2015

BRANDED ENTERTAINMENT MARKETING SURVEY

Responses By Brands, Their Agencies & Consumers

HOLLYWOOD
The Entertainment Marketing Experts **BRANDED**

Integration . Celebrity . Partnerships . Events . Social . PR

hollywoodbranded.com

CONSUMER INSIGHT

___

"I think it can work if done correctly.

The subtle placement in the right location or moment in a scene can influence just as the explicit placement can have a negative effect.

I bought my car because I loved how it was used in a movie."

BRAND MARKETER INSIGHT

___

"Consumers these days are looking for leaders, or icons, to tell them what is in style, what is cool, what is the latest and greatest.

Getting celebrities to talk about and wear our product will, in turn, drive people to our company to purchase."

AGENCY MARKETER INSIGHT

___

"Yes, entertainment marketing allows us to partner with the movie's powerful marketing arm along with the other brands that are involved with us in product placement and integration.

It magnifies your media, PR and social media spend by creating these strong partnerships and associations."

CONSUMER INSIGHT

___

"Yes, people want to see the labels and if it's in a movie/TV show in a subtle way, it is more influential than a commercial ad.

Let's be honest, who really watches commercials anymore."

01

About The Survey

Section One

- Goal
- Questions
- Respondents
- Agencies
- Brands
- Consumers
- Tactics

CONSUMER INSIGHT

_____

"Yes, it works on peoples unconscious, for sure. I cant see a woman wearing a certain pair of shows on tv without catching myself a day later looking for that same pair of shoes in a store."

AGENCY MARKETER INSIGHT

_____

"In a culture that is hyper brand conscious and driven by celebrities, I think product placement helps your brand stand out and differentiate."

AGENCY MARKETER INSIGHT

_____

"In a culture that is hyper brand conscious and driven by celebrities, I think product placement helps your brand stand out and differentiate."

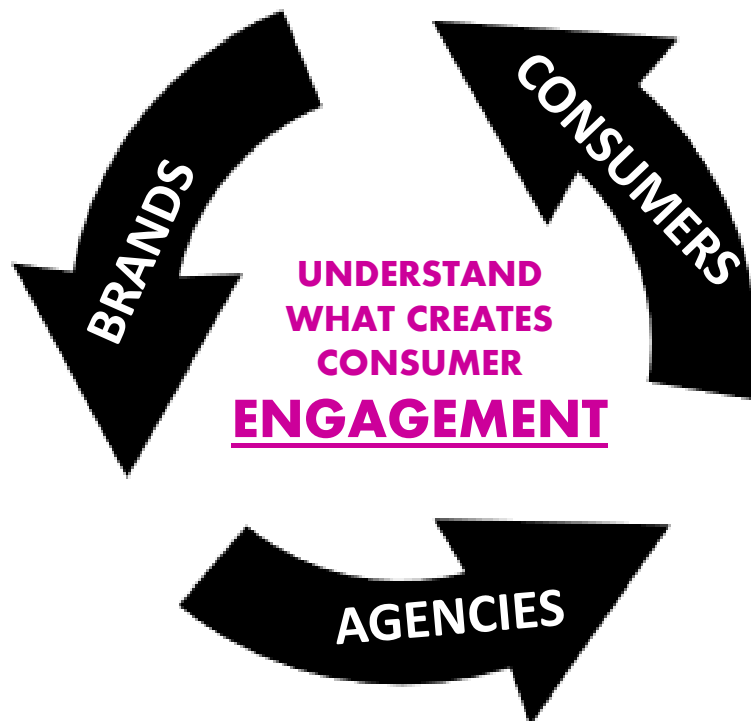**CONSUMER INSIGHT**

_____

"Yes, I always have a feeling that if the product get exposure in a famous TV show or a blockbuster film, it will have more credibility on quality."

the survey GOAL

CONSUMERS

BRANDS

AGENCIES

UNDERSTAND WHAT CREATES CONSUMER ENGAGEMENT

The goal to our 3 part survey was to gather feedback from both consumers and those on the front lines of marketing in order to provide an annual guide for the entertainment marketing tactics that are most effective at helping brands and their agencies generate engagement with consumers.

the QUESTIONS

A total of 48 questions were asked, based upon the survey respondent type and included close-ended multiple choice and ranking to open ended textbox and comments.
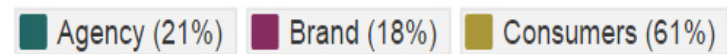
Questions Included:

- 18 questions for Agencies
- 16 questions for Brands
- 14 questions for Consumers

the survey RESPONDENTS

The survey is a focused study on entertainment marketing, and was taken by 1,320 individuals:

- 61% consumers

- 39% brand marketers

  - 18% brands

  - 21% agencies

Agency (21%) Brand (18%) Consumers (61%)
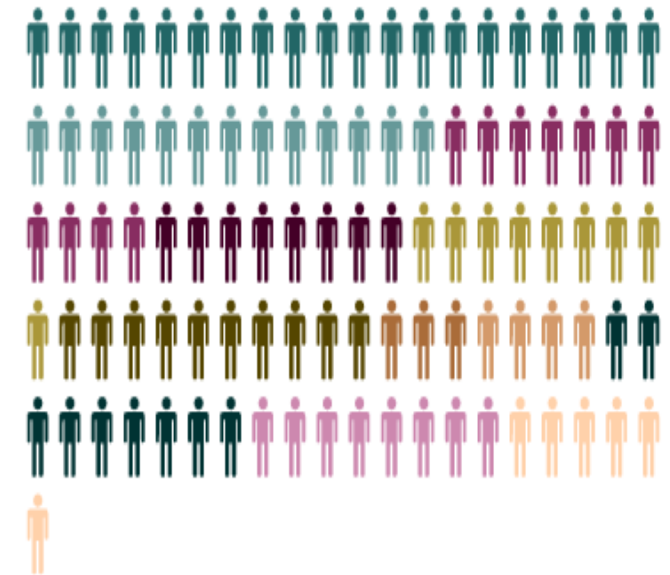
Agency Types

the AGENCIES

A varied selection of agency respondents were sourced, with factors including agency practice type and budget responsibility.

Of the 275 agency contacts surveyed, half of the primary agency focal area included General Advertising, Branding, Entertainment, Event & Sponsorship, Full-Service, Media-Buying, Public Relations and Social Media.

Additional agency respondents included practitioners from Multicultural, Out-Of-Home, Cause Related, Direct Response, Experiential and Promotional Marketing agencies.

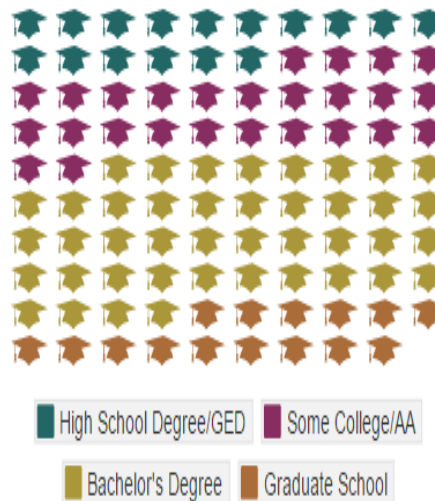Agency respondent's client budget responsibility ranged evenly from below $1 million to over $10 million US.

the BRANDS

A diverse selection of brand marketers participated in the survey, with 227 respondents from 40 brand categories.

Brand respondents reported an even distribution of annual marketing budget responsibility ranging from under $1 Million to over $5 Million US.

The brands that reported $1 - $5 million + as their annual marketing budget were primarily beauty, retail and apparel brands, closely followed by beverage and packaged good brands
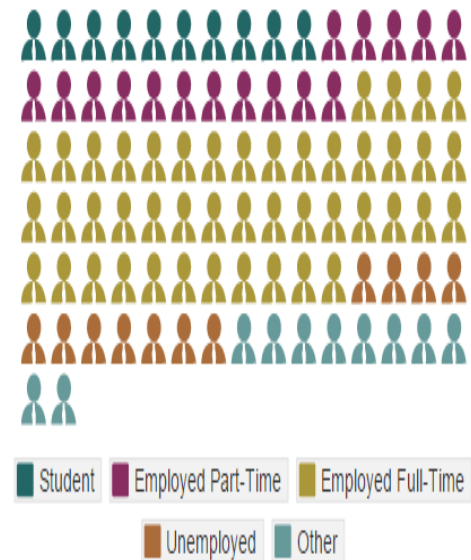
the CONSUMERS

Consumer respondents were evenly split between male and females, and varied in age from 18 to 65+. The majority of the respondents were between the ages of 25 – 49. Most respondents were either currently enrolled in school, or had a degree from a college and were employed.

SEX

Legend: ■ Male ■ Female

EDUCATION

Legend: ■ High School Degree/GED ■ Some College/AA ■ Bachelor's Degree ■ Graduate School

EMPLOYMENT STATUS

Legend: ■ Student ■ Employed Part-Time ■ Employed Full-Time ■ Unemployed ■ Other

entertainment marketing TACTICS

The term "entertainment marketing" used in this survey refers to the following marketing tactics:

- **PRODUCT PLACEMENT**
  Product or branding seamlessly placed visually or verbally within an entertainment property

- **BRAND INTEGRATION**
  Fee-based placement where the brand appears as a significant part of the storyline

- **CELEBRITY ENDORSEMENT & SEEDING**
  Product gifted to celebrities for PR or endorsement deals for usage in the brand's media or retail campaign

- **CO-BRANDED (ENTERTAINMENT) PARTNERSHIP**
  Entertainment property co-branded in brand's media and/or retail marketing

- **EVENT SPONSORSHIP & ACTIVATION**
  Entertainment related events including premiere parties, concerts, festivals, etc.

02

The Business

Section Two

- General Knowledge
- Who Uses It
- Types of Media Platforms
- Future Implementation
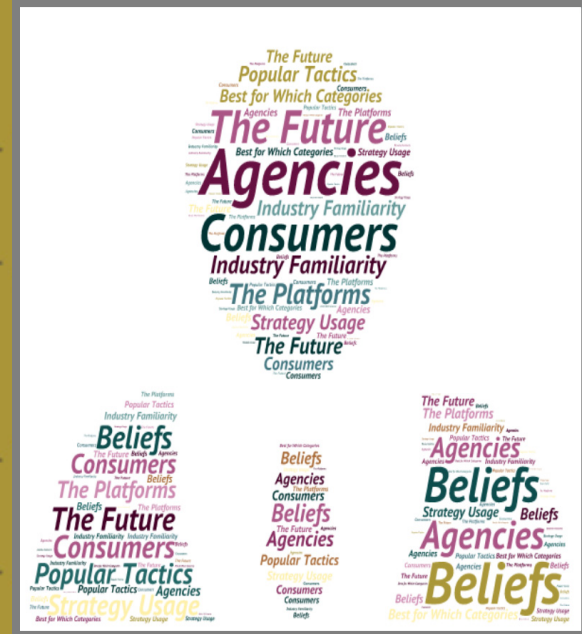
AGENCY MARKETER INSIGHT

"Brand integration can work quite well if the content and the brand complement each other, and if the entertainment marketing efforts are supported by other advertising & promotional elements."

CONSUMER INSIGHT

"Sometimes it does, if it seems useful or attractive or like it would taste good. Sometimes, seeing characters in media eating or drinking something makes me want to do it too. Or if clothing looks nice, I might want to get something like it.
If it isn't something I would be interested in at all, it doesn't affect me."

CONSUMER INSIGHT

"I do, if someones I respect and trust endorses a product, it makes me more likely to buy it."

AGENCY MARKETER INSIGHT

"I believe that entertainment marketing is one of the most effective marketing tools available.

It is an economical means to reach millions of potential consumers in an organic manner."

general KNOWLEDGE

Agencies reported higher familiarity, comfort and knowledge of entertainment marketing tactics versus brand marketers. The majority of agency respondents stated they are either fairly knowledgeable, or very knowledgeable about the entertainment marketing industry.

A higher number of brand respondents feel that they have none to little knowledge of the entertainment industry in comparison to agencies.

- 52% of brand marketers indicated they felt fairly knowledgeable about the entertainment industry compared to 46% of agencies.

- 22% of brand marketers stated they felt very knowledgeable compared to 33% of agencies.

- 26% of brand marketers felt they had little to no knowledge of the industry compared to 21% of agencies.

Agency

Brand

0 10 20 30 40 50 60 70 80 90 100

None To Little Fairly Knowledgable

VeryKnowledgable

As agencies likely try a variety of concepts for multiple clients, creating more opportunities to experience entertainment marketing tactics. The majority of agencies indicated primary knowledge of entertainment marketing based on generalized platforms of TV and digital, showing the likelihood that lack of experience and comfort with platforms which do not have media buying components may result in alternative entertainment marketing tactics such as music and gaming being underutilized.
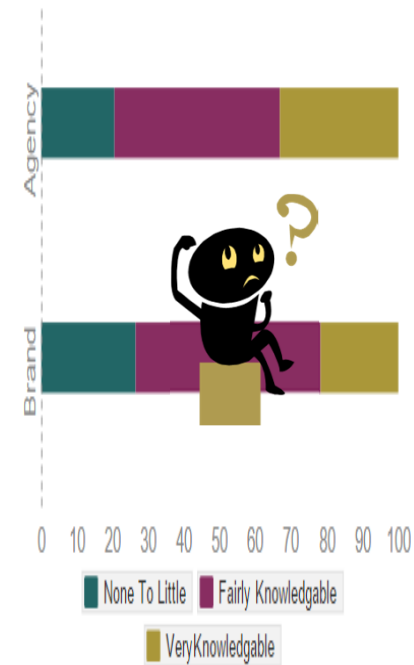
WHO uses entertainment marketing

The survey responses indicate that almost three quarters of agencies working with clients are currently working on campaign elements that include entertainment marketing, and a majority of brands currently acknowledge usage in current marketing efforts.

- 73% of the agency respondents stated that entertainment marketing is currently part of their client's marketing mix.

- 69% of brand marketers responded that they do currently utilize entertainment marketing as part of their advertising strategy.
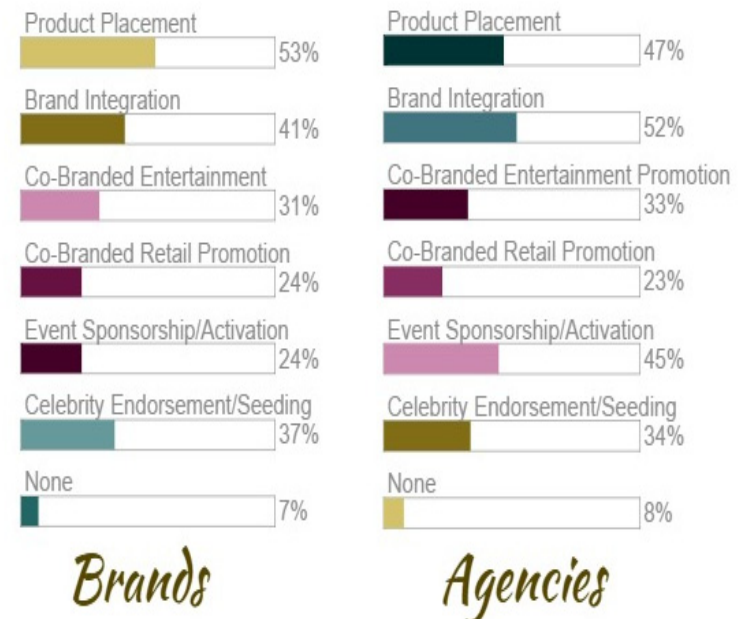

■ Yes (71%) ■ No (29%)

HOW is entertainment marketing used

92% of all agency types overall have incorporated entertainment marketing tactics into campaign planning, with the most frequently used tactic being brand integration, closely followed by product placement and then tied between event sponsorship & activation and celebrity endorsement. Co-branded media and retail promotions were the least activated by agencies. This appears accurate as most agencies are combining media buys in tandem to brand integration.

52% of brand marketer respondents have implemented product placement more than any other entertainment marketing tactic, followed by brand integration at 47%

The third most applied practice is celebrity endorsement with utilization by 37% of respondents.
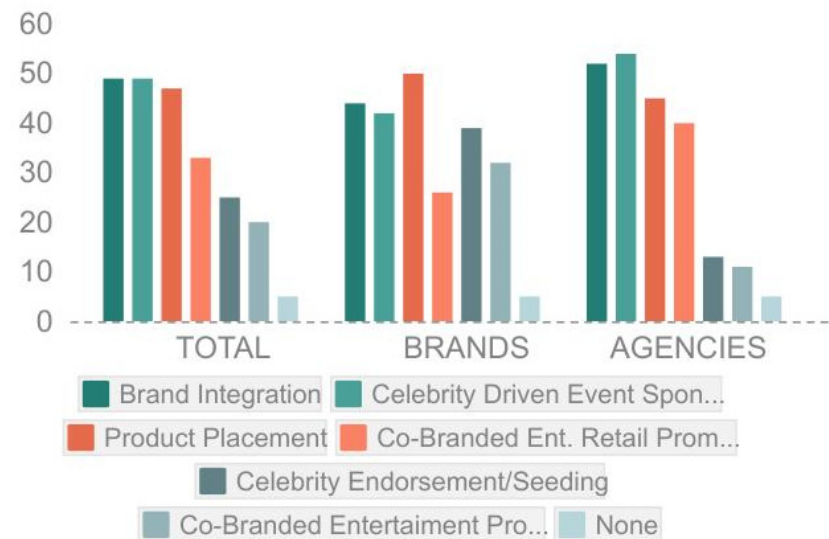
Similar to the agency respondents, neither entertainment media nor retail promotion co-branded tactics scored as highly implemented.

Brands	
Product Placement	53%
Brand Integration	41%
Co-Branded Entertainment	31%
Co-Branded Retail Promotion	24%
Event Sponsorship/Activation	24%
Celebrity Endorsement/Seeding	37%
None	7%

Agencies	
Product Placement	47%
Brand Integration	52%
Co-Branded Entertainment Promotion	33%
Co-Branded Retail Promotion	23%
Event Sponsorship/Activation	45%
Celebrity Endorsement/Seeding	34%
None	8%

Brands   *Agencies*

FUTURE implementation

Together, brand and agency marketers stated they would continue to implement entertainment marketing tactics in future campaigns, with celebrity driven event sponsorships (ranked first by agencies) and brand integration tied and closely followed by product placement (ranked 1st by brands). Celebrity endorsement ranked fourth.

The responses by agencies stating they will continue to utilize entertainment marketing aligns with the response that those tactics once implemented are generally seen with positive ROI and results at the end of the campaign.

Legend:
- Brand Integration
- Celebrity Driven Event Spon...
- Product Placement
- Co-Branded Ent. Retail Prom...
- Celebrity Endorsement/Seeding
- Co-Branded Entertaiment Pro...
- None

This also suggests that agencies have interest in working with a diverse range of entertainment marketing tactics, other than just the ones that have previously demonstrated success.

types of MEDIA

52% of agency and brand marketers responded that television was the most utilized platform for entertainment marketing, followed by digital at 43% and events at 38%. These numbers far surpassed print 31% as well as film based entertainment marketing which is used only by 29% of brand marketers. Respondents reported that celebrity endorsement is used by 23% with music reported at 20% of marketers and gaming only incorporated into marketing by 11%.

Amongst the media types listed by agencies under "Other Platforms" media, PR, radio and social media were included.
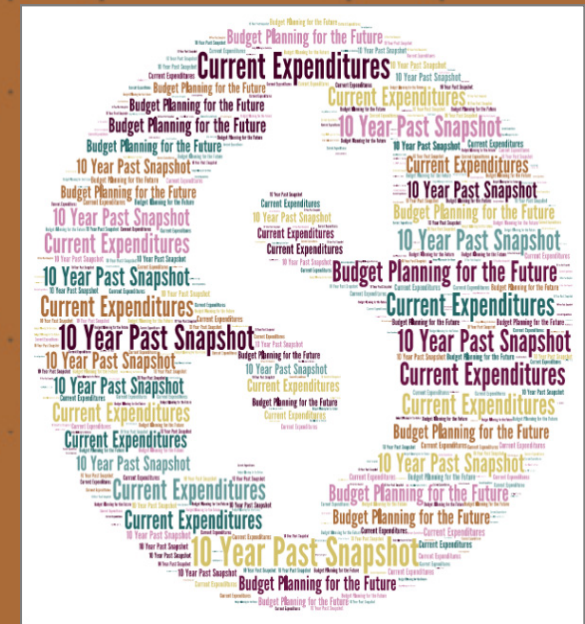

TYPES OF ENTERTAINMENT PLATFORMS

■ TV ■ Film ■ Print ■ Gaming ■ Event ■ Digital
■ Music ■ Celeb ■ Other

03

The $$$

Section Three

- 10 Year Past Snapshot
- Current Spending
- Future Budget Planning

CONSUMER INSIGHT

"I feel it works if the product is a useful product.

If I need an MP3 player and I keep seeing an iPod on TV, with Celebs or in movies, I'm going to trust that brand more than others normally until proven its bad."

BRAND MARKETER INSIGHT

"Yes, entertainment marketing allows us to partner with the movie's powerful marketing arm along with the other brands that are involved with us in product placement and integration.

It magnifies your media, PR and social media spend by creating these strong partnerships and associations."

AGENCY MARKETER INSIGHT

"Entertainment marketing is the future because it's content people want to see.

As consumers turn away from traditional media & advertising, branded entertainment becomes more & more the way to go."

CONSUMER INSIGHT

"I do not think for me that what I purchase necessarily is affected by product placement but I know my wife definitely does buy things that a celebrity uses or that she sees on t.v. so I think it does work for certain people."
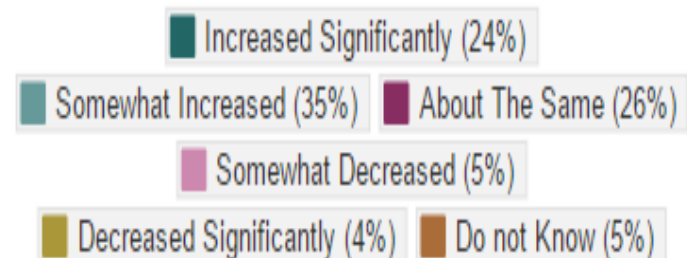
PAST spending

Brand marketers and agency respondents were asked how their spending over the last ten years could be described regarding their entertainment marketing activation.

Agencies
- 80% of agencies stated that client budgets have either stayed status quo or increased in the past ten years in terms of entertainment marketing.
- Less than 10% indicated a decline in expenditure.
- An additional 10% of agency respondents indicated lack of general knowledge of overall client budget allocation.

Brands
- 31.7% of brand marketers indicated that spending had somewhat increased, while 30.8% stated it had stayed the same.
- 27% said that entertainment marketing budgets had "Increased Significantly" while 10% of respondents stated a decline in funds being spent.

- Increased Significantly (24%)
- Somewhat Increased (35%)
- About The Same (26%)
- Somewhat Decreased (5%)
- Decreased Significantly (4%)
- Do not Know (5%)

CURRENT spending

AGENCIES:
- 40 percent of agencies had clients allocating up to 30 percent of their marketing spending on entertainment marketing were predominantly from advertising, event sponsorship and entertainment agency types.
- A small percentage of agencies (9%) stated brand budgets currently exceed 30 percent of marketing spending on various branded entertainment marketing tactics.
- Half of the agencies surveyed (51%) reported that their client's entertainment marketing spending is under 10 percent off all marketing spend.
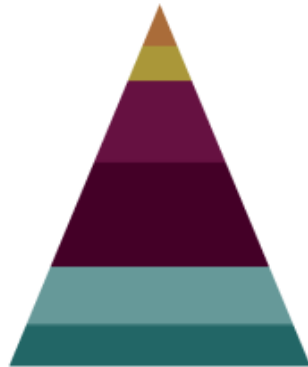
BRANDS:
- 10% stated that entertainment marketing took up more than 30% of their budgets
- 46% Brand marketers stated that their marketing budget allocations for entertainment marketing tactics were 10 to 30% of their overall budgets.
- 43% of brand marketers stated that entertainment marketing makes up less than 10% of their budgets.
- In at least 50% of brand respondents, entertainment marketing plays at a minimum a modest role in advertising strategy.

■ Under 10% (47%) ■ 10-30% (43%) ■ 30%+ (10%)

AGENCY AND BRAND COMBINED SPENDING

2015 spending

Agencies are expecting clients to spend more money around entertainment marketing tactics over the next twelve months, while brands reported having a lower expectation of increases of expenditure.

Agencies
- 58% of agency respondents stated that clients budgets for entertainment marketing tactics would increase over the next twelve months.
- 15% stated entertainment marketing budgets would increase more significantly than for any other initiative.
- 10% stated substantial increases would occur.
- 8% expected no increases to occur.

Brands
- 26% of brand marketers responded that their budgets would be increasing by a fair amount for entertainment marketing.
- 29% reported expectations that increases would be either more than other marketing activities or substantially.
- 25.5% of brand marketers expected very little increase to budgets for entertainment marketing.
- 11% expected no increases to occur.

Legend:
- Substantially (12%)
- More than other Marketing Activities (16%)
- A Fair Amount (29%)
- Very Little (22%)
- None (10%)
- Not Sure (11%)

Entertainment marketing opportunities are becoming more numerous and will continue to do so as the amount of content being produced and consumed by potential buyers increases. With a better understanding of ROI measurement and proof of campaign success, it is assumed expenditures in the space will continue to rise.

04

Objectives & ROI

Section Four

- Typical Objectives
- Perception of Success
- ROI Calculation
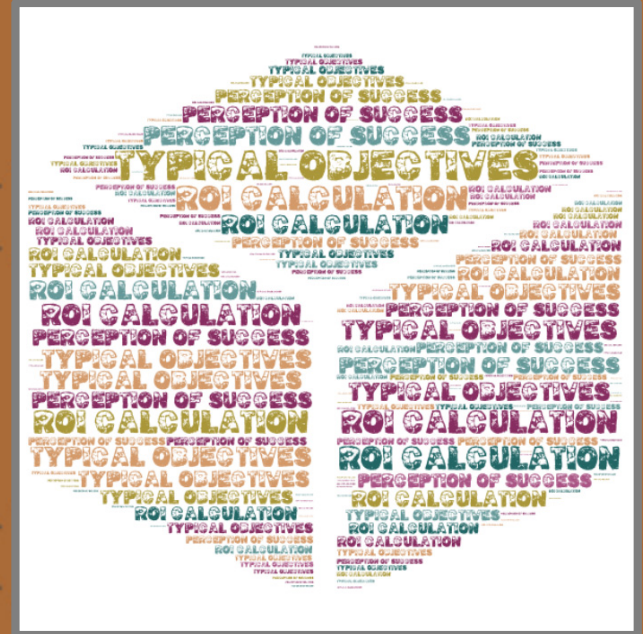
CONSUMER INSIGHT

"I think it works if the placement is organic. When it is forced and thus 'shoved down viewers throats,' it is too much.

There is a fine line between someone driving a Ford on a show vs. having a close up of the steering wheel logo multiple times."

AGENCY MARKETER INSIGHT

"If (the brand is) incorporated in an authentic and non-forced way, yes, product placement can be very impactful.

If it even just brings curiosity to the viewer so that they check it out online for more info - that's effective too."

BRAND MARKETER INSIGHT

"We have invested a lot behind celebrities and it has been a mixed bag of results with some great success and some very low ROI....
We need to get to true partnerships between brands and the "entertainment industry" so that brands are not seen as a great way to make a quick buck. The lack of authenticity and mutual fit of many entertainment marketing opportunities is actually playing against the whole concept of branded entertainment."

CONSUMER INSIGHT

"I think it's like priming in neuroscience research, where even if someone does not realize they have seen a certain word or object, they are more likely to pick that item than would be expected by chance when prompted to make a decision."

campaign OBJECTIVES

General awareness and sales increase are reported as the primary drivers for brand and agency marketers to use entertainment marketing campaigns. Entertainment marketing is also relied upon to help enhance a brand image, to generate more recognition for that brand, and to assist with new market expansion. Lesser objectives reported included brand repositioning and driving website traffic.

- Both agency and brand marketer responses indicated that the primary objective of an entertainment marketing campaign is to increase general awareness of the brand with 25% of brands and 34% of agencies.
- The secondary intent is to increase sales with 24% of brands and 20% of agencies.
- Other primary objectives of entertainment marketing campaigns included Top of Mind Recognition at 17% and 11% by agencies, Enhanced Brand Image at 14%, New Market Expansion at 9%, Drive Website Traffic at 5% and lastly Reposition Brand Image at 4%.

Additional objectives included Brand Lift, Coupon Redemption and Asset Takeaway Creation.

Legend:
- General Awareness
- New Market Expansion
- Recognition/Top-of-Mind
- Sales Increase
- Enhanced Brand Image
- Reposition Brand Image
- Drive Web Traffic
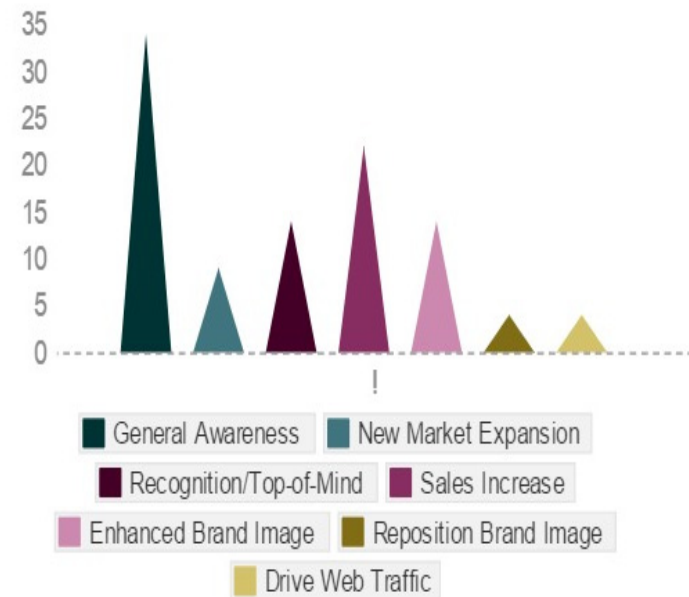
what is seen as SUCCESS

85% of brand and agency respondents felt their past entertainment marketing strategies measured "fair to great." Few reported below expectations or poor performance.

The majority of brands reported that the success of their strategy was above their expectations.
- 28% of the brand marketers and 34% agencies responded that their entertainment marketing strategies resulted in "Above Expectations".
- 24% of brands and 25% of agencies perceived success as "Great".
- 28% of brans and 30% of agencies responded that results were simply "Fair."

On the other hand,
- Only 7% of brands and 6% of agencies stated the campaign results were "Below Expectation" and less than 1% of brands and 3% of agencies "Poor."
- 6% of respondents did not feel there were good enough metrics to judge success.

Brands & Agencies

Legend: Great | Above Expectations | Fair | Below Expectations | Poor | No Good Metrics for Success | Do Not Know

preferred measurement of ROI

When asked about preferred methods of measuring entertainment marketing, agency and brand respondents highly favored social media engagement. The two other top performing metrics included website traffic increase and actual sales or trackable action taken by the consumer. In fourth place was consumer impressions of the campaign.

Other methods used by agencies to measure campaign success included:
- Surveys and campaign specific research
- Event turn-out
- Media results
- Click-through rate and conversion rate
- Usefulness of asset takeaways
- Internal ROI modeling

Additional measurements stem from Brand Lift, Coupon Redemption, Custom Field Studies, Customized algorithms and usefulness of Asset Takeaways.

The majority of agencies appear to measure their client's current ROI based upon digital analytics and conversion rates, followed to a lesser extend by estimated impressions from sources such as Nielsen.

Based on this, content owners should develop digital conversion activations to create opportunities for campaign measurement to increase brand buy-in.
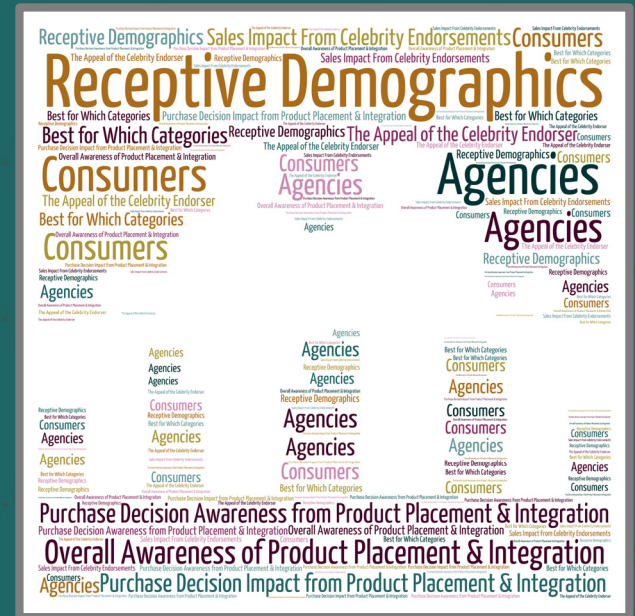

Legend: Website Traffic | Social Media | Sales | Surveys | Impressions | Don't Know How To Measure | Other
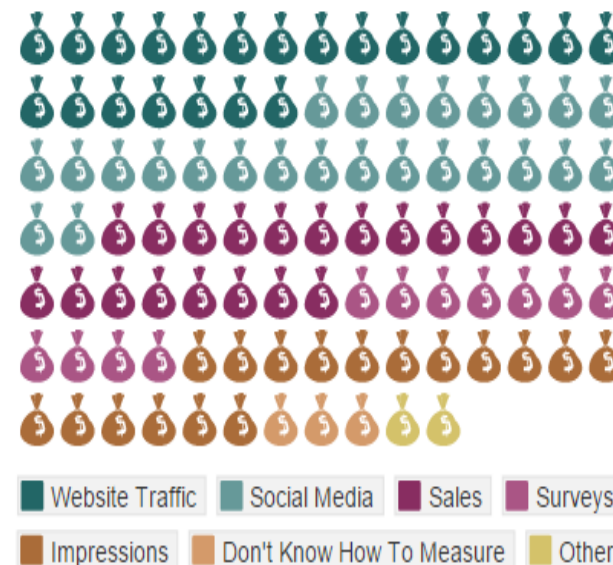
05

Consumer Impact

Section Five

- Receptive Demographics
- Overall Awareness
- Purchase Decision Impact
- Which Products Are Best
- Agency Viewpoint
- Consumer Viewpiont

CONSUMER INSIGHT

"It makes me aware of a product as I tend to ignore or fast forward through traditional advertisements."

BRAND MARKETER INSIGHT

"It depends what the goals are but I believe Branded Entertainment works very well for general brand awareness, keeping product top of mind and maintaining a sort of aspirational feeling for consumers - depending on the placement of course."

AGENCY MARKETER INSIGHT

"Product placement puts the product in front of viewers who are already enjoying themselves, receptive to what they are watching on the screen and provides a pleasant reminder and experience to the brand recognition."

CONSUMER INSIGHT

"Product placement works on occasion and must be handled in such a way that viewers have no idea that's it working on them.

A subtle, light-handed approach. Background noise, as it were.

I actually find it annoying when a product is upfront and center - sometimes taking away from the storyline. If I notice the product more than I'm listening to dialogue or watching the story advance, it's handled poorly."

receptive DEMOGRAPHICS

- Those most highly influenced and receptive demographics to entertainment marketing are believed by both brands and agency responders to be Adults 25 to 49, followed by Men under 25 and then Women under 25.
- Brand marketers, agencies and consumers indicated that the demographic they believe to be least receptive to product placement are Adults 50+.
- Consumers, unlike brands and agency respondents, indexed women under 25+ as being the most receptive followed by men under 25.
- Combined responses were even across both Men/Women Under 25 and 25-49.

The low emphasis placed by agency responders to the 50+ age group indicates potential lower levels of future interest in entertainment marketing activation targeted to this older generation.

However, the rise in the numbers of Baby Boomers, along with their expendable income and time availability, has made movie studio distributors broaden their development slates to create content specifically targeting this older demographic. These new content opportunities are going to allow for more brand integration and product placement to a potentially receptive audience which brand marketers should be aware of.
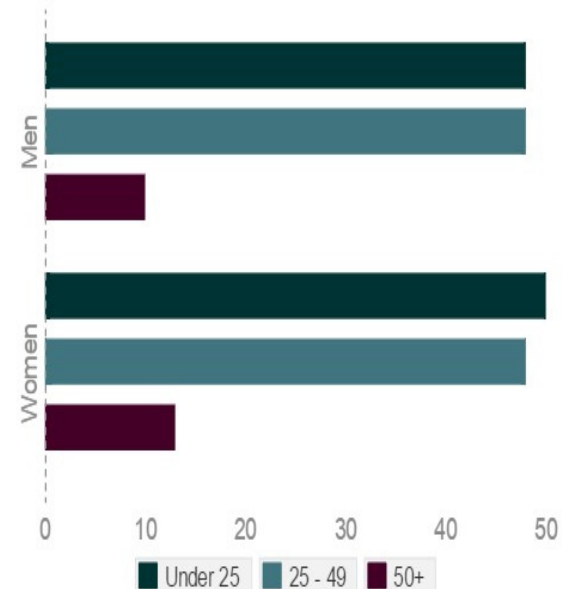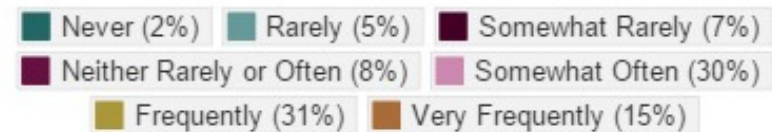
AGENCIES   BRANDS   CONSUMERS

consumers NOTICE

Almost EVERY consumer respondent reported noticing product placements in television or film.

- 98% of all respondents notice product placement in television or film.

- 77% reported somewhat often to very frequent recognition of the tactic in content.

- Never (2%)
- Rarely (5%)
- Somewhat Rarely (7%)
- Neither Rarely or Often (8%)
- Somewhat Often (30%)
- Frequently (31%)
- Very Frequently (15%)

purchase decision IMPACT

51% of respondents reported they are cognizant of making a purchase based on seeing a product in a TV show or feature film.

19% of respondents were unsure if they were influenced to purchase based on viewing product placement in a television show or film.

Product placement appears to be a tactic that is perceived to influence sales with at least half of the viewing audience based on this data.
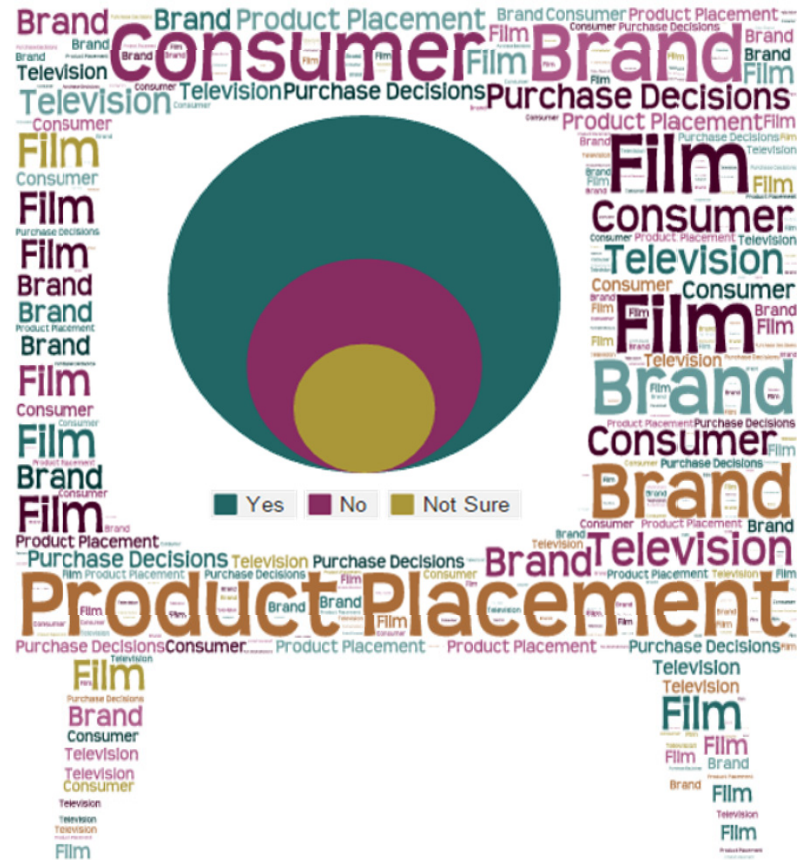
purchase decision INFLUENCE

Consumer respondents were uniformly split on the impact of viewing product placement has, with 47% stating they would be somewhat to much more likely to purchase after viewing, and 46% stating no difference of future purchasing habits would be effected.

6% of consumers stated they would be somewhat to much less likely to purchase a product after viewing a product placement in content.

With a negligible percent of individuals adversely affected and with almost half of consumers reportedly positively influenced to make purchase decisions based on seeing a product placement, brands should consider incorporating a component of product placement into marketing efforts.

Much More Likely   Somewhat More Likely

No Difference   Somewhat Less Likely

Much Less Likely

06

The Celebrity Angle

Section Six

- Appeal of Celebrities
- Celebrity Sales Impact
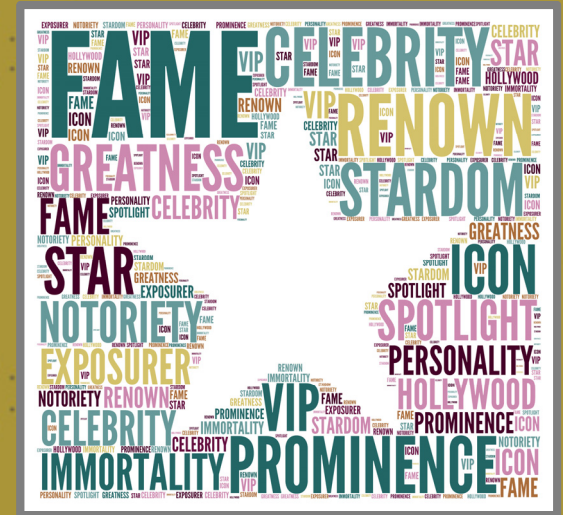
AGENCY MARKETER INSIGHT

——

"Yes, product placement allows brands the opportunity to associate with an entertainment property that already has a built in audience/visibility."

CONSUMER INSIGHT

——

"Product placement works on occasion and must be handled in such a way that viewers have no idea that's it working on them.

A subtle, light-handed approach. Background noise, as it were.

I actually find it annoying when a product is upfront and center - sometimes taking away from the storyline. If I notice the product more than I'm listening to dialogue or watching the story advance, it's handled poorly."

CONSUMER INSIGHT

——

"For me, it sometimes works because it reminds me of something that maybe I may not have had for a long time.

Or, it may make me want to find out more information about an item I have not used or tried before.

But just the fact by itself that it is in a movie or TV show does not make me think I should purchase it. It does work well as another type of advertisement of sorts for me."

BRAND MARKETER INSIGHT

——

"I do. In our case, we position the celebrity athlete as an expert in the field. Someone who's opinion you can trust.

So if they say we have a strong product, people will listen to that versus us telling the consumer ourselves.

Sponsorship of sporting events and activation has also significantly increased our brand awareness."

celebrity APPEAL

77% of consumer respondents stated that a celebrity's favorability would impact their credibility as a spokesperson.

Brands should factor in the appeal a celebrity has to their specific targeted demographic.

77% Need Celebrity to Appeal

Yes (77%) ■ No (15%) ■ No Opinion (8%)

CELEBRITY impact

Consumer respondents were split on whether or not they were influenced to purchase a product after seeing a celebrity endorsement.

- 43% stated they have been influenced to purchase after seeing a celebrity endorsement

- 41% stated they have not been influenced to make a purchase after seeing a celebrity endorsement

- 16% were not sure if they have been influenced by a celebrity endorsement

With almost half of consumers reportedly influenced to positively make purchase decisions based on seeing a celebrity use that product or service, brands should consider incorporating a component of celebrity endorsement into marketing efforts.

43%
Increased
LIKELYHOOD

07

The Best Products

Section Seven

- Consumer Opinion
- Agency Opinion

AGENCY MARKETER INSIGHT

"Your reach and engagement can be increased substantially by product placement.

Credibility of your product can also be improved depending on the celebrity used and the context in which it is presented."

CONSUMER INSIGHT

"I think product placement works only if it's organic and fit seamlessly into a movie/TV show.

For example, I'll find myself wanting to know what clothes a character wore. Or having a craving for candy when I see someone eat it.

But when a camera lingers on a car logo, or a character spouts off about how great their Dr. Scholl's insets are, I just roll my eyes and get angry they're distracting from what I'm watching."

CONSUMER INSIGHT

"I would say entertainment marketing works definitely.

I have researched what Suri Cruise wears to find out if it' available for my granddaughter. If it is I generally buy it.

I've eaten Reese's Pieces because E.T. ate them. LOL."

BRAND MARKETER INSIGHT

"Product placement makes our brand look a lot bigger than it actually is, and gives us something different to talk about in the sales cycle with retail accounts."

best product categories - CONSUMERS

Consumer respondents indicated that food, beverage, consumer electronics, technology products and clothing categories benefit the most from product placement, followed by automotive brand categories.

Other ranking categories which are perceived to benefit include websites and software brands, airlines, beauty, music and entertainment properties, environmentally friendly products, footwear, health products, hospitality, watches, sports equipment and non-profits.

- Food/Drinks/Snacks (27%)
- Technology (26%)
- Clothing/Apparel (23%)
- Automotive (15%)
- Websites/Software (8%)
- Other (2%)

best product categories - AGENCIES

Agency response regarding which product categories benefit the most from entertainment marketing were closely tied between Food, Drinks, Snacks, Technology and Apparel brands. Automotive followed, with Websites and Software companies coming in a distant last.

Other product categories agencies mentioned included General Consumer Products, Health & Beauty, Home Furnishings, Liquor, Public Health & Safety, Retail, General Services.
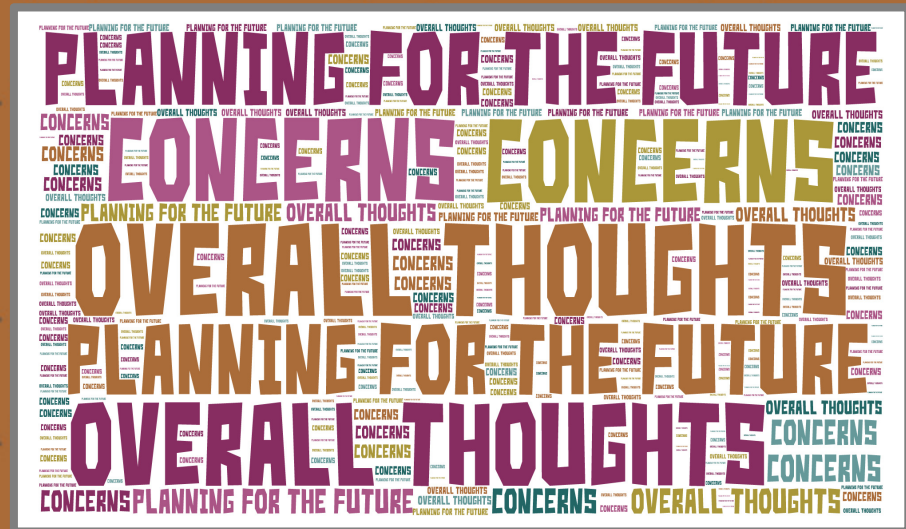

Agencies may have a higher likelihood of suggesting entertainment marketing tactics to Food & Beverage, Technology and Apparel clients.

08

Thoughts

Section Eight

- Overall Thoughts
- Concerns
- Planning for the Future

CONSUMER INSIGHT

"Does entertainment marketing work? Depends on the TV Show. As a man I need all the help I can get in finding out what is in fashion.

Shows like Entourage, etc. helped me see clothes, watches, and sunglasses that I liked and that are in style."

BRAND MARKETER INSIGHT

"Have had customers in the field reference seeing our brand on screen.

It helps put the idea in their head to buy, especially when seemingly endorsed by talent they like.."

AGENCY MARKETER INSIGHT

"I believe entertainment marketing does work, particularly with multicultural markets. It raises brand awareness and if done properly, can organically illustrate brand promise and attributes. In particular when there is no large media budget and its very grassroots and event driven. Likewise, when you are working with markets that require more time to adopt and learn about the brand before spending. However the challenge is providing ROI to clients that are looking for sales and numbers."

CONSUMER INSIGHT

"Depends on the TV Show. As a man I need all the help I can get in finding out what is in fashion.

Shows like Entourage, etc. helped me see clothes, watches, and sunglasses that I liked and that are in style."
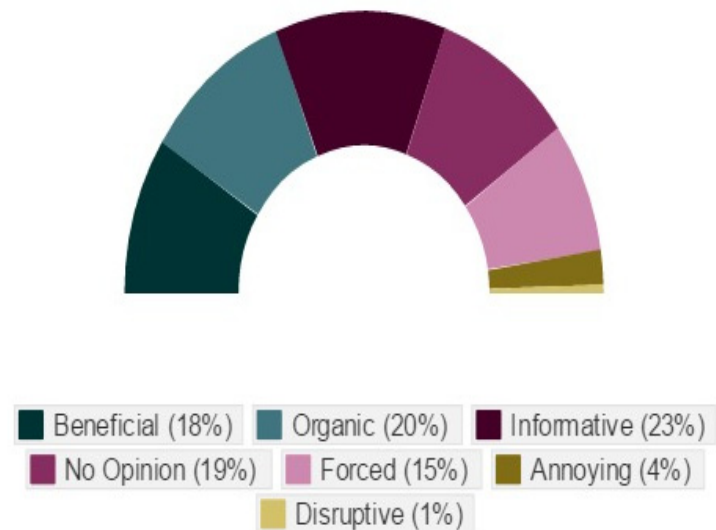
what people THINK

Brands, agencies and consumers all indicated positive support towards brand integration and product placement. Combined, the survey results showed 61% supported the practice, while 19% had no opinion. The remaining 20% indicated a negative viewpoint, with the majority of that group feeling it is forced.

80% of agencies responded favorably in attitude towards product placement/brand integration, with Beneficial the primary response, and 16% having no opinion. 4% found brand integration to be forced or disruptive.

32% of brand marketers felt product placement/brand integration was beneficial, 26% organic/natural, and 18% informative. 12% of brand marketers had no opinion. 10% felt the practice was forced and 2% annoying or disruptive

51% of consumer respondents felt positively towards product placement/brand integration, calling it "Beneficial, Organic or Informative". 22% of consumer respondents had no attitudinal opinion. 20% felt it was "forced" and 6.5% felt it was "annoying or disruptive".

Legend:
- Beneficial (18%)
- Organic (20%)
- Informative (23%)
- No Opinion (19%)
- Forced (15%)
- Annoying (4%)
- Disruptive (1%)

AGENCIES   BRANDS   CONSUMERS

COMBINED MEASUREMENTS

CONCERNS by marketers

When asked why agencies may not recommend entertainment marketing tactics to clients, the number one response was that agencies would indeed recommend regardless of concerns.
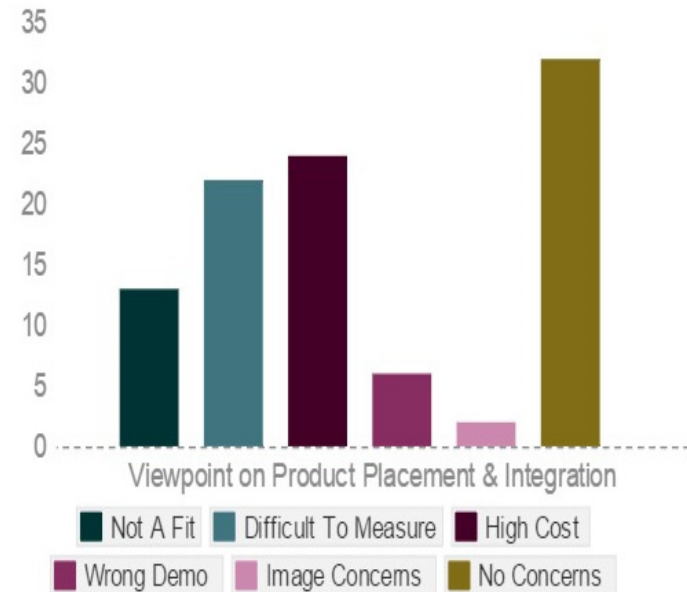
Overall high cost was the number one concern followed by the difficulty in measuring ROI (Return on Investment.)

There appears to be a perceived belief of high cost to all entertainment marketing, with agencies either not interested in some of the lower costs tactics that exist, or simply not aware of the alternatives.

Additionally, if a standardized ROI measurement system was easily deployable, more agencies would potentially explore entertainment marketing activations.

It could also be suggested that the high cost, and difficulty in measuring ROI concerns may diminished if the agencies are more thoroughly educated on the cost benefit factors of entertainment marketing techniques. Arguably, if the agency is more educated in these areas they may be more comfortable suggesting the entertainment marketing technique to their client. The lack of knowledge may also be part of the reasoning behind responses stating that entertainment marketing is not a fit for certain client types.

Viewpoint on Product Placement & Integration

Legend:
- Not A Fit
- Difficult To Measure
- High Cost
- Wrong Demo
- Image Concerns
- No Concerns

what AGENCIES said...

82% of brand marketers reported that they believed entertainment marketing works. 8% were unsure, while 10% did not believe it to be a valid practice to increase consumer engagement.

The overwhelming majority of agencies support and believe in entertainment marketing as a valid marketing practice to increase consumer engagement.

AGENCY MARKETER INSIGHT

"Yes, I think that overall product placement works but does not stand alone.

You must have other components to support it like social media and press."

AGENCY MARKETER INSIGHT

"Like most efforts, proper execution by experienced professionals working towards clearly outlined goals is critical for product placement.

That said, I think it can be effective when placed in a noticeable but non-disruptive manner."

what BRANDS said...

73% of brand marketers reported that they believed entertainment marketing works. 21% were unsure, while 5% did not believe it to be a valid practice to increase consumer engagement.

The overwhelming majority of brand marketers support and believe in entertainment marketing as a valid marketing practice to increase consumer engagement.

BRAND MARKETER INSIGHT

"For us it works because we are a smaller brand and it opens up opportunities for international and doing business with bigger chains."

BRAND MARKETER INSIGHT

"Due to industry regulations we are limited on what types of entertainment marketing we can pursue, such as product placement.

However, we use celebrities in advertising campaigns which has worked extremely well for us."

what CONSUMERS said...

85% of consumers stated that they believed entertainment marketing works. 4% were unsure, while 11% did not believe it to be a valid practice to increase consumer engagement.

The overwhelming majority of consumers support and believe in entertainment marketing as a valid marketing practice to increase consumer engagement.

CONSUMER INSIGHT

"Product placement definitely works because when certain celebrities or movies use certain products, people who idolize that movie character or actor end up purchasing the products used by them or the production companies. I am more influenced to buy a certain good if my favorite actor uses it in movies.

For example, one of my favorite actors is Chris Evans and I was trying to find a cologne to get for myself. I saw that he used it in a movie and then advertised it on television. I then bought the cologne and am now using because he did."

CONSUMER INSIGHT

"I think it does work if it is placed in a creditable or popular film or Television program or with a creditable or "appropriate" celebrity's hand. I use the word appropriate to imply that there are celebrities (or characters on TV and Film) who are not likeable, but extremely popular and there are products out there that may align with this type of celebrity.
Product Placement is like a recommendation, someone familiar uses it, so it cut out the competitiors and now I know which product I want to research. It won't take much more convincing for me to buy."

09

Summary

Section Nine

- Conclusions

survey SUMMARY

Entertainment marketing is a practice that is growing as indicated by the overall interest by brands and agencies to incorporate the various tactics of product placement, Brand integration, Celebrity, and entertainment driven Co-Promotion into their marketing efforts.

Currently most brands and traditional agencies appear more accustomed to working with television and digital media, which likely corresponds to usage and future planning for entertainment marketing tactics within these two specific platforms. Less used platform usage such as music and gaming are likely to grow as both brands and advertising agencies become more comfortable with the mediums.

Brands and agencies are expecting to allocate more of their future budgets to entertainment marketing, after experiencing an increased ROI compared to previous years.

The vast majority of consumers appear open to the practice, as long as it is kept organic and natural in approach. Consumers feedback suggests that the majority of consumers prefer entertainment marketing to traditional forms of advertising as it allows them to see products in use, and in a natural setting. Many consumers also believe that product placement can be useful and informative.

Brands and Agencies are willing to use celebrities in their entertainment marketing mix, if the celebrity is a natural and organic fit for the product. Consumers feel that celebrity appeal can have a direct influence on their opinion of a product, thus having a positive impact on their purchase intent.

Brands and agencies are willing to utilize multiple forms of entertainment marketing, highlighting key focal areas such as event & sponsorship, media-buying, public relations and social media, cause related marketing, promotional marketing, multi-cultural marketing, and more. This means that the brand marketers are able to keep their marketing tactics diverse, while allowing consumers to be more exposed to products via multiple platforms.

CONSUMER INSIGHT

———

"When I see a show or movie and there is a certain brand being used, I notice it right away."

AGENCY MARKETER INSIGHT

———

"I think that entertainment marketing works. In additional to providing exposure to brands a vast majority of consumers might not see, it also emotionalizes a brand.
Many products are almost identical in terms of quality/engineering. So it is people's perception of the brand that drives them to purchase. Entertainment marketing can change a consumer's brand perception both positively and negatively depending on the brands portrayal."

AGENCY MARKETER INSIGHT

———

"I think product placement works as long as it fits the brands personality and business objectives. The subtle reminders and integration with larger communications strategy can lead to multiple short and long term KPI achievement."

CONSUMER INSIGHT

———

"I don't have very active consumerist tendencies, and would only use a product endorsed by someone/something that I have independently researched and feel comfortable using.

I suppose I use product placement more as an eye-opening experience to see what's out there and to give me options, but not necessarily as an impetus to buy whatever I see on TV."

AGENCY MARKETER INSIGHT

_____

"When done right, entertainment marketing can serve as an important conversation starter about a brand or product, and also lead to authentic endorsements from influencers and other consumers."

CONSUMER INSIGHT

_____

"I don't think it works very well, honestly. For me, when I see product placement that's obvious and in my face, it takes me out of the story a little bit and doesn't give the product that's being advertised a positive image. I can see how it might work with some people, but it just doesn't work for me."

CONSUMER INSIGHT

_____

"I am sure it works for some, with subtle use, but if it becomes a commercial during an entertainment time, then there will be some outrage, including me. If I see an actor drinking a coke, I am ok with that, but if I then see and hear him talking about how much he loves that coke, that would make me stop going to see a movie or concert or whatever.   If I see a boxer wearing advertising on his shorts or a sports professional wear a shirt with the sponsor name or ad that is one thing, but I am quite sure they would never stop a game for an individual to give a pitch for their product. Movies and TV should be the same."

BRAND MARKETER INSIGHT

_____

"After our brand has been seen on an actor in a film, our stores get customers requesting the same product, and mention the movie."

ABOUT OUR AGENCY

Hollywood Branded Inc. is the leading entertainment marketing consultancy for brands of all sizes, specializing in partnering brands with entertainment and celebrities to create consumer engagement campaigns that increase sales. Strategies include brand integration, product placement, celebrity endorsements and event activation - services which have helped build brands like BlackBerry, Crayola and Pilot Pen.

Our programs offer solutions to address common advertising challenges for brand managers, including how to:
- Stand out in a saturated market
- Increase consumer recall and brand awareness
- Start social media conversation
- Introduce a new product line
- Increase sales with a new demographic

Learn more at www.hollywoodbranded.com, follow our blog at www.hollywoodbranded.com/blog and join the conversation on Twitter at @Hollywood_PR.

No parts of this survey can be reproduced in any form of media without providing a credit to Hollywood Branded Inc.

HOLLYWOOD
The Entertainment Marketing Experts **BRANDED**
Integration . Celebrity . Partnerships . Events . Social . PR