

>> The Branded Entertainment Revolution

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In March 1972, the group Badfinger launched their single “Baby Blue” in the United States. Despite its obvious commercial pull, the song only reached number 14 on the American Billboard and never even launched in the UK. On September 29, 2013 “Feline”, the last chapter of the successful and respected series “Breaking Bad” was aired in the United States. Its creator, Vince Gilligan, decided to close the five seasons with a scene starring “Baby Blue”. The Badfinger song experienced a dramatic sales increase of 3,000% and streaming on Spotify shot up 9,000%. It was also registered as one of iTunes top digital sales¹. The truth is that the revival of ‘Baby Blue’ is only part of the conversation that this particular episode caused around the internet. During its broadcast in the United States, 1.24 million tweets were generated, with peaks of nearly 23,000 tweets per minute, while Facebook saw nearly 6 million related interactions². Beyond the growing importance of the relationship between first and second screen, this data set us against a field of unavoidably tough competition. If we agree that one of the priorities of brands today is to generate engagement with consumers, the example of “Breaking Bad” confronts us with a difficult challenge to overcome.

Brands have studied their competition’s behaviour for a long time, focusing on those with the same business objective. The equation is now complicated by the need to take into consideration the areas of consumer interest in which brands activate their presence through content. However, the third trick comes with the realization that, as manufacturers have decided to give the definitive content generation beyond the traditional publicity, the battlefield in which they operate also has been modified. In this extension of the battlefield, brands are finding that they are coming up against other players who pose a greater challenge than the traditional competition.

ATTENTION: A NEW CURRENCY

Studies by experts such as **Daniel Kahneman** or **Michael H. Goldhaber** were already ahead of their time, but it is now, in a full on digital explosion, when we can see a new commercial area in which economic exchange no longer reigns, but rather the use of time, or similarly, the use of attention. Beyond traditional models based on the exchange of goods, the priority model today in the consumer-brand relationship is **the economy of attention**. The shortage of available time, combined with the proliferation of channels and content, has caused attention to become the new currency with which relevant commercial relationships are measured. In this new model, the playing field has gotten much larger. It is no longer useful to study what other brands are doing, as we are competing in an environment where there are hundreds of thousands of adequately prepared players. These players are seen as athletes, superheroes, protagonists of series or video game and belong to a well developed industry with a lot of history: the **entertainment industry**.

The indiscriminate use of the term *Branded Content* as an alternative to traditional advertising has obscured, for some time, the basis of the challenge that brands are facing in connection with the consumer. It was not to generate “branded content”, with all the neutrality and scepticism that the term implies. Nor was it to hide or camouflage the brand in order to be credible in front of the audience, as the “**Lego Movie**” showed us. What it actually

¹ Kenneally, Tim. The Wrap: “Breaking Bad Finale Spikes Badfinger’s song sales by 2,981 percent,” www.thewrap.com

² Boorstin, Julia. CNBC: “Why and How the Breaking Bad Finale Broke Records,” www.cnn.com



meant was to find the key that could open the door to the economy of consumer attention. And that key had already been invented. It has been being used to thrill, terrorize, amuse or move audiences for years. That key is called entertainment and finally brands have decided to use it by means of *Branded Entertainment*.

NEW TOOLS FOR A NEW BUSINESS

Beyond the international success of strategies such as “**The Scarecrow**” by **Chipotle**³ or “The Lego Movie” (first symbolic step of a widespread arrival of the brand in generating content⁴), the Branded Entertainment has become a revolution because it can **implicate an expansion in the business model for brands**.

The pioneers have already understood their role in the future of entertainment and how it involves a change in the business model. **Amazon** is successfully demonstrating this these days by announcing its decision to extend Amazon Studios also to the production of films, after getting its first series, ‘**Transparent**’, became the Golden Globe Award winner for Best Comedy Series. Many other companies are still stuck between the comparative prejudice of the business objective and the implications that this jump would impose on their organizational structure. A change in the business model also implies the renewal or extension of talent, which has been so far focused on other business needs. Therefore, Branded Entertainment has begun to develop itself based on “flashes” that are too much like advertising models of the past. The concept of “campaign” is in this case the tree that obscures the forest. The real revolution of Branded Entertainment is not applying entertainment techniques to the generation of branded content in order to impact on the viewer, but rather to bring a new dimension to the business model, which has so far maintained this relationship. It’s the difference between being the content that we “skip” on Youtube and becoming the next best thing.

In order to face this challenge, brands must transcend their outdated divisions in communication and marketing departments and acquire **new cross-cutting tools** that enable the development of strategies for long-term Branded Entertainment. Editorial boards are one of the “tool-kits”

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that allow for the adaptation of the structure to the new reality of the relationship with the consumer. They are made up of management agencies with the participation of the heads of different departments, as well as the collaboration of external experts in entertainment, and can give form and substance to this new dimension. Some pioneering brands have been doing this for quite some time now, for example Red Bull and its **Red Bull Media House**, a multiplatform media company that focuses on developing entertainment content in the areas capitalized by the brand. In most cases, however, the people responsible for marketing and communication

have to face the challenge of convincing the rest of the organizational structure of the need to be part of this revolution, if they don’t want to fall behind.

THE RELEVANCE OF BRAND AND GLOBALIZATION

The rise of social networks and channels with international reach, the leisure industry and globalized entertainment, have created a stage from which brands can potentially reach an audience of millions worldwide. But this opportunity implies a double challenge. First, brands must understand that this new scenario means they must adapt their business model to build a different relationship with audiences. On the other hand, a global brand is not only such because it is present in many countries, but also because it does so through the development of a strategy that understands the world as their market and a corporate culture that considers differentiation as its main competitive advantage. Successful examples such as Lego or Red Bull are based on the ability to capture the attention of audiences around the world from a global brand mentality. That being said, globalization does not imply homogenization, and the “*g/local*” approach, adaptations to the singular or cultural identity of the different countries will remain important.

The most prominent Spanish brands on the international scene must adapt their business strategy starting with the double change of mentality, which implies, in turn, a double opportunity: on one hand the ability to create emotional bonds with audiences and, on the other hand, the possibility to break the boundaries via content with global reach.

³ Aversa, Staci. Drimson Hexagon: “Consumer Brand Perception of Chipotle’s Ad Campaign,” www.crimsonhexagon.com

⁴ Sweney, Mark and Dredge, Stuart. The Guardian: “Lego Plans Reality TV Show,” www.theguardian.com



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