Branded Content: A new Model for driving Tourism via Film and Branding Strategies

David Horrigan
LRG University of Applied Sciences


Online at http://mpra.ub.uni-muenchen.de/25419/
MPRA Paper No. 25419, posted 27. September 2010 07:26 UTC
BRANDED CONTENT: A NEW MODEL FOR DRIVING TOURISM VIA FILM AND BRANDING STRATEGIES

David Horrigan
LRG University of Applied Sciences

Branded content is described as a fusion of advertising and entertainment into one marketing communications product that is integrated into an organisation’s overall brand strategy intended to be distributed as entertainment content with a highly branded quality. A history of product placement, branded entertainment, and film tourism is presented to identify the effective elements of each strategy in order to inform a more cohesive brand strategy for destinations. A branded content model is offered that will give destination marketing organisations a road map for better coordination, integration and measurement with their tourism, film, marketing communications and branding strategies.

Keywords: branded entertainment, film tourism, destination marketing

INTRODUCTION

Although some scholars will argue that product placement was first practiced in the nineteenth century shortly after the invention of the motion picture, and that commercialization of products continued during the twentieth century with techniques such as tie-ins, trade outs and exploitation, product placement as a conceptual and strategic technique coordinated within the larger advertising and media industries began when E.T discovered sugar highs thanks to Hershey’s Reese’s Pieces and hangovers via Coors beer in 1982 (Newell, Salmon & Chang, 2006). Since E.T., there has been a healthy debate in the scholarly literature regarding when product placement actually began (Russell & Belch, 2005). But a close look at the literature shows that there is more agreement than debate. The evidence linking movies to product promotion began in the late nineteenth century. It continued with sponsorship strategies for movies and radio during the twentieth century. Finally, television was introduced into the American home, and
restrictions on commercial time were later introduced (Newell, Salmon & Chang, 2006).

Most debates seem to be one of semantics revolving around the question of when product placement began. It seems the exact timing depends on which scholarly definition is used. The term product placement is now used to discuss strategic product coordination with film and television. Newell, Salmon and Chang (2006) accurately detail a history of terms associated with product coordination over time such as tie-ins, co-operative advertising, plugs, and publicity, etc. by motion picture executives. Disagreements in the literature seem to depend more upon scholars’ definitions of industry rather than terminology. Although the concept of “product placement” has been a strategic tool used by corporations for over a century, an actual industry emphasising product placement as a marketing communications strategy did not develop until the nineteen eighties (Karrh, Brittain McKee & Pardun, 2003). At this time, product placement was becoming legitimised by marketing people who included product placement strategies in their brands’ overall marketing budgets. The advertising industry saw an opportunity to reach potential mass markets in a strategic and creative way through film, and the movie business was able to better organize one of their revenue strategies to reduce their films’ production costs. A new industry was formally created as marketing communications entrepreneurs started product placement firms.

Product placement has been researched moderately over the last fifteen years. Strategic elements such as the differences between plugs versus placement (La Ferle & Edwards, 2006; Roehm, Roehm, Jr. & Boone, 2004), financial and creative considerations (Karrh, Brittain McKee, & Pardun, 2003), and subliminal persuasion (Morgan, 2005) have been investigated. The effects of product placement have also received attention in scholarly literature. Balasubramanian, Karrh and Patwardhan (2006) offer a conceptual framework to capture audience outcomes. Law and Braun (2000) study product placement exposure on product choice and memory. Russell (2002) investigates the effectiveness of placement in television shows on attitude and memory change. In addition to these areas of study, policy debate and the ethical foundation of product placement strategies have been considered. Avery and Ferraro (2000) question if the subtleness and persuasiveness of such strategies are properly regulated by government agencies, and Hudson, Hudson and Peloza (2008) suggest that the use of product placement in children’s movies is becoming more pervasive.
The intent of this paper is to discuss how product placement has strategically evolved over time, and to illustrate that the term product placement is antiquated in today’s strategic brand management environment. Specifically, tourist destinations that have attempted to capitalize on the film industry’s needs for inexpensive and relevant shooting locations in order to gain visibility should consider a more coordinated and strategic effort for managing their brands.

**HISTORY OF PRODUCT PLACEMENT**

Before product placement was given a formal business model for both advertisers and producers of electronic content to work with in the mid-1980’s (Balasubramanian, 1994), the strategy to give characters more credibility to audiences in television programs or movies by showing them using real brands was more artistic driven than sales driven. The danger for brands was that their image would be applied in contexts that were not flattering or off-message. As the proliferation of producers looking for real connections with their audiences and brand managers needing to protect their brands’ images, an industry was created that could control the needs of both sides with roles for researchers, strategic planners, and industry liaisons (Russell and Belch, 2005). It is common to see music videos where brand identifiers on clothing are blurred because a business contract has not been made between artist and commercial brand. It has become a very controlled industry as brand management has become more sophisticated and paranoid.

Authenticity is critical for many movie producers. They take great pains to ensure that their characters are associated with the right “look.” At a basic level, a specific brand is unnecessary as long as the look and feel of characters, environment, and overall scene conveys the appropriate emotional message. Authenticity is critical, but the art cannot be jeopardized by too much commercialisation (Hart, 2003). However, advertisers understand that appropriately placed brands in movie scenes with brand synergy creates visibility and has the potential to increase brand loyalty by validating consumer’s brand choices. The need for an intermediate to manage the needs of both producers and advertisers became essential as both sides saw risk to their product during a time of product placement proliferation. Some of the variables used to identify synergies between product and movies include cultural (Gould, Gupta & Grabner-Krauter, 2000), connection with plot (Redondo, 2006), and prominence of brand visibility (Yang & Roskos-Ewoldsen, 2007).
Since 1896 when Lever Brothers and their soap brands were strategically and prominently displayed in Alexandre Promio’s film *Washing Day* in Switzerland, and Thomas Edison’s aggressive use of products and advertising within films that were shown on trains, the business of creatively using film to promote products has included strategies such as promotions, endorsements and sponsorships (Newell, Salmon, & Chang, 2006). The common elements between these strategies are visibility to large audiences, association of the product with a credible source, and synergy between product and source. Utilizing film to promote a destination has been called the ultimate in tourism product placement (Hudson & Ritchie, 2006). Film tourism strategies strive to achieve visibility, credibility and synergy as destination marketing organisations rent their locations to producers.

**BRANDED ENTERTAINMENT AND FILM TOURISM**

One strategy that has grown in importance in the advertising industry relevant to film tourism strategies is branded entertainment. Branded entertainment is a convergence of advertising and entertainment that blurs the line between the two mediums (Hudson & Hudson, 2006). Hudson & Hudson (2006) suggest that branded entertainment is the industry’s latest term to describe product placement’s evolution within an increasingly sophisticated entertainment industry taking advantage of new technologies to distribute their content. The difference between product placement and branded entertainment is the level of brand integration into the plot. Pure placement is a traditional cameo of a product whereas, branded entertainment incorporates a brand into the storyline of the entertainment content. At a basic level, a branded entertainment strategy is similar to a slice of life advertising strategy because the brand plays an integral role within the storyline.

Traditional film tourism strategies are concerned with building destination image and driving traffic to locations, yet these strategies have been executed by destination marketing organisations at only basic levels (Croy & Walker, 2003). Strategic activities for destination marketing organisations promoting their locations to film producers emphasise incentive packages that make filming at their locations cost efficient to producers. Incentives include tax breaks, supplementary costs associated with personnel travel and accommodations, and security support. There has been less strategic thinking by destination marketing organisations regarding film content and its affect on consumer perception other than how beautiful their locations look. Less attention has been placed in pre-
planning stages regarding the image of the destination as a brand outcome. Money and the promise of tourists have traditionally been the driving factor. The danger with this limited perspective is that a destination such as the Cayman Islands could be better known for tax evaders because of a film like *The Firm* with Tom Cruise than a beautiful, safe and romantic island getaway. Yet, Table 1 illustrates an impressive history of positive tourist revenue effect post film and/or TV series production and release (Hudson & Ritchie, 2006).

**Table 1. Film Tourism Impact (edited from Hudson & Ritchie, 2006)**

<table>
<thead>
<tr>
<th>Film / TV Series</th>
<th>Location</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Braveheart</td>
<td>Wallace Monument, Scotland</td>
<td>300% increase in visitors year after release</td>
</tr>
<tr>
<td>Heartbeat</td>
<td>Goathland, North Yorkshire, England</td>
<td>Three times the number of normal visitors in 1991</td>
</tr>
<tr>
<td>Deliverance</td>
<td>Rayburn County, Georgia</td>
<td>20,000 film tourists a year Gross revenues $2 to 3m</td>
</tr>
<tr>
<td>Dances with Wolves</td>
<td>Fort Hayes, Kansas</td>
<td>25% increase compared with 7% for previous 4 years</td>
</tr>
<tr>
<td>Close Encounters of the Third Kind</td>
<td>Devils Tower, Wyoming</td>
<td>75% increase in 1975, 20% visit now because of the film</td>
</tr>
<tr>
<td>Field of Dreams</td>
<td>Iowa</td>
<td>35% visits in 1991, steady rise</td>
</tr>
<tr>
<td>Dallas</td>
<td>Southfork Ranch, Dallas</td>
<td>500,000 visitors per year</td>
</tr>
<tr>
<td>Lord of the Rings</td>
<td>New Zealand</td>
<td>10% increase every year 1998 to 2003 from UK</td>
</tr>
<tr>
<td>Steel Magnolias</td>
<td>Louisiana</td>
<td>48% increase year after release</td>
</tr>
<tr>
<td>Last of the Mohicans</td>
<td>Chimney Rock Park, North Carolina</td>
<td>25% increase year after release</td>
</tr>
<tr>
<td>Bull Durham</td>
<td>Durham, North Carolina</td>
<td>25% increase in attendance year after release</td>
</tr>
<tr>
<td>Harry Potter</td>
<td>Various U.K. locations</td>
<td>All locations - increase of 50% +</td>
</tr>
<tr>
<td>Mission: Impossible 2</td>
<td>National parks, Sydney</td>
<td>200% increase in 2000</td>
</tr>
<tr>
<td>Gorillas in the Mist</td>
<td>Rwanda</td>
<td>20% increase in 1998</td>
</tr>
<tr>
<td>The Beach</td>
<td>Thailand</td>
<td>22% increase-youth market 2000</td>
</tr>
<tr>
<td>Four Weddings and a Funeral</td>
<td>The Crown Hotel, Amersham, England</td>
<td>Fully booked for at least 3 years</td>
</tr>
<tr>
<td>Saving Private Ryan</td>
<td>Normandy, France</td>
<td>40% increase - American tourists</td>
</tr>
<tr>
<td>Pride and Prejudice</td>
<td>Lyme Park; Cheshire, U.K.</td>
<td>150% increase in visitors</td>
</tr>
<tr>
<td>Cheers</td>
<td>Location in Boston</td>
<td>$7m in unpaid promotional advertising each year</td>
</tr>
<tr>
<td>Miami Vice</td>
<td>Miami</td>
<td>150% increase in German visitors 1985 to 1988</td>
</tr>
<tr>
<td>Troy</td>
<td>Canakkale, Turkey</td>
<td>73% increase in tourism</td>
</tr>
<tr>
<td>Captain Corelli’s Mandolin</td>
<td>Cephalonai, Greece</td>
<td>50% increase over 3 years</td>
</tr>
</tbody>
</table>
DESTINATION IMAGE

Destination image has always been important to tourism boards, and films offer them not only a big screen to showcase beautiful landscapes, but also the ability, with branded entertainment strategies, to develop more sophisticated strategies that are meant to protect and increase the integrity of their brand. Bolan and Williams (2008) state that image formation for consumers are a combination of information gathered through various mediums agreeing with Reynolds (1965), that just a few impressions are more heavily weighted than others to form an individual’s ultimate attitude. This suggests that stimuli which create a large emotional impact have a great influence over consumer perception. Film and other electronic content seem to have an advantage for creating impact as the use of motion, sound, and visuals that affect emotion are key elements within these mediums and have also proven to be the basis of dynamic creative executions (Belch & Belch, 2009). However, mediums that do not have these inherent, emotional elements can also attempt to maximise message impact through repetition strategies.

Image is not purely created through media vehicles. Image perception is a combination of all an individual’s experiences with a product or brand. A destination’s image is affected by word-of-mouth and actual visits to the destination in addition to a myriad amount of information gathering. Gunn (1972) suggested a dichotomy whereas organic images (nonbiased news, etc.) are affected by induced images that are strategically distributed through such mediums as film and television. Together, the body of information is used for individuals to develop perception and attitudes toward messages that affect their decision-making process whether or not to visit a destination. Organic information is more difficult than induced information for destination marketing organisations to control, yet destination information does get distributed through organic channels. A strategy that feeds organic channels consistently with destination information that is on message with the overall tourism strategy can complement a more calculated branded strategy.

Rather than utilising individual techniques to develop a brand image for destinations, it is essential that a destination marketing organisation coordinate and integrate all its efforts to maximise impact to create a consistent and relevant image (Gallarza, Gil Saura & Calderon Garcia, 2002). This approach not only affects how an organisation develops its identity through communications techniques, but it can also affect how the infrastructure of the destination is shaped. A vision must
be communicated that considers both destination infrastructure and brand strategy. Some elements of such synergy will be realistic or controllable while other elements will be harder to execute. However, a proper assessment and planning process is necessary for a coordinated and integrated brand effort.

**BRANDED CONTENT AND DESTINATIONS**

The first stage of brand development is to assess the uniqueness of the destination brand, a process that acts as an internal audit of the brand’s value. Different advertising agencies use variations of the same method, but essentially, the brand is assessed against other brands in different categories to get a sense of what similar characteristics other brands in different product categories have as the base brand being measured. The relationship to other categories is meant to identify the types of products or brands that fit within the target markets’ lifestyles. It is a process to stretch the creative thinking process and develop a holistic view of the consumer and the brand characteristics that are relevant to the market. Typically three to five characteristics are identified that uniquely describe the brand, sometimes referred to as vivid descriptors, and these characteristics are used as a basis for the creative brand strategy. Often, the group of characteristics are boiled down to one word that drives the creative strategy. Fundamentally, these characteristics become the underlying association of the brand image sought. It is important to mention this creative method here because any strategic film tourism or branded entertainment strategy should be concerned with the final outcome ensuring that the outcome reflects the core characteristics and associations of the brand.

Film tourism strategies should not attract production companies to destinations solely to ensure landscape placement. Destinations need a more sophisticated attempt toward complementing overall tourism strategies. Destination marketing organisations should consider shifting their efforts, and focus on the conceptual stage rather than the production stage of content development. This new shift in focus should be coordinated with a more strategic effort in discovering the destination’s core brand characteristics. The compatibility between the destination’s brand characteristics and content of potential scripts gives film tourism a new focus that begins to look more like a branded entertainment strategy for destinations than simply providing relevant backgrounds for scripts. Brands strive to become part of the vernacular of society, what better strategy then to imbed the beauty and services available at destinations
throughout a film or television series that has real meaning to the messages communicated in the plots. Kim and Richardson (2003) suggest that film and television affect societal beliefs, and that movies are part of popular culture and offer opportunities for brand exposure that are unobtrusive. Opportunities exist for strategic and subtle visibility to mass audiences for destinations through various types of production, and this visibility offers a platform to present the emotive side of the destination’s brand in more sophisticated ways.

The more the destination is part of the storyline, the larger the impact on consumer reactions (Hudson & Hudson, 2006). Figure 1 illustrates how the level of integration correlates with consumer impact and with key content variables that affect the overall brand image. The Branded Content Value Spectrum suggests that four variables affect the level of integration between destination brand and film content. The relationship between the credibility level of a destination as part of the story, and the relevance or synergies the destination has with the film audience help determine the strength of the branded content strategy. In addition, the consumer impact is affected by the quality of the production as well as the timing of its release.

**Figure 1. Branded Content Value Spectrum**

Currently, the advertising industry is becoming more comfortable with the term branded entertainment because it better describes how advertisers strategically think about the integration of new and traditional communication channels and the creative executions they need to
develop. Product placement is a useful but antiquated term that lacks the holistic perspective for today’s evolving information and entertainment environments. Branded entertainment has been described as a form of advertising medium that blurs conventional distinctions between what constitutes advertising and what constitutes entertainment (Hudson & Hudson, 2006). Branded entertainment is an evolution in thinking about how a brand can be strategically communicated to technologically savvy consumers so they adopt the brands into their vernacular.

Yet, branded entertainment as a term and strategy does not adequately express how to maximise the integration of new technology with traditional advertising thought and the lessons learnt over decades of commercialisation. If the goal is to truly have a brand become part of the vernacular, then should we put limits on our terminology again that potentially limits our strategic thinking? Even if the current state of technology and communication is entertainment driven, it is still a limited scope and one that is subject to change. A more robust term that has been introduced in this paper is branded content. Content is a word that is ubiquitous in the entertainment industry as well as most media fields, and the term allows for thinking that is limitless regarding integrated brand strategies. Semantics have always been an issue between scholars and industry, but it is important to frame research and strategic development in ways that can guide either focused or exploratory directions. The Branded Content Value Spectrum offers a framework that destination marketing organisations can use to better shape their strategies and leverage their resources toward a better integrated and persuasive effort that creates visibility for their services and landscapes.

The Branded Content Value Spectrum illustrates how film tourism can be more strategic, but a branded content strategy has the ability to incorporate a wide range of content in other mediums once the core brand descriptors are identified. Film tourism is simply one type of strategy. Television shows, documentaries, and sponsorships for events and activities featured at destinations are just some of the possibilities that fit into a branded content framework. The success of a branded content strategy depends on the integration effort, the relevance of the content, and the consistency of the messages and images being communicated.

**POLICY IMPLICATIONS FOR DESTINATIONS**

Adopting a branded content strategy for destinations could provide destination brands with a way to reach larger markets while increasing their image’s staying power. Traditional advertising strategies have a
much shorter shelf life than film, where an advertising campaign may last six months, a movie via its theatrical release and DVD could have effects that last two years. In addition, the cost benefit for a branded strategy is attractive when compared to traditional advertising strategies. When making a cost and impact comparison between branded content and advertising, a destination marketing organisation must also compare the differences in the two channels’ communications objectives and their return on investment. Strategically, the objectives between branded content and advertising are similar, but traditionally, destination marketing organisations have treated film tourism with less strategic focus.

Destination marketing organisations should develop their branded content strategies the same way as they do with their advertising strategies. The objectives and desired results are the same between the two strategies. To introduce a branded content strategy into a destination’s current marketing communication’s strategy, five issues need to be addressed: (1) budget, (2) strategy, (3) alliance, (4) implementation, and (5) measurement.

Current marketing budgets need to be reviewed, and a decision to increase budgets or to revise budgets needs to be assessed. Increases in budgets need to be justified, and sources of funds need to be identified. Justifications for increased budgets should be made based on the complementary effects of a branded content strategy. On the other hand, revising budgets should begin with a review of the effectiveness of current marketing communications strategies, and justifications of revising budgets for a branded content strategy should include the potential to increase the destination’s brand image and tourism traffic.

These decisions could be made with a top-down approach, where destination marketing organisations make the decisions, or by a bottom up approach, where input is gathered across industries on their thoughts about a branded content strategy (Belch & Belch, 2009). A bottom-up approach could be the beginning of developing alliances, or it could confuse some stakeholders. The process to make budget decisions should be made based on the current relationships between all levels of a destination’s strategic hierarchy.

New procedures and potentially, a revised organisational infrastructure, will be needed to create and implement an effective branded content strategy. Strong relationships will be needed with talent agencies and Hollywood production and distribution companies. Procedures for collecting and reviewing scripts will be essential, and the responsibility for assessing proper synergies between brand and script has
to be designed as part of various job descriptions. Short and long-term strategies with specific marketing communications’ objectives also need to be decided on as part of an integrated brand content strategy.

A communications strategy that is designed to get the support of the destination’s government and business leaders is essential. A proposal that is persuasive outlining the advantages of shifting toward a branded content strategy is critical. This is an opportunity to educate the various influencers about the impact a branded content strategy can have on tourism traffic. A persuasive position will support efforts toward building branded content budgets and various businesses’ cooperation. The communications strategy should include presentation material, individual meetings, and roundtables with appropriate influencer groups.

In order to implement a branded content strategy, agencies that specialise in this area will be needed for consultation as well as their networks in Hollywood. As projects are identified, negotiating how the destination is presented in the production must be well contracted in the beginning, and a process to ensure this is followed through needs to be designed and carried out during the preproduction, production, and postproduction stages.

Finally, metrics to measure initial audience reaction, production success, tourism traffic, DVD release, staying power, and brand image should be developed. Specific objectives and expected results for each of these metrics need to be part of the assessment of the destination’s overall marketing communications strategy.

ETHICAL ISSUES

The most common, critical and inherent element of the three strategies, product placement, brand entertainment, and branded content is the subtleness of their executions. Most scholarly definitions of these strategies discuss the blurring of advertising and entertainment. Industry has avoided criticism related to manipulation and persuasion techniques in the past because they have used mediums that had clear distinctions of what constitutes persuasive advertising and what constitutes entertainment content. But as Nelson & Ellis McLeod (2005) suggest, consumer socialization and consumer knowledge and attitudes are shaped not only by family and friends, but by the media, especially during the tween years (ages 8 – 12). The blurring of advertising and entertainment may be clear to adults as research shows - product placement techniques are recognizable, and does not affect the enjoyment of a film for many viewers (Hudson & Hudson, 2006). However, a 10 year old child has less
knowledge and experience to be able to discern between many forms of subtle communication. What are proper levels of subtle brand exposure techniques targeted to our youth that are acceptable within societal boundaries (Auty & Lewis, 2004)? A possible solution to the level of subtle communication exposed to children is regulation that prohibits such techniques on particular movies that are rated to protect children.

What brand categories are acceptable to expose children to in such subtle ways? A branded content strategy suggests that no content should be discounted to elevate the strategic exposure to brand visibility and messaging. If this strategy is adopted, industry needs to understand the exposure risks of particular products targeted toward particular audience segments. Some industries use self regulation to monitor the use of unethical advertising strategies and others are regulated by the government. Advocacy groups and parents still have an important role as filters and regulators of media delivery. New technologies are being diffused to younger and younger generations, and adults are slow to understand this diffusion and the access being given to society’s youth. As both advertisers and younger consumers become more sophisticated with how information is being distributed and accessed, it is critical that industry, government and consumer groups work together to ensure a level of social responsibility that respects our children’s development.

CONCLUSIONS

Product placement as an unobtrusive technique has technically been utilized since the nineteenth century (Newell, Salmon & Chang, 2006). Over time, such techniques have become more sophisticated, and as brand management strategies have gained momentum within a more technological environment, placement activities have become more coordinated with overall brand strategy. Branded entertainment is the latest industry term that has been adopted to properly distinguish the strategic growth of the product placement industry. It holds placement activities to a higher brand standard and seeks to capitalize on new technologies that are creating new avenues of communication distribution – a sort of blurring between mediums.

Film tourism has traditionally sought to attract film production companies to use their locations in hopes to attract tourists. However, destination marketing organisations have not traditionally incorporated an integrated approach that ensured synergy between locations and movie scripts. Instead, destination marketing organisations focus on a shotgun approach toward production budgets offering incentives such as tax
breaks, travel discounts and accommodation reductions. Branded entertainment offers the film tourism industry a more sophisticated approach toward attracting production budgets as well as creating destination branding opportunities that has the potential for reaching larger audiences resulting in a greater brand impact.

A branded content model has been introduced to offer a more holistic approach toward destination brand management. Integration of destination brand characteristics and production script content is a fundamental variable that distinguishes the strength of the Branded Content Value Spectrum strategy. Policy implications for adopting a branded content strategy affect destination marketing organisations at the budget, strategic development, alliance building, implementation, and measurement stages.

Further development of the branded content concept is needed in the future to identify the holistic nature of the strategy compared with branded entertainment. Case studies of tourist destinations need to be developed that illustrate attempts by destination marketing organisations to better brand their locations within their larger tourism strategy. Ethical issues will always be a concern when children are part of the target audience. Advertising agencies need to consider how to adopt branded content strategies for their tourism clients that have more synergy resulting in larger message impact on consumers.

REFERENCES


David Horrigan (david.horrigan@glion.edu) is a Lecturer and the Director of the Center of Marketing Excellence in Hospitality, Tourism and Event Management at Glion Institute of Higher Education and LRG University of Applied Sciences, Bulle, Switzerland.