlingen i BES-modellen. Kategorin påpekar tillsammans med kontinuumet för engagemang om hur konsumenten i dagens läge har en väsentlig roll i produktionen och hur allt i sista hand upplevs, vare sig annonsörerna gillar det eller inte. Liksom professionellt innehåll, kan konsumenter skapa underhållning med varierande nivå av integrering, eller också utan varumärkets samtycke och inflytande.

Modellen illustrerar också hur annonsörer kan besluta sig att stöda och lyfta fram existerande användarskapat innehåll som återspeglar varumärkets värden på ett önskvärt sätt (se nedre kanten till vänster i Figur 11). Såsom med produktplacering, kan annonsörer samarbeta med konsumenter och finansiera nya skapelser. Varumärken kan sålunda, till viss mån, hålla fast vid trådarna då konsumenten övertar rollen av en producent. Kontinuumet för engagemang reflekterar hur konsumenten kan antingen vara en passiv åskådare, medverkande aktör eller en självständig skapare beroende på vilket typ av innehåll det är fråga om.

Den andra modellen (Figur 14 på sidan 110) tar en mer holistisk syn på underhållningsreklam. Modellen kombinerar huvudsakligen Kretchmer's (2004) två motsatta paradigmer för underhållningsreklam med d'Astous och Séguins (1999) två dimensioner om reklambudskapets överskådlighet och direktitet. En kombination av dessa två ger en effektiv överblick över olika tillvägagångssätt. Reklam-som-underhållning hänvisar till innehåll som är gratis åt konsumenten och som i synnerhet inom mobilmedia kan vara uppbyggd enligt en *opt in* -modell, dvs. att konsumenten låter annonsörerna skicka meddelanden. Underhållning-som-reklam är däremot i stora drag betald av konsumenten och baserar sig på en *on demand* -modell. Olika former av användarskapat innehåll kan ingå i båda paradigmen, beroende på om det primärt föreställer ett reklambudskap (reklam-som-underhållning) eller något som enbart stöds av varumärken (underhållning-som-reklam). En av respondenterna påpekade att annonsörer också kan skapa företeelser som efterbildar användarskapat innehåll. Sådana exempel representerar hybridkommunikation där avsändaren och reklambudskapet döljs

Underhållningsreklam i mobilmedia

Underhållningsreklam är här för att stanna, men mobilmedia kommer fortsättningsvis att vara den ledande kraften bakom nya innovativa former. Annonörer kan kombinera aktiviteter som är förknippade med mobilskärmen till aktiviteter i den närliggande omgivningen. Resultaten visade att mobilen i sådana sammanhang inte behöver vara i en central roll, utan den kan fungera som ett perifert verktyg som stöder diverse aktiviteter.

Alternate reality game (ARG) är till exempel ett spel som sträcker sig över olika medieformer och som suddar ut gränsen mellan spel och verklighet (Ryan 2008). Mobilen kan representera en viktig perifer funktion i företeelsen och kombinera det fysiska med det virtuella. Under det senaste året har man tagit detta ett steg vidare med koncept som kallas för *förstärkt verklighet* (augmented reality). Nya, mer avancerade mobilterminaler har öppnat oändliga möjligheter för annonsörer att krydda den verkliga omgivningen med virtuella varumärken och föremål som förhöjer lägesbaserade underhållningsformer (King 2009). Från konsumentens synvinkel är denna kombination av traditionella och nya medieformer en större helhet, en *upplevelse* som kan byggas upp av ett eller flera varumärken, producenter av olika slag, nätverksoperatören, och av ett flertal konsumenter i ett socialt nätverk.

Mobilen möjliggör omedelbar kontextuell interaktion med konsumenten och en inblick i hennes momentana behov, beteende och läge. Denna upplevelse kan också uppfattas som en värdeskapande *tjänst* som betjänar kunden på rätt plats vid rätt tidpunkt. Konsumenten har då möjligheten för fysisk växelverkan med varumärket och möjligheten att ge direkt feedback under vanliga brukssituationer. Konsumenten kan därutöver också stöda produktionen med sina inlägg och videoklipp som utvidgar det ursprungliga innehållet. Allt detta kan bidra till värdefull kunskap om kundens beteende, skapa nya innovationer, förstärka relationer och öka intäkter.

Varumärken är utsatta för en främmande miljö som kommer fortsättningsvis att vara inskränkt av både teknologiska och andra hinder relaterade till datakostnader och användarvänlighet. På grund av detta kommer en del tekniker säkerligen att härska över andra. Figur 13 på sidan 106 föreslår nivån för integrering, kontroll och engagemang vara åtminstone lagom. Dåligt integrerade varumärken har en tendens att bli omärkta på en liten ruta i en bullrig miljö. *Produktplacering* och *avancerad sponsring* kan vara ineffektiva i synnerhet då när konsumenterna är engagerade med den primära kommu-

nikationsformen såsom ett spel. *Produktintegrering* kan eventuellt bli industristandarden för experiment inom reklamunderhållning medan *annonsörsfinansierat innehåll* kan representera modellen för mindre projekt. *Extern sponsring* är därtill en strategi med låg risk, vilket kan stöda en större helhet för underhållning.

Varje teknik måste dock vägas mot syftet med det egentliga budskapet. Underhållningsreklam kan visserligen representera en direkt inkomstkälla i motsats till ett enkelt taktiskt verktyg. En integrerad säljkanal inom en underhållningsform är ett koncept med vidsträckta framtidsutsikter. Figur 14 på sidan 110 visar den rekommenderade inriktningen för annonsörer och varumärken. Dessa bör inte dölja innehållets reklamriktade ursprung. Ett högt anseende som baserar sig på en långvarig relation mellan varumärket och konsumenten är en trovärdigare utgångspunkt för direkta säljmöjligheter i både vardagliga och mer unika situationer. Den ovala svärtade formen i Figur 14 illustrerar hur underhållning kan serva kundens spontana behov genom interaktiva och valbara tillägg. Annonsörer kan skapa eller ansluta sig med spel som tillämpar en *opt-in* -modell varvid konsumenter kan exempelvis direkt testa och beställa produkter i spelet.

Mobilmedians unika egenskaper med avseende på underhållningsreklam kan indelas i fyra kategorier: *läge*, *enhetens roll*, *social omfattning* och *konsumentens roll*. Läget hänvisar både till möjligheten att konsumera innehåll oavsett läge, men främst till de spontana tillfällena som är bundna med en specifik plats. Dessa möjligheter kan indelas vidare i positioneringstjänster för *korta* och *långa* sträckor. Till korta sträckor tillhör de möjligheter som är anknutna till fysiskt bundna teknologier som Bluetooth, Wi-Fi, RFID och tvådimensionella koder som konsumenten måste skanna med sin mobilterminal. En del respondenter påpekade att det är viktigt för konsumenter att vara aktiva medverkare, men detta misslyckas ofta på grund av komplexitet och vagt intresse. Värdet som konsumenter får ut av allt detta måste överskrida den tid och energi som hon lägger i förloppet. Initiativet borde också komma från konsumentens sida och därmed bör varumärken förstå konsumentens behov och intressen under olika omständigheter.

Läge kan också indelas i fyra mindre kategorier: *rörelse*, *position*, *riktning* och *hastighet*. Annonsörer kan utnyttja rörelse i nyare och mer avancerade mobilterminaler. Ett varumärke för fiskespön kan exempelvis skapa ett simulatorspel för att testa produkter. Konsumenten använder då mobilterminalen som ett fiskespö. Förutom konsumentens position och riktning kan hastigheten kopplas till relevanta tjänster och underhållning i nära framtiden och även användas för att föreslå något som konsumenten kan ha nytta

av innan hon själv är medveten om sina behov. Den andra kategorin, mobilterminalens roll, är starkt förknippad med den första med att indela bruket till ett mobilcentriskt och perifert perspektiv. Den tredje kategorin, dvs. *social omfattning* fokuserar vidare på hur underhållningsreklam kan vara individuellt skraddarsydd, socialt beroende, eller bägge två. Till sist tar *konsumentens roll* en titt på hur konsumenten borde ses som en frivillig deltagare eller en central skapare av innehållet. Ansvar för fortsatt produktion och utveckling kan överges senare till konsumenter för en obestämd tidsperiod.

Resultaten antyder på att såväl traditionella spelare som nätverksoperatörerna löper risken för att bli utfrysade från nya skapelser. Traditionella reklam- och mediebyråer måste anpassa sig till den nya omgivningen medan mobiloperatörerna måste lära sig att vara öppna och villiga att samarbeta med ett flertal partners för att skapa värde åt kunden.

Slutsatser och rekommendationer

Denna avhandling bidrar med en av de mest omfattande inblickarna i underhållningsreklam och dess roll i mobilmedia. I motsats till tidigare modeller för underhållningsreklam, iakttar modellerna i denna avhandling konsumentens numera så viktiga roll i underhållningsproduktion. Avhandlingen bryter sig också loss från tanken att innehållet är bundet till en ruta, till sociala och dynamiska upplevelser som uppstår av ett flertal medieformer, inklusive omvärlden. Det explorativa angreppssättet har gett upphov till ett vidsträckt fält som dock saknar ytterligare djup. Fortsatta studier borde därmed koncentrera sig på enstaka delområden som läggs fram. Det vore framför allt viktigt att studera vidare på användarskapat innehåll och konsumenternas huvudsakliga roll i underhållningsreklam och mobilmedia.

För det första borde man lägga mer vikt på dynamiken mellan konsumenter, varumärken, producenter, mobiloperatörer och andra potentiella aktörer inom den mobila underhållningsreklamen. Interaktionerna mellan dessa aktörer inom en viss plats under en viss tidpunkt är av stort intresse för alla som är inblandade. För det andra vore det nyttigt att inrikta sig vidare på de perifera mobila möjligheterna som har hamnat i skymundan. Detta kunde eventuellt ge upphov till nya innovativa partnerskap exempelvis med nöjesparker, idrottslokaler, butiker och banker. För det tredje får man inte förbise helhetsbilden, den övergripande upplevelsen som kan bestå av åtskilliga medieformer. En bättre förståelse av ens dagliga rutiner och aktiviteter kan vara till fördel för såväl konsumenter som varumärken, och även samhället.

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Interviews

- R1, 28.5.2008, 13:00, 1 h 10 min.
- R2, 2.6.2008, 9:00, 55 min.
- R3, 6.6.2008, 9:00, 54 min.
- R4, 6.6.2008, 12:00, 44 min.
- R5, 9.6.2008, 11:00, 56 min.
- R6, 12.6.2008, 9:00, 1 h 2 min.
- R7, 30.6.2008, 8:30, 49 min.
- R8, 18.6.2008, 9:00, 34 min.
- R9, 18.6.2008, 11:00, 55 min.
- R10, 24.6.2008, 9:00, 43 min.
- R11, 24.6.2008, 13:00, 1 h 12 min.
- R12, 3.7.2008, 10:00, 47 min.
- R13, 15.7.2008, 15:30, 34 min.

Appendices

Appendix A: Interview Guide Example (Branded Entertainment Experts)

Branded Entertainment (general)

What is branded entertainment?
Why is the line between entertainment and advertising becoming more blurred?
How are the two converging?
What is the brand's role in content?
Brand strength?
What is the role of the sponsor/advertiser?
What is ideal branded entertainment?
Content length or scope?

Branded Entertainment (mobile devices)

What is the role of mobile phones in the future?
What is different between mobile devices and traditional media devices, e.g. television,
What type of advertising can be seen on mobile devices?
What type of branded entertainment can be offered?
Mobile TV and its advertising possibilities?
How is mobile TV different from regular TV?

Branded Entertainment (techniques)

What is the role of the brand in entertainment content?

- External?
- Passive?
- Active?

What role does the advertiser have in creating the entertainment content?

- Sponsorship? (External)
- Product placement?
- Co-production & collaboration?
- Advertiser-funded programming?

What would be an ideal solution in this type of advertising?

Is there anything you would like to add? Something important that was not asked?

Appendix B: Interview Guide Example (Mobile Media Experts)

Mobile Devices (general views)

What is the role of mobile phones in the future?

What are the future entertainment possibilities of mobile devices?

What is different between mobile devices and traditional media devices, e.g. television?

How are different forms of media converging?

What will media convergence lead to?

How can media converge be utilized in entertainment/advertising?

How will entertainment be offered to consumers?

Branded Entertainment (general)

Why is the line between entertainment and advertising becoming more blurred?

How are the two converging?

What is an ideal mix of the two?

Branded Entertainment (entertainment vehicles)

How can entertainment be used as a part of advertising on mobile phones?

Entertainment production models for mobile devices?

How will the content reach consumers?

The potential with:

- Mobile games?
- Mobile TV?
- Films?
- YouTube?
- Other mobile content?

Branded Entertainment (techniques)

What role does the advertiser have in creating mobile content?

- Sponsorship?
- Product placement?
- Co-production & collaboration?
- Advertiser-funded programming?
- Other?

What type of role do brands have in mobile entertainment content?

How should the brand be used?

What would be an ideal solution for this type of advertising?

What type of content? How distributed?

What is the role of user engagement?

What is the role of user-generated content? How should this be used?

Why? (engagement/opt-in/relevance)

What are the benefits/drawbacks of mobile TV?

How is mobile TV different from regular TV? In the future?

What is the role of the sponsor/advertiser on mobile TV?

Is there anything you would like to add? Something important that was not asked?