

A Study on the Branded Content as Marketing Communication Media in the Viewpoint of Relational Perspective

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Abstract

This article examines the growth of branded content as marketing communication media in the viewpoint of relational perspective - the recent major trend of marketing communication. It first examines the concept and scope of branded content, and the effect and potential growth of it as marketing communication media, and examines the background of growing interest about relational perspective and the importance of relational perspective in today marketing communication environment. Then, it investigates the mechanisms such as what kind of connection is there between branded content and relational perspective, and how can the relationship with consumer be formed and enhanced through branded content.

Keywords: Branded Content, Consumer Relationship, Marketing Communication, Media

1. Introduction

The current marketing communication environment is rapidly changing. With the change of the media environment based on the internet, the traditional advertising remains stagnant and the growth of new media advertising is strongly apparent. And, consumer's activeness in the marketing communication process has increased. Also, in this new media environment, the form and the role of advertising become more diverse. In that, the marketing communication environment is quickly progressing, and one of the important trends of the field is placing the significance on the relational perspective between brand (company) and consumer. Thus, the development and strengthening of consumer relation is emphasized as the major role of marketing communication.

While the principle of previous corporate communication was to persuade the consumer, the principle of the present and future corporate communication is

'communication and conversation'. Thus, the development and retention of interactive communication and the relationship with individual consumer become a crucial factor. Furthermore, while the focus of the former corporate communication was based on its message delivered through the communication channels, in regard to the corporate communication of the present and the future, the relationship formed with individual consumer will be as important as the message itself. In other words, it could be said that the core of current corporate communication transformation is at the enhancement of relational perspective.

As the importance of relational perspective rises in the marketing communication environment, the marketing communication media, called the branded content, is being emphasized. Branded content began from branded entertainment concept, and is actively utilized in various fields such as PPL and sponsorship marketing concepts. Amid the changing media and marketing environment, the exposure and attitude change with commercial

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message using traditional marketing communication became increasingly difficult. The result was to use branded content as a means to develop higher exposure of commercial message and raise the likability of brand and company. By producing contents that can trigger the interest and attention of the consumer, it is able to increase the exposure of message to consumer and increase the company and brand's likability, and cause attitude change amongst the consumer. In the future, branded content will act as a major marketing communication media of the new marketing communication environment, and there is a high possibility that it will maintain the current rapid progression. At this moment, there needs to be an in-depth examination about the features and prospect of branded content.

Particularly, there is a need to analyze the growth of branded content along with the changes in current marketing communication landscape, because understanding the characteristics of branded content and the prediction of subsequent long term potential growth of branded content will be possible through such investigation. This article aims to analyze the recent growth of branded content, as a form of marketing communication media, and view it through one of the major trend of the current marketing communication, the relational perspective.

First, as a marketing communication media, the growth of branded content will be analyzed. Specifically, the concept and boundaries of branded content, and the meaning and potential growth of it will all be examined. In order to explore this study's research topic, an analysis of the background behind the expanding interest of relational perspective and the importance of relational perspective in the present day marketing communication environment will be presented. Moreover, as the core analysis of the research topic, this article will examine branded content through the view of relational perspective. Furthermore, this study will investigate on the mechanisms such as what kind of connections are there between branded content and relational perspective, and if there is a connection, how is it forming and enhancing the consumer relationship through branded content. The academic and practical significance of this research is to help the understanding of the principles of branded content and to predict its future direction and the potential growth by understanding the major trends of marketing communication, which is where the growth of branded content lies.

2. Growth of Branded Content as Marketing Communication Media

2.1 The Concept of Branded Content and the Meaning as Marketing Communication Media

Branded content is a new form of marketing communication media that unifies conventional distinction between advertising (commercial message) and content (program), and it is distributed as editorial content although it has a commercial purpose. It is an emotional content that triggers consumers' interest, and allows them to connect and consume actively. Presently, branded content is being widely used as the major commercial communication means. The branded content that moves beyond general scale and quality of contents have achieved great success as they made the consumer search for the content themselves and willingly focus on the message.

Branded content is variously known as branded entertainment, advertisement, and brand content¹. Especially, branded content has been used similarly to the concept of branded entertainment. Branded entertainment refers to movies, drama, music video, musical and music that are produced with corporate funding to promote a product or a brand. Moving beyond a simple exposure of products, branded entertainment, also called as BEM (Branded Entertainment Marketing), is a marketing technique which fuses different entertainment genres to project a brand image into the story line and guide the consumer's interest². Namely, branded entertainment, a term coined in an American advertising magazine, Advertising Age, is a marketing term, and it triggers interest of consumer by integrating product or brand of a company with an entertainment.

As seen with the Cannes Lions newly adding Branded Content & Entertainment category to their festival, branded content and branded entertainment are similar, yet are different fields. Branded entertainment can be viewed as a fusion of brand and entertainment, however, branded content is a much broader concept that merges brands with various forms of contents. In that, branded entertainment should be understood as a part of branded content.

The prime purpose of branded content is to create a natural exposure. The contents are produced to be distributed through unpaid media channels, where, in this case,

the brand becomes its own publisher. On the other hand, the content itself might have the viral capacity to earn media coverage and voluntary word-of-mouth amongst bloggers and internet users³.

In a broader sense, branded content is viewed under the same context as the new marketing phenomenon, which is the 'fusion of noncommercial contents and commercial contents'. For example, in a conventional advertising environment, the noncommercial contents and commercial contents had a clear demarcation, such as, in TV, there was a strict division between programs and advertisements and, in newspaper, it distinguished editorials from advertisement sections. However, the distinctions between noncommercial contents and commercial contents are being blurred in the new advertising environment.

The reason behind this contemporary fusion of noncommercial contents and commercial contents are as follows; the contraction of conventional advertising that were centered on the four traditional types of medias, the fact that the consumers are trying to avoid advertisement and the technological development is making this avoidance possible, and the fact that the general exposure of advertisement is difficult because of the emergence of versatile media⁴. In order to overcome these obstacles, the advertisers and advertising agencies tried to infuse commercial messages into contents. Another key factor that caused the fusion of noncommercial and commercial contents was to raise brand image by merging consumer's favored contents with a brand's message.

2.2 Scopes of Branded Content

A narrow concept of branded content aligns with branded entertainment. Namely, it is a combination of the word 'brand' and 'entertainment', which refers to movies, drama, music video, musical and music; which, are produced with corporate funding to promote a product or a brand. Cases such as BMW Movercial fall into such category. Until recently, branded content was understood in a narrow scope and the term was used interchangeably with branded entertainment.

In a wider perspective, the concept of branded content can include PPL or embedded advertising. Some scholars suggested that branded content was developed as an extension of PPL⁵. The fact that a commercial message is added to the favorable contents of consumer shows that PPL and branded content share a similar concept. It is to say that the fusion of noncommercial and commercial form that has been previously divided now share their contexts.

When PPL is executed in a favorable content, such as drama or movie, the sentiments of a drama or a movie transfer to the brand. Moreover, recently in US, they have progressed from the simple placement of products, and moved onto more dynamic embedded advertising which utilizes product and brand as the main component of the plot^{6,7}. In this case, the progression is moving towards the concept of branded content.

The way brand message is actively delivered through programs, mainly on cable television, that base their initial planning process with a particular corporation and brand sponsor in mind, is as a form of branded content that moves beyond the boundaries of traditional PPL or embedded advertising.

The broadest scope of branded content is to fuse brand and various contents together. Namely, it works with versatile contents like literature, art and sports beyond fusion with broadcast or entertainment contents. Although similar to the characteristics of sponsorship, new branded content incorporates the brands to directly take part from the planning stage and develops collaboration projects or events with cultural, arts and sports sectors while sponsorship is funding an already completed content. One of the prominent examples is the events produced by Hyundai Card, where they exclusively invite internationally famous pop artists, athletes and designers. Hyundai Card raised brand loyalty by giving out event privileges to their existing customers, and, at the same time, the announcement of the event to the public through mass media increased their brand recognition and their image.

2.3 Effect and Potential Growth of Branded Content as Marketing Communication Media

Recently, exposing advertising message to consumer using conventional commercial media has become increasingly harder. However, the purpose of branded content is publicity in order to produce natural exposure. The contents are intended to be distributed through unpaid media channels, where, in this case, the brand becomes its own publisher. On the other hand, the content itself might have the viral capacity to earn media coverage and voluntary word-of-mouth amongst bloggers and internet users. Accordingly, branded content has an effective force to expose brand message to the consumer. Conventional advertisements are placed between the contents (program). Thus, consumers are passively

exposed to brand related messages. Whereas, in regard to branded content, the brand related message is infused into the contents of what customers want to see or listen. Meaning, the contents that consumers want to see and the brand message are combined together. In that, unlike the previous ways of viewing advertisements, consumers are willingly engaging with a brand message. Therefore, in the present day where exposing advertising message to consumer are becoming harder, branded content increases recognition effect by raising the exposure possibility of brand message.

Advertising likability is considered important in regard to the advertising effect. According to the advertising effect researches, advertising likability is mutually correlated with brand likability. Therefore, when the consumers like the content itself, the advertising effect also escalates. Branded content holds many entertaining factors that the consumers want to see. In other words, the possibility of liking branded contents itself increases because the contents are based on certain celebrities or programs that the consumers like, and this raises advertising effect from an attitude point of view.

The persuasiveness, a critical aspect of advertising effect, is another strong suit of branded content. Not only does consumers pay less attention to advertising messages compare to other media contents or programs, but also becomes protective against being persuaded by commercial messages. When they detect a message with an agenda to persuade, their attitude toward the commercial adjusts creating psychological resistance⁸. On the other hand, the resistance towards messages of persuasion does not react sensitively for branded content as it has less signs of commercial message, which consequently increases persuasion effect. Therefore, the corporations deploy branded contents as they obscure the persuasion intentions behind the messages.

As discussed above, branded content has numerous differences from traditional marketing communication means, and, in regard to advertising effect, it has qualities that the conventional platforms does not have. These particular effects and characteristics of branded content are brought together with the current commercial marketing environment, and are contributing to the growth of branded content. Beyond the expansion of the market, as one can see from the Cannes Lions including Branded Content & Entertainment category to their festival, branded content is establishing a solid ground in the marketing communication sector. Such growth is

expected to continue, as the related professionals predict that the use of branded content will increase³, and certain researches anticipate a drastic increase in the fusion of advertising, PR, and PPL^{9,10}.

3. Emphasis on Relational Perspective in Marketing Communication Environment

3.1 Concept and Rising Background of Relational Perspective in Marketing Communication Environment

The word, 'relation', became an important concept in the current marketing communication environment. The changes caused in the society represented by smartphone and SNS also rapidly transformed people's lives. An individual who used to be a passive consumer of information, turned into active participant of communication network, and obtained the power to produce and distribute information. They were able to connect with parts of the society with SNS and communicate regardless of time and place^{11,12}. Also, the communication between corporation (brand) and consumer progressed from one way and short-term communication to mutual and long-term relationship.

Consumer-brand relationship is an important concept that needs to be explored in regard to relational perspective in marketing communication. Researches about consumer-brand relationship were made since the 1990's as the consumer relationship become increasingly critical. The examination of relation between people and between people and objects^{13,14} greatly influenced the early consumer-brand relationships study. Moreover, beyond the current understanding of human-to-human relationship, further research were made regarding cases that one cannot fully perceive the liveliness or meet with the counter party. For example, such relationship include fan and a movie star, man and god, and human and pets^{15,16}. These studies became the theoretical background for expanding from human partnership with customers to the field of brand sectors.

The emergence of relational perspective in the contemporary marketing communication is related to the transformation of communication and marketing environment and the consequential changes in the society. Firstly, looking at the changes in the communication

environment, the diversification of media channel is an important factor. While only a single directional communication, from corporation to consumers, was possible in the previous four major media oriented environment, a parallel communication became possible between the two as new medias such as internet, IPTV and smart TV were created along with the unification of technological development and broadcasting communication. This allowed the formation of corporation (brand) and consumer relationship.

The progression of network oriented society due to these changes in the media environment is another factor that strengthens the relational perspective. Those who communicate in the network media platform of Web 2.0 form social relationships and pursue satisfaction online just as they would in a physical space. Such realities of network oriented society modify the landscape of social communication. Namely, if a linear communication from a group or a mass media to an individual through a single channel depicts the past, the contemporary media environment is created with 3-dimensional communication model that produces correlative and multidimensional active communication through multiple channels. Within these communication landscape, development of relationship based on the conversations between corporation and individual customer is made possible.

Moreover, the ability to provide customized communication service for each individual, due to the changes in the communication platform and the possibility of communication between corporation and costumers, also influenced the strengthening of relational perspective. The new media platform embraces multiple channels, which means it creates categorization and specialization of the channels and intensifies the distinctions between the viewers. This subsequently produces separations amongst consumers. It signifies that consumers are no longer an anonymous mass, but more specified public who can freely decide the contents according to their preferences. Through such changes in the media landscape, a message was able to be directed towards a specific person about a particular social interest such as the politics, economy, culture and more to; which allowed for the corporate communication activities to be personalized for each individual.

Concerning the emergence of relational perspective in the recent marketing communication, relational marketing is an essential factor amid the changes in the marketing environment. This concept is based on the fact

that a company must be focused on the personal business relation that executes a research of an individual to provide the products and services they need. Berry¹⁷ who first used the term in a literature, defined that the relational marketing is 'all marketing activities to develop, retain and enhance customer relations'. He argued that attracting new customers should be recognized as a middle stage of marketing process, and enhancing the relationship and raising customer loyalty was the core of marketing. This perspective went against the traditional marketing paradigm that emphasized on the new customers, and explained that the focus al marketing activities should be on the retention of existing customers. Palmer¹⁸ defined relational marketing as a concept that highlights the need to maintain existing customers. He said the professional execution of relational marketing minimized risk and simplified customer's choices, and, in that case, it served a similar purpose as the brand. The key element which emphasized relational perspective in marketing communication was the fact that the focus of marketing activities were moving from short-term exchange to a long-term relationship between corporation and individual consumer.

3.2 Importance of Relational Perspective in Today's Marketing Communication Environment

Regarding the production differentiation which is critical in corporate marketing activities, the importance progressed from the physical differentiation of the product to brand image differentiation, and then, to the subjective relational differentiation formed by a brand and an individual consumer. These changes have underlined the significance of relationship in the marketing communication. Now, constructing and retaining a long-term, positive relationship with consumer is the key element to a successful business¹⁹.

The rising importance of a brand is one of the factors that emphasize the value of the relational perspective in the marketing communication process. The importance of a brand is becoming more evident as a physical differentiation between products are increasingly close due to the technological and economical development, and as consumers focus on expression of the self or emotional satisfaction through consumption rather than a physical satisfaction with a product. Besides high-end products, even for daily consumption, it is not too far fetched to say that the success of a business depends on how they

construct and maintain a powerful brand. For the contemporary buyers, the notion of brand goes beyond the physical limitations of a product, and becomes a significant socio cultural code in their daily lives as a mean to express themselves. The importance of consumer-brand relationship, as a symbol of solidarity resulting from the parallel interaction between consumer and brand, is heavily emphasized along with the rising criticality of concepts such as 'consumer', 'brand' and 'relationship'. Forming and retaining a long-term, positive relationship with consumer is now an essential factor of all business activities.

The rising importance of relational perspective in the current marketing communication landscape can be thought of in terms of emotional marketing. Although the media and communication environment is rapidly digitalizing, overall marketing communications place higher importance on the emotional value. This is a result of increasing quantity of media in this era of new media, and the consequential overflow of commercial messages and the according avoidance of them. Another reason can be found in the growth of anti-corporate sentiment, as well as, distrust of the related commercial messages. Consumers are tired to such traditional 'push' or persuasion messages, and prefer emotional messages that trigger personal interest. As Kevin Roberts, the CEO of the global creative organization Saatchi & Saatchi, explained, the contemporary corporations and brands need to bring a heart mark on customer's chest. This is the time where reaching for the true human emotions beyond ration is being emphasized. Such trend is reflected in the marketing communication process. The key point of brand differentiation is customer's emotional solidarity towards a brand, and this is the basis of the formation and retention of a long-term consumer relationship.

4. Branded Content and Consumer Relationship

Branded content is related to the development of relationship in the marketing communication environment. In various angles, it can play an important role in the formation of consumer relationship. Conventional advertisements are placed between the contents (program). Thus, consumers are passively exposed to brand related messages. Whereas, in regard to branded content, the brand related message is infused into the contents of what customers want to see or listen. Meaning, the contents

that customers want to see and the brand message are combined together. In that, unlike the previous ways of viewing advertisements, costumers are willingly engaging with a brand message.

In the digital media environment, consumers can resist one-way advertising messages and actively search about the brand message what they want to see²⁰. Furthermore, brand related messages spread quickly as the consumers upload their favorite branded content on a personal homepage or a media channel and others repost this information. During the process of actively contacting and distributing brand messages, the relationship with a brand is enhanced unlike the previous passive exposure of advertisement.

The reason why costumers actively connect with branded content is that they want entertainment or emotional satisfaction from contents. It is to say that they access their personal interest such as celebrities, hobbies or other interests through the contents and gain satisfaction. Brand messages that are contacted under the consumer's psychological state like this brings positive image of the brand to the viewer. This active and positive psychological state while interacting with the contents has a positive influence on processing brand related information, and the favorable images of celebrities, hobbies and other interests seamlessly transfer to the brand. Thus, through branded content, the emotional solidarity between brand and consumer is heightened and the relationship between them is enhanced.

Another reason why costumers actively connect with branded content is signified by what they want out of the contents. In this case, the consumer's engagement and involvement to the contents are increased and their focus or information processing is increased. Simultaneously, consumers will be able to concentrate on the branded message fused into the content and the possibility of active information processing elevates. These high engagement and active information processing during the interaction of branded content strengthen the relationship between consumer and brand.

A persuasion based on objective facts in marketing communication campaigns are becoming more and more challenging, as the technical differences between products disappear and finding the USP of product is becoming harder. Moreover, changing consumer attitude or persuasion based on one-way message is extremely difficult as the general education and income level of the consumer are increasing. Amid these tricky conditions,

branded contents strengthen the emotional solidarity and relationship with a brand by providing enjoyable emotional satisfaction while interacting with the contents, and can be considered an effective marketing communication media. Also, those branded contents, connected to promotions that give out actual benefits, are a efficient marketing communication media that can move even the most stubborn consumer.

From former conventional marketing communication, the consumers were only able to obtain information about the physical features of particular brand, or get brand image. However, the present day consumers pursue happiness by connecting to the branded contents that they want to see. The brand in the branded content goes beyond product which only gives material benefit. The brand in the branded content is enjoyable subject to meet like a friend or a family member. It can be said that such active interaction with favorite branded content constructs and retains a strong, positive consumer relation.

As the activeness of consumer and the importance of the brand are enhanced in the current marketing landscape, the development and maintenance of long-term relationship, rather than a short-term trade, is considered a significant factor of any business success. With that in mind, branded content is a significant method of constructing and retaining consumer relationship, and hence, the development of long-term, positive consumer relationship through branded content will emerge as a crucial topic in the future marketing communication activity of company.

5. Discussion and Conclusion

This study analyzed the growth of branded content as marketing communication media in the viewpoint of relational perspective—the recent major trend of marketing communication. Specifically, the concept and scope of branded content, and the effect and potential growth of it as a marketing communication media were examined. Also background of growing interest about relational perspective and the importance of relational perspective in today marketing communication environment were discussed. In that, this study investigate on the mechanisms such as what kind of connection is there between branded content and relational perspective, and how can the relationship with consumer be formed and enhanced through branded content.

It could be said that the concept of traditional marketing communication was message-oriented. But in the time of brand relationship, everyday relationship with individual consumer is equally crucial. Thus, as the purpose of marketing communication, more attention has to be made on developing and retaining relationship with individual consumer. Also, while the principle of marketing communication was to persuade the consumer, the principle of the future needs to be focused on communication and conversation with individual consumer. This study predicts that marketing communication in the time of brand relation will become relation-oriented, individualized, and emotional. In such relation-oriented atmosphere, branded content will served as effective alternative for marketing communication.

The academic and practical significance of this research is to help the understanding of the principles of branded content, and predict its future direction and the potential growth by understanding the relational perspective on the bases of the emphasis and growth of branded content. However, there are few academic researches about branded content until now and this study was mainly developed through literary research. Hence, there are limitations on the generalization of the results, as the study was not an empirical research made with systematical collection of data and analysis, and contains possibilities of subjective analysis. I hope there will be active empirical research and discussion about branded content in the future.

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