Branded Reality

The Rise of Embedded Branding (‘Branded Content’): Implications for the Cultural Public Sphere

Thesis submitted for the degree of
PhD in Media and Communications

By

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Acknowledgments

This thesis has been an intellectual challenge, and much more than that: it was a personal journey and a phase of transformation. This was a shift from the world of investigative journalism to that of scholarly work, from writing 1000 words in one afternoon to creating a narrative of tens of thousands of words over many many months, from the hectic life of a daily reporter to the silent, somewhat isolating routine of a writer with a laptop.

Moreover, it was a process of finding a voice and making my arguments heard. Hopefully, these efforts were somewhat successful, as during the work on the thesis, a time that was also devoted to various public activities as well as teaching and writing, the topic of embedded branding became, in my local arena at least, the subject of investigative reporting by other journalists, heated public debate, policy reports and a legislation proposal.

I am most thankful to all those who were with me on this journey.

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Anat Balint, December 2015
Abstract

This thesis explores the rise of embedded branding (‘branded content’) since the early 2000s, a funding model in which sponsors are integrated into media content. It examines its implications for the functioning of the media as a cultural public sphere. Located within the political economy approach, the research takes a critical perspective, arguing that ‘branded content’ is, in Habermasian terms, an act of manipulation.

Two case studies of British and Israeli reality television shows were used to explore three questions: 1. How does the ‘branded content’ market work? 2. Are we witnessing a new phase of content commercialisation and if so, what are its characteristics? 3. What are the implications for the media’s functioning as a cultural public sphere and, consequently, how should regulators and policy makers cope with the phenomenon?

The findings uncover a niche market in which branded content agents facilitate formal agreements between sponsors and producers. As both sides have the need to look for alternative funding models in a growingly fragmented reality, these co-operations typically start as ‘synergetic’, however their implementation often becomes rife with conflict.

The data further suggests sponsors influence media content in two key ways. First, through ‘deep integration’: brands appearing through abstract and surreptitious representations in programming (rather than ‘classic’ product placement). Second, through ‘continuous integration’: the tendency of these agreements to encompass multiple platforms, and predominantly the Internet, which enables personal data collection. Embedded branding therefore should be seen as a new commercialisation phase, typical of the digital age, in which brands gain omnipresence in the cultural public sphere.

The two main potential harms caused by these developments are first, the saturation of the media with manipulative messages by sponsors, which distorts the editorial process and threatens freedom of expression. The second relates to the gradual loss of audience trust in the media as a platform for public debate, which is the gravest threat ‘branded content’ presents to the role of the media in democracies.
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Introduction

Where will Coke go? To accelerate the convergence of Madison & Vine - a convergence of the trinity in brand building - content, and media, and marketing.
This is a convergence born of necessity. Economic necessity and marketplace opportunity. We need each other - now more than ever. We need each other to capture people's attention and influence their attitudes and behaviors.

Steven J. Heyer, Coca-Cola COO
Keynote speech at Madison + Vine conference
February 5th, 2003, Beverly Hills, California

Coca-Cola’s chief operating officer’s dramatic speech at the 2003 Advertising Age conference in Beverly Hills did not remain unnoticed at the time. Advertising Age’s unsigned editor’s note defined it as “electric” and “provocative”, “revolutionizing the advertising and entertainment industries” (Advertising Age, 2003, February 6th). In a follow-up analysis it was described by the writer, a marketing executive himself, as nothing less than a “war cry” (Rothenberg, 2003, February 17th).

However, not everyone in the marketing industry shared the same enthusiasm for the vision of convergence between show business and marketing. One of the readers of the influential magazine, an advertiser named Tomas Ito, wrote in response:

The convergence creep in advertising and human expression is simply appalling… What scares me about Mr. Heyer's comments at the Madison & Vine conference is that he models a future where culture exists only to serve those who wish to manipulate others into buying sugar water (Advertising Age, 2003, February 10th).

Another correspondent, a retired advertising executive, wrote:

The difference in the three cultures - show business, corporate behavior and advertising - is so huge and so ingrained as to make what Heyer's
speech proposes impossible. He says he is from all three worlds - but I think he understands none (Advertising Age, 2003, February 10th).

Yet another reader, a former creative director in a big advertising firm, added:

This kind of thinking further corrupts the artistic integrity of the talented people who create our best work in the music, movies and television arts (Advertising Age, 2003, February 10th).

He concluded: “let’s hope he fails”.

More than a decade has passed since this speech on branded entertainment, which can surely be marked as a historical one, and Heyer’s vision seems to have prospered and flourished, even if it has not been fulfilled to the extent of the original prophecy. Culture has not been completely taken over by brands, but the market for ‘branded content’, ‘branded entertainment’ ‘product placement’, ‘sponsorship’, ‘advertisorials’ or ‘native advertising’ – different titles1 that all relate, in one way or another, to a funding model in which sponsors are integrated into media content - is evidently on the rise.

The report by the American research company PQ Media on global branded entertainment2 trends and forecast for 2015-2019 (Quinn & Kivijarv, 2015) indicates, yet again3, a dramatic rise in the revenues from this marketing activity worldwide. In 2009 the global revenues from product placement were 6.25 billion US dollars. In 2015 they climbed to 10.58 billion US dollars and the authors forecast that in 2019 this market will skyrocket to 21.4 billion US dollars globally, marking a rise of 330% within a decade.

But revenues are not the only indication for this striking trend. The expansion of this funding model from entertainment into territories which were previously strongly guarded from

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1 Their definition by different actors is not entirely consistent and the different terms are not completely similar, as will be further discussed. However, they all fall within the mission of the current research and the definition which I present for the field.
2 PQ Media’s understanding of the field does not entirely overlap with mine, as their understanding of the term ‘branded entertainment’ is wider and includes brand activities that are outside the media (events, for example). Therefore, what they call ‘product placement’ relates to commercial references in the media and is the most relevant term in the context of my research. PQ Media’s definition of product placement is: “Marketing tactic increasingly used by marketers as part of multimedia campaigns in which the objective is to place or integrate brand names, logos or specific products within the non-ad content of various media. The goal of advertisers utilizing product placement is to prominently place or creatively integrate brands or products into particular story lines or scenes to promote brand awareness, favorable brand attitudes and purchase intention”. The company looks at product placement in various media: television, films, video games, print media, digital media and music.
commercialisation, such as quality journalism, provides even stronger evidence of the silent revolution taking over media economy, globally. Within just a few years the buzzword ‘native advertising’, which refers to a form of advertising that is ‘native’ to the digital environment in which it is embedded, and is in practice yet another form of advertiser integration within content, has swept the most distinguished news outlets around the world. Native advertising is defined as "the practice of online publishers accepting payment from particular advertisers to publish customized content that looks very similar – in terms of tone, presentation, and functionality – to the independently produced news, editorial, and entertainment content on the site" (Bakshi, 2015) ⁴.

The year 2014 seemed to be that of native advertising’s breakthrough into quality journalism. *The New York Times* announced the introduction of ‘native advertising’ at the end of 2013 (Somaiya, 2013, December 19th) and soon after launched its first project, which was somewhat atypical to the field as it promoted another type of media content - Netflix’s new series *Orange is the New Black*⁵ (Deziel, 2014). Other distinguished newspapers were quick to follow: *The Guardian* (Moses, 2014, February 13th), *The Wall Street Journal* (Moses, 2014, March 10th), *The Washington Post* (The Washington Post, 2014, November 19th) and many others.

Media outlets that were born into the digital environment, such as *Buzzfeed, Huffington Post* or *Mashable*, have long been known to lean on ‘native advertising’ as a substantial financial model for their business (Moses, 2015, May 29th; Pillay, 2015, June 2nd). The emergence of new digital initiatives for ‘content recommendations’ which further blur the line between advertising and content, such as Outbrain and Taboola, and their quick introduction into big media outlets around the world such as *The Guardian, Fox News, Business Insider, USA Today, Chicago Tribune* and many others - indicated that the historical wall between ‘church’ and ‘state’ has been seriously eroded, and there is probably no way back.

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⁴ There seems to be an agreement between industry actors and critical scholars on this definition. For example, Bakshi’s (2015) definition that is used here was inspired by the definition presented by a big company for native advertising, Sharethrough, located in San Francisco. According to the company’s website, native advertising is ”a form of paid media where the ad experience follows the natural form and function of the user experience in which it is placed”. The company seeks to emphasize these two elements “form” and “function”, something which strongly echoes with the empirical findings further presented here. Sharethrough definition is available here: [http://www.sharethrough.com/nativeadvertising/](http://www.sharethrough.com/nativeadvertising/) (Last accessed 04.02.16)

⁵ The original ad can be found here: [http://paidpost.nytimes.com/netflix/women-inmates-separate-but-not-equal.html?_r=0#VY_8P_mqkq](http://paidpost.nytimes.com/netflix/women-inmates-separate-but-not-equal.html?_r=0#VY_8P_mqkq) (Last accessed: 14.06.15).
Finally, the fact that John Oliver dedicated 11:22 minutes of his show to brilliantly and ruthlessly tearing the buzzword ‘native advertising’ to pieces is probably yet another piece of evidence that this trend has become a ‘hot potato’ and a phenomenon that deserves further attention (Oliver, 2014, August 3rd). Indeed, some of his observations will be echoed in the chapters ahead, however, in a somewhat more elaborated manner.

Some of these media bodies, especially those that have a tradition of journalistic integrity, struggle with questions of ethics in this new, chaotic landscape. In a letter to his employees, the publisher of The New York Times, Arthur Sulzberger Jr., promised to maintain a “strict separation between the newsroom and the job of creating content for the new native ads” (Somaiya, 2013, December 19th). However, just a few months later, in the newspaper’s leaked innovation report (Sulzberger, 2014, March 24th), which was led by his son, Arthur Gregg Sulzberger, there seemed to be a substantial change. The need for ‘collaboration’ took over the principle of ‘separation’:

The very first step, however, should be a deliberate push to abandon our current metaphors of choice - ‘The Wall’ and ‘Church and State’ - which project an enduring need for division. Increased collaboration, done right, does not present any threat to our values of journalistic independence (Sulzberger, 2014, March 24th).

My research is located in between these two points in time - the speech by Coca-Cola COO at the beginning of the 21st century about the need for an alliance between brands and the entertainment industry, and the more recent thoughts of the innovation team of The New York Times about the future of journalism and the relationship between ‘church’ and ‘state’. These two statements, coming from very different speakers, reflect a deep change that deserves scholarly attention. My thesis is a preliminary attempt to explore the silent, yet immense, change in media economy during this period, and to shed light on some disturbing aspects of the commercialisation of media content in the digital age. It is a journey into the market of ‘branded

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6 The clip from Last Week Tonight with John Oliver from the 3rd of August 2014 is also available here: https://www.youtube.com/watch?v=E_F5GxCwizc (Last accessed: 20.04.15).
content’ which presents a critical response to the intensified tendency of content producers and commercial sponsors to join hands and collaborate.

What is the phenomenon at the heart of my quest? I look at a funding model that is commonly titled by marketing and media professionals as ‘branded content’. It is also known by other names, as mentioned before, and they all describe practices that, although not entirely similar, are closely related: ‘branded entertainment’, ‘product placement’, 'sponsorship’, ‘advertisorials’ or, in the context of the digital arena, ‘native advertising’. I will concentrate on their common features at this stage.

My definition of this phenomenon, in the context of this research, is as follows:

The integration of a commercial entity, or any other entity, which is not the producer, broadcaster or distributer, into media content, on the basis of material return and without clearly identifying it as advertising.

It is important to note that according to this definition, ‘branded content’ is first and foremost a funding model. The ultimate indication of its existence is therefore the fact that there has been material return, i.e. money or a barter deal, between the producers and an external entity.

In the context of this research, which will take a critical approach to the topic, I will refer to it as embedded branding. My reason for doing this is that the term ‘branded content’, as used by marketers, is a euphemism and thus embedded branding is the more appropriate term for this phenomenon. Ironically, the term ‘branded content’ fulfils the pessimistic view of two of the founders of the Frankfurt School, Theodor W. Adorno and Max Horkheimer, first presented in 1944, regarding the collapse of culture and commodification into each other in capitalist democracy (Adorno & Horkheimer, 2002). While the two thinkers coined the term ‘culture industry’ to ironically demonstrate their opposing nature, ‘branded content’ was made up by marketing professionals to emphasise, without any irony, their supposed synergetic connection. It is intentionally made to conceal any disharmonious relations between the two, and present these relations, in the public eye, as natural. Some critical scholars refer to this phenomenon as ‘stealth marketing’ (Goodman, 2006b) or ‘surreptitious advertising’. The term ‘embedded

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7 Also, there is inconsistency as to their definition and understanding by different actors.
8 Revised in 1947.
branding’ is oriented towards emphasising the covert nature of this model, and at the same time, the dominant role brands and branding carry in shaping it, as will be argued and demonstrated in the thesis.

My perspective on this phenomenon is located within the political economy approach to culture and communication, which emphasises ethical and normative questions about the influence of capitalism (Hesmondhalgh, 2007). My theoretical quest, therefore, commences in wider circles that have approached the relationship between capitalism and culture in a critical way, predominantly Marxist theories. Adorno and Horkheimer, the leading figures of the Frankfurt School, mark a starting point, as they are probably the most well-known critics of the commercialisation of culture. Their critique, most known through their essay, The Culture Industry: Enlightenment as Mass Deception (2002), emerged in the 1940s, just a few decades after the model of funding content through advertising was established. Yet it was their successor and contestant, Jürgen Habermas, who set the foundations for a more comprehensive discussion on the impact of commercial media and advertising on democracy, through the notion of ‘the public sphere’ (1989). The ideal of the public sphere, which became highly identified with the role of journalism in sustaining democratic governance, is indeed central to the critical perspective I present to the topic.

However, Habermas’ social theory has also raised much criticism (Calhoun, 1992; Curran, 1977, 2002; Dahlgren, 1995; Fraser & Bartky, 1992; McGuigan, 2005b; Negt & Kluge, 1993) and was rather limiting in the context of this research. It was too focused on the discussion of straightforward politics by journalists and it over-emphasised rationality. I seek to elaborate the discourse on commercialisation and democracy beyond journalism, to modes of communication that tend to be more affective (and therefore popular).

First, as shown at the beginning, commercialisation of what is ‘just’ entertainment quickly spills over into what is traditionally perceived as quality journalism that is vital to democracy. Second and more importantly, I seek to show how content that is perceived as ‘light entertainment’, such as reality TV, can be nonetheless relevant to public discourse and play a significant role in shaping public opinion on issues that are private as much as they are public. I thus have chosen

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9 For further discussion of the various definitions for political economy of the media, see: Hardy (2014)
to look at the ‘cultural public sphere’, McGuigan’s (2005) alternative notion, which offers a more flexible understanding of the media’s role in generating public discourse, including various modes of communication:

The concept of the cultural public sphere refers to the articulation of politics, public and personal, as a contested terrain through affective (aesthetic and emotional) modes of communication…

The cultural public sphere provides vehicles for thought and feeling, for imagination and disputatious argument, which are not necessarily of inherent merit but may be of some consequence (p. 435).

The thesis, thus, is not focused on the commercialisation of the press. On the contrary, I chose to look at two case studies of successful prime-time reality programmes that were sponsored by leading brands. One is a British programme, *How to Look Good Naked*, which deals with styling and female body-image; the other is an Israeli production, *Overdraft Family*, which offers coaching for families in financial difficulties. By doing so, I wished to elaborate the discourse of commercialisation in the digital age to media content in its broadest sense.


However, within this discourse, there is a significant lack of data and critical analysis concerning the rising trend of ‘branded content’/‘native advertising’/embedded branding over the last two decades, as the digital revolution keeps thriving and is constantly changing media markets (as well as almost any other aspect of our lives). Although ‘branded content’ and ‘native advertising’
are frequently discussed in trade articles and professional conferences for marketing specialists and media executives, scholarly research seems to be somewhat behind. There is very little empirical data about how this field operates in various media markets, almost no insight into the hidden and highly complicated relationships between content producers, broadcasters and commercial sponsors, not enough analysis of the characteristics of this funding model as it is shaped in the digital age, and most importantly, no critical voice which points at the possible harms that ‘branded content’ may cause to the media as a platform for public debate in democracies.

The thesis aims to fill this gap and I have therefore presented three main themes and questions. To begin with, this is an exploration into the market of ‘branded content’ in two countries which previously aimed to regulate the separation between advertising and content – the UK, which is the second biggest media market, and Israel, a much smaller and younger media market. Therefore, my first question was: how does the market of ‘branded content’ operate? I sought to uncover some of the dynamics of this market in both countries, its main actors, mainly branded content agents who negotiate these commercial deals, and the complexity of the relations between the two sides - sponsors and content producers.

Second, considering the history of the commercialisation of the media, it was necessary to ask: is there anything new and distinctive about ‘branded content’? Is it just another name for ‘sponsorship’ or ‘product placement’ as they have been long known and documented, or is it a new phase in commercialisation that deserves special attention by scholars? And if so, what are its characteristics?

The third question was the one that motivated me to embark on this journey. As a media journalist I realised, in the early 2000s, that many of the actors in the market found themselves increasingly involved in commercial co-operations without giving it a second thought or considering their potentially harmful effect. They contributed, on a daily basis, to the growing blurring between advertising and content, while ignoring fundamental ethical questions as to the broader consequences of their professional activity. Some claimed that the difference between advertising and media content does not exist at all. I have therefore addressed this ethical distinction – between advertising and content - in order to examine the third question: what are
the potential harmful implications of embedded branding for the public sphere and public debate? Consequently, how should regulators and policy makers cope with the phenomenon?

In order to approach these questions systematically, I have used a triangular approach to analyse the two case studies. I began with background interviews with branded content agents in London and Tel-Aviv. These middlemen play a key role and were the best ‘gateway’ for getting to know the field. I then chose two case studies, one in each country, and interviewed the key people around each one of the productions. The choice of interviewees was oriented to tracing the route of the money and its influence from the brand to the programme: from brand architects who are responsible for the overall brand strategy and see the ‘big picture’ and branded content agents in media and communication agencies who facilitate sponsorship deals with media bodies, through to sponsorship managers in broadcasting bodies, executives in broadcasting bodies and finally the producers of programmes in the relevant independent production companies. At the same time, I collected internal documents, such as presentations to the sponsoring brands. These provided a most valuable insight into these sponsorship agreements and their implementation. These two sources, together with a third source – media texts such as the programmes’ episodes, their website and other derivatives – enabled me to draw a ‘behind the scenes’ picture of ‘branded content’ that is broad and at the same time, detailed. Although the choice of only two case studies may be somewhat limiting to the conclusiveness of my findings, I believe it is balanced by the advantages of my methodological choice: a close and detailed look into the ‘behind the scenes’ operation of television making, the complicated relationships between sponsors and their content creators and the ways in which leading corporations can gain influence over public discourse.

The two case studies are at the heart of my journey into the ‘branded content’ market. Therefore, their formats are briefly presented here at this point. How to Look Good Naked (henceforth, HTLGN) was first aired on Channel 4 in June 2006 and was followed by five series between then and 2012. It is a ‘makeover’ programme with a psychological twist: it deals with styling and fashion but carries the premise of ‘natural’ beauty; it rejects plastic surgery or invasive treatments and is surprisingly aligned with the message of Dove’s successful campaign. The

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10 Background interviews were more significant in London, as I know the Israeli market very well, as a former media journalist. However, in both markets they proved to be helpful in the search for case studies.
The programme was sponsored in its first two series by Dove, which had been leading, since 2004, a marketing campaign titled *Real Beauty*. Dove’s sponsorship of the programme was dedicated to its Pro-Age line of products for women over the age of 45. The first two series are those I chose to look at in my research.

The Israeli programme *Overdraft Family* (in Hebrew: *Mishpacha Choreget*) was first aired on Channel 2 in November 2006, and had five more series. *Overdraft Family* is a programme about home finance and family businesses, and similarly to *HTLGN*, has some underlying psychological assumptions at its heart. It presents difficulties in managing money as an expression of deeper emotional issues, either related to the individual or to broader family interactions. The programme, aired just at the time the Bank of Israel published new regulations aimed at putting an end to overdrafts, was sponsored by Bank Hapo’alim in its first four series. The food chain Shufersal-Deal joined as another main sponsor during the fourth and fifth series. Therefore, I chose to analyse series 1-5, which were sponsored by this bank and later by the food chain. I further explore the formats of both programmes in Chapter 4.

The thesis includes two theoretical chapters and four empirical ones. The theoretical part examines the tension between the normative ideal of the media as a platform for public debate, which obligates the separation between content and advertising (as presented in Chapter 1) and the reality in which technological and economic forces push for the heightened commercialisation of media markets and bring content producers and marketers closer together (as presented in Chapter 2). Recognising this tension between the ideal and the reality is vital to understanding commercialisation in the digital age.

The empirical chapters (Chapters 4, 5, 6 and 7) are dedicated to the analysis of this reality, which takes place between norms of separation and the necessity of collaboration, between regulation and economics. Throughout the four chapters I dissect in detail the sponsorship agreements behind the two case studies - *HTLGN* and *Overdraft Family* - together with examples from other productions. I present the conditions which allow the formation of these deals; the negotiations and debates throughout the production process; the ways in which brand integration is

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11 Bank Hapo’alim’s sponsorship was later replaced by Bank Discount.
implemented on television, the Internet and other platforms; the conflicts and tensions that are
typical to this field; and finally, the failures of regulators to cope with this rising phenomenon.

I will now provide a brief overview of the thesis chapters. Chapter 1 addresses the most
challenging question in any critical discussion of ‘branded content’ and its implications: is there
any fundamental difference between the act of content producers (such as script writers,
directors, journalists and other creators) and that of advertisers? And if so, what is its essence?
The model of embedded branding works to blur the line between content and advertising and
therefore it is of great importance to understand whether the two notions are qualitatively
different in the first place. The discussion of this question is located within a wider discourse on
the role of the media in a democracy - its function in generating debate, i.e. an open exchange of
views on issues of public matters. This perspective is rooted in Habermas’ (1989) notion of the
public sphere and in a more flexible way, in McGuigan’s (2005) later notion of the cultural
public sphere.

But what are the conditions for the cultural public sphere to be able to function? What is ethical
discourse? I present Habermas’ (1984) theory of discourse ethics as a gateway to understanding
the line between content and advertising. His notions of ‘communicative action’ and ‘strategic
action’ emphasise the importance of the speaker’s intention and orientation in performing any
speech act. While the first is oriented towards debate with others to reach a better understanding
of issues and the best common decision, the second is oriented towards influencing others’
opinion and behaviour, so it serves the speaker’s goals. While the first kind of message is
discursive and the speaker may change his or her initial position following others’ arguments, in
the second case, the speaker uses discourse in an instrumental way and his or her argument
cannot be changed. Once a strategic act is presented as communicative, this is, in Habermas’
words, simply a manipulation. I shall argue that this is indeed the case of ‘branded content’ - a
deliberate act of presenting advertising as content.

Although these philosophical observations are perhaps somewhat too idealistic for the day-to-
day reality of the media industry (as there may be messages that are strategic and communicative
at the same time, for example: a newspaper taking a political stand), they are most helpful for
understanding the basic difference between content and advertising, and for dissecting the
potentially harmful effects of manipulative messages on the media’s role in democratic systems.
The issues investigated in this chapter are most relevant for approaching the third research question, regarding the potential harm of embedded branding to public discourse.

Chapter 2 investigates the processes which led to the rise of ‘branded content’ or ‘native advertising’ as a promising and thriving funding model in the digital age. It combines a historical overview of media commercialisation processes, which go back to the early days of filmmaking at the end of the 18th century, as well as the beginning of commercial press at the end of the 19th century, and later the rise of commercial radio and television12. Thereafter, it presents an analysis of the contemporary media landscape, from the 2000s onwards. The chapter presents audience fragmentation as a central process in the contemporary media economy, one which influenced both marketers and media bodies and eventually pushed for the rise of ‘branded content’ (together with other factors, such as digital technologies that enable skipping ads). In the marketing world, the dominance of branding processes is emphasised as a key factor in understanding the rise of ‘branded content’.

Most importantly, the chapter presents the tendency of the two sides to co-operate and sign formal agreements for ‘branded content’ deals as a kind of ‘mutual attraction’, based on the increasing number of inner similarities that bring them closer together. This makes use of Weber’s (1949; 2011) term ‘elective affinity’ to explain the choice of one action among many others possible in social sciences (Howe, 1978). Thus, it is not about parasitic use of the media by commercial sponsors, but rather a symbiosis which both sides seek. It is only later that they discover that their initial synergy does not tend to work as smoothly as they had first assumed or hoped. The chapter sets the necessary background for approaching the first two research questions – how does the market of ‘branded content’ practically operate and more importantly – is there anything significantly new in this activity?

Chapter 3 discusses methodological issues: the challenges the topic entailed, the methodological choices that were made along the way and their benefits and disadvantages. First and foremost, it describes a journey into a field that was not only under-researched by scholars, but also intentionally hidden from the public eye, as its surreptitiousness is an inherent part of its raison d’être. The choice of looking into the inner workings of two case studies, that are similar in

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12 In this part, the chapter is somewhat biased towards American media, as this is the seedbed of audiovisual commercial media.
many points and rather different in a number of other criteria, has pros and cons which the chapter discusses. However, the case study approach and the research design enabled an examination of the reality of this market and of media economy in the digital age. This information was not known before and in that sense the research, hopefully, makes a unique contribution.

Chapter 4 is an introduction to the case studies. It outlines the negotiation process between broadcasters and sponsors and the formation of the sponsorship deals in the two cases. It offers a first glance into the operations of the market of ‘branded content’ and the conditions which allow these deals to be signed. The initial phase is that of ‘falling in love’, in which the two sides concentrate on their seemingly common mission of promoting public discourse around a certain topic (women’s self-image; families’ financial well-being) before deciding to get ‘married’ by signing a formal agreement. It seems necessary for both sides to believe they are equal ‘actors’ in the cultural public sphere (McGuigan, 2005b) on the sponsors’ side it allows a strengthening of the brand’s image as one that works for the ‘public good’, while marginalising its fundamental commercial intentions. By doing this, brands blur the line between private interests and public ones and present them as synonymous. For content producers, it is helpful to believe that they are working with a partner with similar goals, rather than giving in to an advertiser’s demands based on financial considerations. The chapter is relevant mainly to the first research question, in the sense that it uncovers the dynamics behind the crucial stage of negotiation and helps to shed light on how the market operates.

Chapters 5 and 6 present the implementation of embedded branding agreements in media content and are therefore at the heart of the empirical work. They present two novel concepts: ‘deep integration’ (Chapter 5) which relates to sponsor integration into programming, and ‘continuous integration’ (Chapter 6) which relates to sponsor integration around the programme on television and then across other platforms, mainly the Internet.

Chapter 5 dissects the ways in which brands are integrated into television programmes. It uncovers how sponsors that are formally ‘external’ to the programmes (according to regulatory definitions in the UK and Israel) integrate into programming in each case. By analysing the sponsorship agreements of the two case studies, I present three ‘layers’ of brand integration: the first relates to messages in the programme that serve the sponsor’s goals (for example: ‘Beauty
comes in different sizes and shapes as long as you nurture yourself’, or: ‘The bank is a positive and helpful element in managing home finance’); the second refers to the visual embodiment of the brand through colours, fonts and other elements of design; and the third concerns straightforward product placement. This multi-layered nature of brand integration in ‘branded content’ deals is what gives it its ‘depth’. Furthermore, while the first two ‘layers’ are abstract and represent the brand as an image, the third one is concrete and oriented towards representing products. The data shows that abstract representations through messages and design are more significant in ‘branded content’ deals than product placement. Deep integration makes the programme and its sponsor indistinguishable and promotes the blurring between content and advertising in the cultural public sphere, thus raising questions as to the ethics of the discourse such programming promotes. In addition, deep integration challenges the existing regulatory understanding of commercialisation which tends to identify it with product placement. It raises questions as to the ability of regulators to limit and control such representations that are intangible and hard to trace.

Chapter 6 follows the routes by which sponsorship agreements ‘spill over’ from the brand’s presence within the specific programme to other spaces, first on television, in the form of, for example, sponsorship credits, and then across other platforms, the most noteworthy of which is the Internet. I first investigate the ways in which sponsorship credits and commercial vignettes become tools for blurring the line between programming and the advertising spots on television. As a result, these become a hybrid between commercials and programming and therefore viewers of commercial television are exposed to an ongoing stream of messages that are commercialised to a lesser or greater extent. I then turn to dissect the ways in which the sponsorship agreements in the two case studies are expanded to other platforms such as the programmes’ websites, print magazines, radio programming and finally, ‘real world’ events by the sponsor, that is, a personalized, non-mediated contact with consumers through events initiated by the sponsor. These further contribute to the blurring effect between communicative messages and strategic ones.

This ‘multiple meeting point’ model offers an embracing and all-encompassing experience, in which consumers are gradually ‘pushed’ from an environment that is seemingly editorial (i.e. the programme on television) to an environment that is largely and more openly commercial (for
example, a commercial micro-site on the Internet or an event by the sponsor under the premise of the programme). At the same time, consumers are shifted from a mediated experience for mass audiences (television) to a personalised experience (interaction with the sponsor online) and ultimately - a ‘real’ interaction with the brand and the programme in a real world event.

This ultimately creates for consumers an environment that is saturated with the coupling of the brand and the programme and turns it to something ‘natural’. The use of the Internet as a platform for ‘branded content’ deals deserves special attention: the characteristics of the digital environment as a non-linear and only lightly regulated medium further contribute to the blurring between content and advertising. Furthermore, it allows marketers to turn to their target audience and encourage users to send personal data for the purpose of collecting data and establishing an ongoing relationship with them. Thus ‘continuous integration’ opens up avenues for ongoing commercial relationships with, and exploitation of, the audience as a market.

While Chapters 5 and 6 are highly relevant to the first and second research questions, at the same time, they are essential for approaching the third question on the potential harms of this market, which is at the heart of Chapter 7.

Thus, Chapter 7 takes a step back to allow a broader look at the market of ‘branded content’ and its potential harms to the cultural public sphere (McGuigan, 2005b). It portrays the tensions that are typical of this market, beyond the two case studies, and the attempts made by regulators, alas – their failures – to cope with the new, constantly changing reality of commercialisation. As the data coming from branded content agents shows, the market of embedded branding is typically filled with conflicts between content creators and sponsors, despite the initial synergetic, ‘romantic’ phase during negotiations. The tensions and disputes arise mainly due to the differences in their initial goals and general orientation, as content creators are generally oriented towards generating debate, i.e. communicative action, while marketers use public discourse in an instrumental manner for their commercial goals, i.e. strategic action (Habermas, 1984). Against this background, only a small share of these potential deals is finally signed and it is often the case that their implementation involves tensions and disputes during the production process.

In this erratic landscape, regulatory bodies are trying to find their way between the need to restrain aggressive commercialisation and the necessity of recognising and accommodating the
changing media economy. In recent years some regulators (such as the European Commission or UK regulatory bodies) have moved towards a liberalisation of their rules. Predominantly, they shifted from the principle of separation (which strictly prohibits any influence of sponsors on programming) to that of identification of product placement. However, the data from the thesis points at significant failures in regulatory definitions and overall understanding of the market. This happens as regulatory definitions seem to ignore the abstract and fluid nature of embedded branding deals, as the analysis of the case studies show. At the same time, they face disempowerment, as the rise of the Internet as an unregulated terrain offers new opportunities for further blurring between content and advertising.

In this reality, in which the market of ‘branded content’ or ‘native advertising’ is evidently on the rise and regulators are struggling to update their rules and maintain their authority, the ideal of the cultural public sphere and the necessary conditions for ethical discourse in this sphere seem to be trampled. I therefore point at two possible harms which the market of ‘branded content’ may inflict upon the role of the media as a generator of public discourse. The first is the saturation of the cultural public sphere with messages that are essentially manipulative (Habermas, 1984). The second is related to the first: once consumers become aware of the manipulative nature of some of the messages in the media, they may lose trust in any mediated communication. As trust is at the heart of the relationship between content creators and their audience, this may seriously impair the ability of the media to fill its role as a sphere for public debate in a democracy, to the extent of its complete paralysis.

When telling colleagues about the topic of my thesis, their reaction would often be, “Oh, so, you’re writing about product placement!” My answer would always be no. This thesis is an attempt to shift the scholarly discourse on commercialisation beyond its historical focus on product placement. It is, instead, about the lesser known and much more elusive ways in which leading corporations attempt to buy influence over the public agenda: the topics we choose to discuss as a public of citizens and the manner in which we think about them.
Chapter 1

The Cultural Public Sphere in-between Content and Commerce

Introduction

The objective of this thesis is to understand the influence of commercial funding that is oriented towards integrating advertisers in media content. What I look at is a funding model defined as follows: the integration of a commercial entity or any other entity which is not the producer, broadcaster or distributer, in media content, on the basis of material return and without clearly identifying it as advertising.

This is an initial effort to explore the implications of brands’ integration into media content on the functioning of the media as a platform for public discourse. This phenomenon is known in professional jargon as ‘branded content’, ‘branded entertainment’ and more recently, in the context of digital media, as ‘native advertising’. From a critical perspective it is known as ‘stealth marketing’ (Goodman, 2006) or as I prefer to call it, ‘embedded branding’ (Balint, 2012a).

For this purpose, three research questions must be approached. First, how does this market work in practice? Second, should the rise of ‘branded content’ be seen as a new phase in media commercialisation? Is it different from well-known practices in the history of commercial media, such as product placement and sponsorship, and if so - what are its characteristics? Third and most significant, what are the implications of this activity to the media’s ability to facilitate public discourse and what should be the consequent recommendations for regulators and policy makers?

This chapter sets the theoretical framework for approaching media commercialisation from a critical perspective, with special attention given to the most concerning aspect of embedded branding: the blurring between editorial content and advertising.
While critical scholars often seem to assume that the distinction between content and advertising is self-explanatory, in practice, there is a growing trend of blurring between the two, and professionals in the field of ‘branded content’ would often argue that such a distinction does not exist at all. Furthermore, there is a lack of analysis of the implications of blurring the line between the two. I therefore found it a vital question in this research and an exciting theoretical challenge.

The critical discourse on commercialisation is rooted in the intellectual tradition of the Frankfurt School. I therefore begin my journey by looking at two of its leading scholars, Adorno and Horkheimer (2002), who dealt with the commercialisation of the media and later move to Dallas Smythe’s classic critique on commercial media (1981). I then turn to Habermas’ social theory and rely on his notion of the public sphere (1989) as a theoretical foundation for my topic. Looking at the role of the media as a platform for discussion and debate on common issues in democratic life, provides, in my view, the best path to understanding the significance of the distinction between content and advertising. However, I suggest using McGuigan’s (2005b) broader notion of the cultural public sphere (2005), which allows elaborating the discussion on embedded branding to media content in general, beyond journalism that is usually identified with Habermas’ well-known concept.

I then proceed to discuss the content/commerce distinction, based on Habermas’ (1984) theory on discourse ethics. Two elements of this theory are central to my analysis and will be used throughout the text to analyse the empirical data: communicative action, which is oriented towards discourse and is characteristic to the work of content producers (such as journalists, directors, script writers and so forth) and strategic action, which describes the work of those who use speech acts not for the purpose of discourse, but to gain influence over others. This best describes the orientation of marketing people, advertisers, and professionals in the field of ‘branded content’, as well as those who are involved in political persuasion.

Finally, I present the broader historical context in which the phenomenon of embedded branding is thriving – the global turn towards neoliberalism from the 1970s and the deregulation of media markets which followed. This chapter is particularly relevant for approaching the third research question: what are the implications of ‘branded content’ on the functioning of the media as a platform for public debate?
Theoretical Framework

From a theoretical point of view, my research has two pillars. My effort is rooted in a longstanding and well-established critical discourse on the role of the media in democratic life and the influence of capitalism on its ability to function. At the same time, it requires an understanding of recent technological and economic developments which have brought fundamental changes upon the media environment and encouraged the rise of embedded branding. Thus, while one theoretical leg stands firm within the field of Marxist theories, the other is rooted in a scholarly analysis of contemporary developments in the media landscape, some of which are still taking place. The present chapter will focus on the first topic – theories of commercialisation and its influence on the role of the media in a democratic society, with specific attention to the normative distinction between content and advertising.

I will begin by tracing the intellectual roots for this discourse on commercialisation in theories which approached capitalism and culture in a critical way, predominantly Marxist ones. My research will be located, therefore, in the political economy approach to culture which emphasises ethical and normative questions about capitalism (Hesmondhalgh, 2007). Probably the most well-known critics of the commercialisation of culture were two of the leading figures of the Frankfurt School, Adorno and Horkheimer (2002). Their 1944\textsuperscript{13} well-known essay, *The Culture Industry: Enlightenment as Mass Deception*, emerged just a few decades after the model of funding content through advertising had become established. Other scholars of Marxist thinking further contributed to the critical discussion of media commercialisation, for example Dallas W. Smythe (1981), who four decades later argued that the mass media audience was a commodity being sold to advertisers. However, it was their apprentice and challenger, Habermas, who set the foundations for a more comprehensive discussion on the impact of commercial media and advertising on democracy, in his *Structural Transformations of the Public Sphere* (1989). His notion of the public sphere became widely discussed in media studies, as he presented a normative model for the role of the media, which was highly identified with the work of journalists in a democracy. The notion of the public sphere is also central to my theoretical discussion.

\textsuperscript{13} Revised in 1947.
However, Habermas’ theory has also raised much criticism (Calhoun, 1992; Curran, 2002; Dahlgren, 1995; Fraser & Bartky, 1992; Garnham, 2007; Negt & Kluge, 1993) directed at his historical analysis as well as the utopian concept. In the second part I thus chose to present the notion of the cultural public sphere (McGuigan, 2005b) as an alternative model which suggests a more flexible and updated perception of the media’s role in a democratic society. It is especially relevant to my efforts because it opens the discussion on commercialisation to a wider range of genres and various modes of content, beyond journalism, such as entertainment and reality television, the latter being at the centre of my empirical work.

In the third part, Habermas’ theory of communicative action (1984) and his notions of communicative action and strategic action are presented as a key philosophical framework for explaining why media content and advertising should be considered as different acts. This is a core question in this chapter, as ‘branded content’ is first and foremost directed towards blurring the line between editorial content and commercial messages.

The fourth and final part of the chapter locates my discussion of embedded branding within the wider context of neoliberalism in which the phenomenon takes place, and will specifically relate to the trend of deregulation which is an outcome of neoliberal policy making.

### Normative Perspectives (1): The Public Sphere

#### Culture and Capital 1: A Culture Industry or Cultural Industries?

The foundation for the critical tradition of assessing the influence of capitalism on culture was laid in Adorno and Horkheimer's influential 1947 essay in which they coined the term ‘culture industry’ (2002). The intention of this ironic expression was to emphasise the contradiction between their idealistic perception of culture and the reality of commodification. In the tradition of Hegelian philosophy, they saw culture, like art, as a way to provide a utopian vision for a better life. Modern capitalist democracy, in their view, has brought culture and commodification to collapse together, instead of standing in opposition to one another.
The more strongly the culture industry entrenches itself, the more it can do as it chooses with the needs of consumers – producing, controlling, disciplining them; even withdrawing amusement altogether: here, no limits are set to cultural progress (Adorno & Horkheimer, 2002).

This pessimistic point of view was later rejected by critics such as the French sociologist Miège (1989), who argued that the commodification of culture was a much more ambivalent process than the one described by Adorno and Horkheimer and that the battle between culture and capital was not lost, but rather that the ‘cultural industries’¹⁴ are a zone of perpetual battle. From its inception, the discourse on commercialisation in the Marxist tradition, therefore, viewed culture and capitalism as two opposing entities, although the nature of the interaction between the two and the implications of this ongoing tension for democracy and society in general, has continued to lie at the heart of debate.

**Culture and Capital 2: What is the Commodity – Audience or Content?**

However, the practice of embedded branding challenges the very existence of such a distinction. For example, when asked about the difference between the work of branded content agents and that of an executive in a broadcasting body, Yuval Lev, formerly the head of the branded content agency at McCann Erickson in Israel replied:

> There isn’t any. He runs a content company. Don’t I produce content? My content is called commercials. Some of them are programmes. It is exactly the same thing (Lev, 2008).

This statement, prima facie, seems to reinforce the argument presented by another harsh critique of capitalism, Smythe, on the real purpose of mass media. Smythe (Durham & Kellner, 2006) argued that all theories of mass communication that consider the principal product of mass media as ‘messages’, ‘information’, ‘images’, ‘meaning’, ‘entertainment’, ‘education’, etc., are “subjective and idealist”. Instead, he suggests an “objective and realistic” (Smythe, in Durham &

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¹⁴ As Hesmondhalgh (2007) explains, the fact that French sociologists who subscribe to the ‘cultural industries’ approach, such as Miège, have chosen to use the plural form of the term is not a coincidence, but a way to challenge and contest the ‘culture industry’ deterministic and pessimistic view of the commodification of culture.
Kellner, 2006 p. 230) perspective in which the principal product of commercial mass media is audience power, a commodity that is sold to advertisers. He explains that:

What they [advertisers] buy are the services of audiences with predictable specifications which will pay attention to predictable numbers at particular times to particular means of communication (television, radio, newspapers, magazines, billboards, and third-class mail) in particular market areas (p. 234).

After being sold to advertisers, audience members ‘work’ (without being paid), according to Smythe. Their principal work is to create demand for advertised goods through consumption. By ‘working’ as an audience they learn to spend their income on buying goods.

Sometimes, it is to buy any of the class of goods (e.g., an aircraft manufacturer is selling air transport in general, or the dairy industry, all brands of milk) but most often it is a particular ‘brand’ of consumer goods (p. 234).

In this pessimistic analysis, there is unity “between the apparently advertising and apparently non advertising content of commercial mass media” (in Durham & Kellner, 2006, p. 241). Smythe views media content as simply the ‘free lunch’ the audience members are being offered to whet their appetite for commercials. It is aimed at keeping them attentive to what they see and in a good mood towards the advertiser’s messages. Television programming is therefore subordinated to the purpose of selling large, happy and attentive audiences to advertisers. Smythe further writes:

Therefore, a program which is more arousing than the adjacent advertisements will not survive; it could survive the preliminary screening only because of faulty judgment on part of the media management and advertisers (p. 242).

Smythe would probably consider the arguments often voiced by branded content agents such as the one quoted above, as reinforcing his theory. Indeed, in many ways his analysis, even though it was written at the end of the 1970s, accurately represents the typical mode of thinking of
marketing professionals and executives at broadcasting bodies today. Moreover, parts of Smythe’s radical point of view have become almost obvious for media consumers today who are exposed, for example, to the rating charts on a daily basis and are often well aware of the commercial considerations behind the programming schedule. But at the same time, this concordance with reality is also the weakness of his case. His theory adopts the narrative that guides advertisers and broadcasters without considering other forces that work to balance it (such as regulation, creative workers and their unions, public critique or even consumers’ preferences and demands); more importantly, it represents a pessimistic view of commercial media without offering any alternative model.

It is exactly because advertisers perceive media content as nothing more than “peanuts given to the customers of the pub” (in Durham & Kellner, 2006, p. 38), that it is even more important to present a normative model as to what should be the power balance between what audiences get from broadcasters and what broadcasters get from advertisers. While Smythe seems to describe a static situation, I see the answer to the question ‘What is the principal product of mass media?’ as a constant battle between content and advertising, audiences and advertisers. It is in this complicated, constantly changing arena, that a normative model of the role of the media is of particular significance. Moreover, a normative model can play a significant role in empowering those who are simply being sold to advertisers. It can potentially contribute to re-shaping these power relations, as empowered audience members can resist some practices and insist on ethical standards and transparency.

**Culture and Capital 3: The Rise and Fall of the Public Sphere**

Habermas' theory of the public sphere, as it was first presented in 1962 in *The Structural Transformation of the Public Sphere* (1989)\(^{15}\), sought to set the foundation for the normative role of the media in a democracy and present a critique of the influence of capitalism on the functioning of the media. As such, it soon came to have a central place in media studies and critical theory. Following the route of Adorno and Horkheimer, and drawing from Marxist and Kantian thinking traditions, Habermas introduced, both in this work and in *The Theory of*

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\(^{15}\) The book was originally published in German in 1962, and translated into English in 1989.
Communicative Action (1984) which followed, a framework for discourse ethics. This framework became and still is a fundamental reference point for supporters of this line of thought, as well as its critics. It will also serve as the theoretical framework for the current research, since it offers concepts that facilitate the understanding of the dichotomy between media content and advertising and the potentially damaging aspects of embedded branding practices.

To begin with, Habermas (1989) offered a clear historical and sociological account of the development of the press and journalism from the end of the 17th century to the middle of the 18th century, a period which coincided with the development of early capitalism and the birth of the nation-state. The development of long-distance trade and distanced markets from the 13th century onwards created a need for merchants to obtain information about events in places that were beyond the local. Thus, with the traffic of commodities began the traffic of news, mainly through guild-based correspondence, i.e. newsletters. But this, according to Habermas, could not be seen as press at that stage, since it lacked the crucial element of ‘publicness’ – that is, accessibility to the general public. This began to occur only at the end of the 17th century, and gained revolutionary momentum, with the rise of the nation-state, as “the national and territorial economies assumed their shapes” (Habermas, 1989, p. 17). What were once newsletters that served merchants’ needs for information gained power and influence once views and ideologies were involved; political journals began to appear on a regular basis (weekly at first and then daily, from the middle of the 17th century).

According to Habermas (1989), it was the logic of the market that pushed the stream of news from the limited circles of newsletters into publicity:

> For the traffic in news developed not only in connection with the needs of commerce; the news itself became a commodity. Commercial news reporting was therefore subject to the laws of the same market to whose rise it owed its existence in the first place (p. 21).

In contemporary terms, Habermas describes here the model of subscription for news and information, a model that is dependent on direct demand by media consumers.
It is exactly that logic of the market that first pushed for the public flow of information and created an economic engine for its distribution, which eventually impaired its very basic essence. This happened once advertising became a commodity, instead of the news itself, in the 1830s in Great Britain, France and the United States. In this model, according to Habermas, the principal commodity is advertising space being sold to advertisers, or audiences, if we go back to Smythe (1981). According to Habermas’ (1989) analysis, the model of advertising-funded press had a profoundly damaging influence on the conditions in which news and views are made public. Once the private economic interests gained influence on publicly shared information, the functioning of the public sphere started to erode:

Ever since the marketing of the editorial section became interdependent with that of the advertising section, the press (until then an institution of private people insofar as they constituted a public) became an institution of certain participants in the public sphere in their capacity as private individuals; that is: it became the gate through which privileged private interests invaded the public sphere (p. 185).

Thus, it was market forces that pushed for the rise of the press and the creation of the public sphere, which according to Habermas, eventually led to its decline, its "refeudalisation". The concept of the public sphere, therefore, is based on the period between the rise of the press and what Habermas sees as its decline: a golden age from the end of the 17th century and throughout the 18th century. In this historical phase, with the demise of feudalism and the appearance of the nation-state, early capitalism and a new class of educated, propertied men, the bourgeois public sphere was created in Britain, France and Germany. In public gatherings in coffee houses, salons and clubs, via discussions that were based on media such as journals, pamphlets and newspapers, a culture of public information exchange, presenting views and opinions and even heated debates, first emerged. Even though Habermas’ analysis of that period was later criticised for being idealised (Garnham, 2007), its main contribution to understanding the role of the media in a democracy was in presenting a normative ideal of the conditions in which public discourse should be held.
The public sphere is not a concrete space or a well-defined mechanism, but rather a concept that presents the ideal conditions for discourse once “private people come together as a public” (Habermas, 1989). The public sphere, as Dahlgren (1995) describes it, is

… that realm of social life where the exchange of information and views on questions of common concern can take the place so that public opinion can be formed. The public sphere 'takes place' when citizens, exercising the rights of assembly and association, gather as public bodies to discuss issues of the day, specifically those of political concern (p. 7).

As Garnham (2007) notes, Habermas' thought, through all its shifts, is concerned with the Kantian question of how to establish “solidarity among strangers”, while “giving due weight to the social developments that have been dubbed ‘modernity’” (p. 203). At the heart of the public sphere concept stands the Kantian principle of critical-rationalism, which is, as Habermas strongly believes, the best way to reach an agreement on ‘truth’. As Calhoun (1992) further elaborates:

The very idea of the public was based on the notion of a general interest sufficiently basic that discourse about it need not to be distorted by particular interests (at least in principle) and could be a matter of rational approach to an objective order, that is to say, of truth (p. 9).

But the notion of the public sphere is far from being just a way for people to gather and share ideas and views. Eventually, this ongoing process of public discourse, in a democracy, should have a straightforward influence in shaping politics and society. As Dahlgren (1995) puts it:

It is via such discourse the public opinion is generated, which in turn is to shape the policies of the state and the development of society as a whole (p. 8).

For this reason, based on the fundamental question of how to establish “solidarity among strangers”, Garnham (2007) concludes:
… it is best, I think, not to see the public sphere as a concrete space or set of discursive practices, but a perspective from which to think about the problem of democracy in the modern world (p. 203).

At its heart, the public sphere concept is closely related to the Anglo-American liberal tradition and its notion of the ‘marketplace of ideas’. Both terms became code-words for an ideally functioning media (in particular journalism), which presents reliable information and a diversity of opinions. But this is not to say the two are entirely similar. As Dahlgren (1995) notes, Habermas’ analysis is rooted in the history of capitalism and therefore, unlike the notion of the marketplace of ideas, its critical reflection goes further than simply calling for reforms in the practice of journalism and its conditions.

It evokes wide-ranging critical reflection on social structure, the concentration of power, cultural practices, and the dynamics of the political process (p. 9).

**Culture and Capital 4: Critique of the Public Sphere**

The centrality of the public sphere concept to the discussion of the role of the media as a free and independent terrain for citizens to come together and debate, in-between the power of the state and the influence of private corporations, has turned it into a subject of heated debate and recurrent criticism. Some scholars (Calhoun, 1992; Garnham, 2007; Negt & Kluge 1993) focused their criticism on Habermas’ historical analysis of the 18th century bourgeois public sphere. Others (Calhoun, 1992; Curran, 2002; Fraser & Bartky, 1992) questioned the ideal Habermas set through the notion of the public sphere and its relevance for the media nowadays. While the later strand of criticism is more relevant to the current research, both are worth considering here.

As mentioned before, Habermas’ historical analysis of the 18th century coffee house culture was seen by some of his critics as an idealised one (Garnham, 2007). This line of debate started soon after the book was published in German, when voices from the left attacked Habermas for focusing on the bourgeois public sphere while neglecting the proletarian one, as well as
suggesting that his portrayal of everyday life in advanced capitalism is inaccurate (Negt & Kluge, 1993). Others referred to the absence of nationalism in Habermas’ analysis (Calhoun, 1992), as well as the lack of attention to issues of culture and identity. Feminist writers (for example Fraser [1992] and in Calhoun[1992]) criticised Habermas' clear division between ‘private’ and ‘public’, as well as his avoidance of issues of gender and the exclusion of women from the bourgeois public sphere.

Other critiques doubted whether it was possible to project anything from the reality of the 18th century to the contemporary media and political system. Curran (2002) argued that the polity of the 18th century is simply different from the modern political system of the 21st century, mainly because individuals are now represented through parties, interests groups and civil society, and not directly in the media. The role of the media should therefore be viewed in that light. Calhoun (1992) takes this line of thought even further and claims that the original essay on the degeneration of the public sphere tends to judge early and late capitalism by different sets of values:

Habermas tends to judge the eighteenth century by Locke and Kant, the nineteenth century by Marx and Mill, and the twentieth century by the typical suburban television viewer (p. 33).

Yet, this criticism does not necessarily impair the strength and validity of the ideal that Habermas developed through the concept of the public sphere as to the conditions in which public discourse should be held. Different aspects of this model can be challenged, as I will show here, and some of them need to be revised. However, the need for a space that is free from political pressure and economic constraints, to which citizens have equal access to discuss issues that are relevant to their lives and in which the best argument can be accepted by others, remains valid for a democracy even as its historical context changes. As I will show here, the basic Habermasian notion and especially its discourse ethics theory which followed are most relevant to the analysis of contemporary commercialisation practices. As Dahlgren (1995) suggested:

We can take the idea – the vision of the public sphere – as inspirational, yet accept that there is no single universal model which is possible or even suitable for all historical circumstances (p. 11).
Indeed, there is an ongoing debate among media scholars as to the public sphere as an ideal and the ways to revise it. One strand of criticism relates to the debate around one public sphere versus a model of multiple public spheres. Habermas' original concept links the public sphere with the nation-state, so that each state has one public. Although in his original essay he referred to more than one public sphere, as he portrayed the literary public sphere as the seedbed for the practice of criticism that later became political (Eagleton, 1984), he viewed the political, national public sphere as the main arena for the formation of public opinion. This perception not only defines the scope of discourse, but also the kinds of topics to be discussed. It means that the public sphere serves first and foremost to discuss issues that will then be decided in the political arena.

A number of scholars (Calhoun, 1992; Curran, 2002; Garnham, 2007) suggest there may be many public spheres, either smaller or larger than the nation-state, overlapping or contending. Calhoun (1992) suggests thinking of the public sphere “as involving a field of discursive connections”, a network in which “there might be a more or less even flow of communication” (p. 37). Over all, it is clear that the current perspective on the public sphere goes beyond the concept of one national sphere, into discussing cosmopolitan public spheres and a post-national politics (Garnham, 2007).

Habermas himself, following the many critics of his work, continued to develop his thought on the public sphere and showed a somewhat more flexible view in his later publication, *Between Facts and Norms* (1996). In this book, he no longer sees the public sphere as a realm of individuals gathered together as one public, but rather as a:

… network for communicating information and points of view (i.e., opinions expressing affirmative or negative attitudes), the streams of communication are, in the process, filtered and synthesised in such a way that they coalesce into bundles of topically specified public opinion (p. 360, original emphasis).

In this network he emphasises the importance of a vivid civil society which changes the balance of power between society and the political system. He stresses the importance of non-governmental organisations, social movements and campaigning groups in forcing problematic
issues, such as atomic energy, genetic engineering and feminism, onto the public agenda, through their dramatic presentation in the media. “Only through their controversial presentation in the media do such topics reach the larger public and subsequently gain place on the ‘public agenda’”, he writes (Habermas, 1996, p. 381). Curran (2002) points out that this improved version of the public sphere is still restricted to a national context of democracy and ignores the impact of globalisation. “In other words”, writes Curran, “he does not explain how global forces impinge on his understanding of the national democratic process” (p. 234).

More importantly, even when considering the revised concept suggested by Habermas, the definition of the public sphere as an arena for discussing predominantly political issues remains a weakness of the theory and calls for a revision. Public discourse goes much further than simply discussing core political issues that are to be decided by the state. It also relates to shared norms and values at a national level, as well as the global one. These serve as guidelines for individuals' opinions, decision making and behaviour in their everyday life as members of the community in which they live, citizens of a nation-state, as well as citizens of a globalised world. This, for example, happened after the death of Princess Diana in 1997 which among other things, sparked heated public debate on the role of the monarchy in the UK, the values the royal family represents as well as romantic relationships (McGuigan, 2000, 2005b). Diana’s death therefore turned from a ‘celebrity story’ into a demonstration of what Anthony Giddens (1992) calls ‘life politics’ to describe the search of people for new norms when the old conventions seem to collapse.

In a similar way, the Big Brother format is surely considered as pure entertainment with no political significance, yet in 2007 a number of incidents between participants on the British Celebrity Big Brother led to a controversy about racism towards Indians in the UK, which was followed by reactions from both governments and the suspension of a number of sponsorships of the programme. Similarly, during the first season of Big Brother in Israel (2008) a heated public debate was sparked around the tension between Ashkenazi and Sephardic Jews after two participants, a father and a daughter, constantly emphasised the ethnic origins of the inhabitants in the house, touching upon one of the sensitive nerves in Israeli society. Indeed, McGuigan (2005b) argues that the Big Brother format has political meaning and suggests to see it as a “modern morality play” (p. 436). Against this background, I would like, in this research, to
elaborate on the notion of the public sphere, in the context of the contemporary media landscape, beyond pure political content which is represented through the work of journalists, to different genres, such as drama, reality TV, comedy, or documentary which together constitute what I refer to as ‘media content’. It is in many respects equivalent to what Hesmondhalgh (2007) refers to as ‘texts’: “… the collective name for all the ‘works’ produced by cultural industries, such as television programmes, films, recordings, books and so on” (p. 313).

Another major line of debate around Habermas’ concept relates to the overemphasis on the element of rationality in his theory (Dahlgren, 1995; Garnham, 2007; McGuigan, 2005b, Negt & Kluge, 1993). This started in The Structural Transformation of the Public Sphere and became even more central in his later theoretical work on discourse ethics, The Theory of Communicative Action (1984). Rationalism is at the heart of Habermas’ perception of the public sphere and an essential condition for its ideal functioning, yet at the same time it is the source for much of the criticism of his theory and a motivating force for attempts to further develop the concept. The notion of communicative rationality as a guarantee for undistorted communication, his critics claim, excludes a range of modes that people use to express their perspective, debate various issues and form an opinion. Garnham argues that Habermas' concept of communicative rationality should be understood in the context of the quest for “solidarity among strangers” under modern conditions in which social relations are mediated “by abstract systems of symbolisation and discourse”. He therefore suggests viewing rationality from a wide and flexible perspective, as “simply the water in which modern humans swim” (Garnham, 2007, p. 211).

Still, the problem remains valid: by limiting undistorted communication to rational reasoning, any other forms of communication, such as affective communication, are excluded (McGuigan, 2005b). This strict approach towards discourse excludes many forms of communication, such as fictional forms (TV drama, films and so on) as well as what is generally seen as ‘entertainment’, and even simply heated debates between people in everyday life (such as those that have been taking place on social networks in recent years), in which rational and affective modes are constantly intertwined.
Normative Perspectives (2): The Cultural Public Sphere

The Contemporary Landscape (1): Beyond Journalism, Beyond Rationalism

Thus, two problems in the original concept of the public sphere - its apparent limitation to strictly political issues and its overemphasis on rationality - lead me to search for a supplementary framework, which contains a broader range of communication modes and is more suitable for the contemporary media landscape. I will therefore draw on McGuigan’s (2005b) notion of the cultural public sphere which offers a broader and more flexible view of the modes in which public discourse takes place.

To begin with, the limitations of the concept of the public sphere are apparent in the way it was implemented in media research. The prominence given to politics and current affairs, based on rational arguments, led researchers to identify the concept predominantly with the generation of news and journalism. It contributed to the widespread perception that journalism is the main generator of public discourse, while any other media outputs, such as fiction (drama series, soaps, films), entertainment (such as reality shows), music clips, or for that matter user generated content (such as video clips on YouTube) are of less significance. As a result, journalism is commonly perceived as more important or serious and thus as an area that should be subject to certain professional and ethical standards, while other media genres are seen as less serious and important and therefore in less need for regulation or scrutiny.

But in recent years there are more and more voices that challenge the traditional dichotomy between ‘fact’ and ‘fiction’ (Goldsmiths Media Group, 2000) or ‘news’ and ‘entertainment’ (Delli Carpini, 2009; Delli Carpini & Williams, 2001). The group of media scholars from Goldsmiths College (2000) constituted by James Curran and a group of Goldsmiths media and communication PhD students, related in that context to the success of soap operas in the UK which gradually became a platform for discussing certain social issues and led the Labour government to ask the producers to include issues of drug education in the plot. They further wrote:
… it is clear that fictional spaces such as soap operas can no longer be dismissed as irrelevant to our understanding of the public sphere. On the contrary, they can be crucial to ongoing processes of national and cultural self-definition: for example, in focusing debates and tensions about national and local identity (p. 45).

Delli Carpini and Williams (2001) claim that the traditional distinction between news and entertainment has been rapidly eroding since the mid-1980s, due to changing communications technologies, new economics of mass media and broader cultural trends. Moreover, they argue that it is practically impossible to articulate a theoretically useful definition of this distinction. In their view, the division between news and entertainment in the media is socially constructed, a result of historical developments during the 20th century, and says “more about the distributions of political power than about the political relevance of different genres” (Delli Carpini & Williams, 2001, p. 163).

Indeed, it is hard to ignore the current reality of the media in which genres that were once clearly differentiated are rapidly mixing in a way that blurs all previously known definitions. Is the British format *Wife Swap* a reality programme or a documentary? Is it ‘just’ entertainment or a discussion about the different ways of managing marriage, child rearing and a household? Is the American filmmaker Michael Moore (*Bowling for Columbine, Fahrenheit 9/11*) a journalist, a commentator, a comedian or maybe a political activist? Similarly, is Jon Stewart's successful *Daily Show* on Comedy Central in the USA an alternative news edition, a satire programme, a commentary or ‘just’ entertainment? In Israel, one of the most popular shows, *Eretz Nehederet*16, a local interpretation of the American *Saturday Night Live*, is considered to be a political satire as much as it is an entertainment show much loved by young viewers; some go as far as suggesting it serves as a source for becoming updated about current affairs. And, in the case of the current research, is the British programme *How to Look Good Naked* a simple makeover programme, a reality show or a platform for a public discussion on female beauty, women’s empowerment and feminism? Equally, is the Israeli format *Overdraft Family* just another entertaining reality show, an educational programme about how to manage financial issues or a

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16 In Hebrew, literally ‘What a Wonderful Country’. Broadcasted on Channel 2, by the franchiser Keshet.
platform for a discussion of norms concerning self-responsibility versus social responsibility, business management, gender roles and family relations?

This trend is also apparent in public statements made by media executives. This, for example, is how one of the leading figures in Israeli commercial television, the CEO of the franchiser Keshet on Channel 2, Avi Nir, presented the new schedule for the summer of 2007:

This is the end of the genres era… [It is an era of] shaken genres, like James Bond, for the purpose of integrating between genres, producing unexpected programming and involving the viewers in other platforms with their favourite content (Crystal, 2007, May 6th).

The Goldsmiths scholars further concluded:

Entertainment media, as well as news media are therefore essential to a democratically adequate public sphere and fundamentally issues of access and participation apply to them as they do more obviously in the area of formal, ‘rational’ debate (Goldsmiths Media Group, 2000, pp. 45-46).

This, they argue, transforms the public sphere debate

… from being solely about the contents of debate in the public domain to encompassing the media’s role in stimulating private (as well as public) debate through their prominent influence over contemporary definition of ‘the social’ (Hall, 1977 and Curran, 1982 in Goldsmiths Media Group, 2000, p. 45,original emphasis)

Habermas (1996), in his later book on the public sphere, has also accepted to some extent the feminist perception that ‘the personal is political’ and the challenge it presents to his original notion of the political public sphere. He recognised the problem that existed in his original dichotomy between ‘private’ and ‘public’ which was much criticised by feminist writers (Benhabib, 1992; Fraser, 1992; Young, 2000). Consequently, he referred to the important role that the “‘literary’ public sphere” plays in contemporary society for debating shared values, and its interaction with the political public sphere:
Problems voiced in the public sphere first become visible when they are mirrored in personal life experiences. To the extent that these experiences find their concise expression in the languages of religion, art and literature, the 'literary' public sphere in the broader sense, which is specialised for the articulation of values and world disclosure, is intertwined with the political public sphere (Habermas, 1996, p. 449).

But still, Habermas does not really change his fundamental perception of the public sphere as predominantly a realm for rational public debate on political issues in its pure sense – those that are to be decided by the government and the state. Dahlgren warns that “if our horizons do not penetrate beyond the conceptual framework of communicative rationality and the ideal speech situation, we will be operating with a crippled critical theory” (Dahlgren, 1995, p. 109).

The Contemporary Landscape (2): The Cultural Public Sphere

In this context, McGuigan’s (2005b) concept of the ‘cultural public sphere’ is a useful way of addressing the problematic aspects discussed so far. McGuigan criticises Habermas’ separation between the literary public sphere and the political one in a way that corresponds with the criticism of the ‘entertainment versus news’ distinction:

The literally public sphere was not about transient news – the stuff of journalism – that is the usual focus of attention for the political public sphere. Typically, complex reflection upon the chronic and persistent problems of life, meaning and representation, which is the characteristic of art, works on a different timescale. Critics tend to have a better memory than the producers of distorted news events. Journalists are often agents of social amnesia, only interested in the latest thing. Old news is no news. Social-scientific research must address the treatment of the event while also putting it in the context of patterns of representations over time as a necessary corrective (McGuigan, 2005b, p. 430).
Furthermore, he also relates to the problematic cognitive-affective division:

Perhaps television soaps are the most reliable document of our era. Affective communications are not only valuable as historical evidence; they are themselves sites of disputation, as the history of the arts in general would attest (p. 430).

In a similar way, Grisprud (1992) points out the emotional elements in tabloid journalism that bring a message to its audience in a sentimental, rather than a rational, critical way.

Against this background, McGuigan (2005b) presents the concept of the cultural public sphere which embraces a broad range of communication forms:

It includes the various channels and circuits of mass-popular culture and entertainment, the routinely mediated aesthetic and emotional reflections on how we live and imagine the good life. The concept of the cultural public sphere refers to the articulation of politics, public and personal, as a contested terrain through affective (aesthetic and emotional) modes of communication. The cultural public sphere trades in pleasure and pains that are experienced vicariously through willing suspension of disbelief; for example, by watching soap operas, identifying with the characters and their problems, talking and arguing with friends and relatives about what they should and should not do. … The cultural public sphere provides vehicles for thought and feeling, for imagination and disputatious argument, which are not necessarily of inherent merit but may be of some consequence (p. 435).

McGuigan’s cultural public sphere, therefore, suggest a more flexible and broad perception of the original Habermasian concept, one in which many forms of communication - news pieces, investigative reports, soap operas, reality shows, drama series, comedy films or a home-made video clip uploaded on YouTube – could potentially play a significant role in the generation of a meaningful and eventually influential public discourse. This is also why the comprehensive term ‘media content’ is appropriate for describing all of these. Public discourse is not just talking about politics in a straight forward way in news and current affairs programmes, but about shared
values and norms that are relevant to members of a community in their common life, as a public. This discourse can take many forms: news reporting, a drama, a reality show or a short homemade clip that becomes viral.

Indeed, Habermas (1984) in his theory of discourse ethics, recognises the significance of values and norms as an organising force in society. Norms, according to Habermas, “express an agreement that obtains in a social group” (Habermas, 1984, p. 85). Furthermore, values serve as their building blocks:

… values are candidates for embodiment in norms – they can attain a general binding force with respect to a matter requiring regulation. In the light of cultural values the needs [Bedürfnisse] of an individual appear as plausible to other individuals standing in the same tradition.

(p. 89, original emphasis).

Finally, he sees language “as a medium that transmits cultural values and carries a consensus that is merely reproduced with each additional act of understanding” (p. 95). This clarifies why his speech act theory (which I will discuss in more detail in the next section) is useful in presenting an ideal for the conditions under which shared values and norms should be formed.

But by adopting the concept of the cultural public sphere I do not suggest a complete rejection of hierarchies between different acts within it. On the contrary, it is this broad and flexible perspective on the public sphere, in which many forms of content are of potential value for public discourse, that a different demarcation between media content and other forms of communication becomes even more essential.

In the footsteps of Habermas' discourse ethics, as presented in The Theory of Communicative Action (1984), I will argue that his distinction between a communicative act and a strategic one is most useful for understanding the qualitative difference between media content and commercial messages. In other words, his theoretical observations about the ideal conditions in which public discourse should take place offer the most comprehensive route for understanding the fundamental distinction between editorial content and advertising. This perspective is the key for understanding the damaging aspects of embedded branding for public discourse, as I will further elucidate.
The Cultural Public Sphere: Between Communicative Action and Strategic Action

Discourse Ethics (1): Communicative Action and Strategic Action

Habermas’ theory of communicative action (1984)\textsuperscript{17}, published in two volumes almost 20 years after *The Structural Transformation of the Public Sphere*, draws upon Weber's (1978) theory of social action. But, while Weber’s sociological account relates to the behaviour of a single actor and the subjective meaning he or she attaches to it (this is what Weber defines as ‘action’), Habermas (1984) focuses on the linguistic medium and to speech between at least two actors:

The normative model of action presupposes language as a medium that transmits cultural values and carries a consensus that is merely reproduced with each additional act of understanding (p. 95).

In Habermas’ view, his theory pursues aspects of the rationality of action that were neglected in Weber's action theory.

Obviously, it is not possible to embrace the breadth and complexity of Habermas’ much discussed social theory in this context. I will therefore present those elements that are relevant for understanding different modes of communication in the cultural public sphere.

The typology of action that Habermas presents in the first volume of *The Theory of Communicative Action* (1984) differentiates between two types of action in social situations: communicative action and strategic action. In communicative action the actors are oriented to reaching understanding, “the inherent telos of human speech” (p. 287), and use language as a medium for that purpose. As Habermas writes:

The actors seek to reach an understanding about the action situation and their plans of action in order to coordinate their actions by way of agreement (p. 86).

\textsuperscript{17} The theory was first published in 1981.
This agreement, he further argues, has a rational basis:

… it cannot be imposed by either party, whether instrumentally through intervention in the situation directly or strategically through influencing the decision of the opponents (p. 287).

Moreover, any agreement rests on common convictions, “validity claims”, which are best understood as truth, or in the case of fictional narratives – sincerity (Goodman, 2006).

The speech act of one person succeeds only if the other accepts the offer contained in it by taking (however implicitly) a ‘yes’ or ‘no’ position on a validity claim that is in principle criticisable. Both ego, who raises a validity claim with his utterance, and alter, who recognises or rejects it, base their decisions on potential grounds or reasons (Habermas, 1984, p. 287).

To put it very simply, when two people are engaged in communicative actions, they are in dialogue and are able to influence each other’s thoughts, values, opinions and ultimately behaviour.

In contrast to that, in strategic action, the actor is oriented towards ‘success’. This term is an expansion of the Aristotelian concept of teleological action. In teleological action the actor is basically goal oriented:

The actor attains an end or brings about the occurrence of a desired state by choosing means that have promise of being successful in the given situation and applying them in a suitable manner. The central concept is that of a decision among alternative courses of action, with a view to the realisation of an end, guided by maxims, and based on interpretation of the situation (p. 85, original emphasis).

This action becomes strategic when another actor is taken into consideration. The orientation towards the actor (or actors) in this model is that of influence, not agreement. This model of maximising utility is also at the basis of game theory and decision making theories.
In Habermas’ view, it is possible to categorise concrete actions according to these two types of action. Furthermore, he believes that under suitable conditions, participants in a situation should be able to identify these attitudes based on their intuitive knowledge. Ideally, any speech act is a communicative one, but Habermas is well aware that in everyday life it is more than often that a linguistically mediated interaction is not discursive, but rather uses language to gain influence on another actor.

Indeed the distinction between the two can be easily applied to real world situations. For example, when a man or a woman tries on a coat in a shop, he or she can easily differentiate between the opinion of the sales person in the shop and that of a friend or a random passer-by. The first is aimed at success, in this case – convincing the costumer he or she should buy the coat. The others are most likely to try and sincerely consider whether the coat really suits him or her. While the sales person cannot be moved from his ultimate goal and is therefore expected to be consistent in his view that the coat looks nice, and will find, accordingly, arguments to support this stand, the friend or passer-by will possibly discuss the different aspects of the issue in question with the buyer and potentially, they can influence each other's views and even reach some agreement.

To further clarify the distinction between the two models of action, in a communicative act the aim of the speaker is apparent in the meaning of what he says. But, writes Habermas:

> It is otherwise with teleological actions. We identify their meaning only in connection with the intentions their authors are pursuing and the ends they want to realise. As the meaning of what is said is constitutive for illocutionary acts, the intention of the agent is constitutive for teleological actions (p. 289, original emphasis).

In other words, in the case of communicative action, the actor's intent is to make the content of what he says understood. In contrast, in strategic action, the intention cannot be inferred from the manifest content of what is said, but only from knowledge of the actor's goal.
Discourse Ethics (2): Content and Commerce

The distinction between these two types of action in social situations is most helpful in elucidating the difference between actions that should be considered as part of the cultural public sphere and actions that are done for the benefit of commercial bodies. While the ideal for professional content producers in the media, those who make editorial choices, i.e. journalists, editors, documentary makers, scriptwriters, directors, etc., is to produce messages that are discursive, the essence of the messages produced by marketing professionals, i.e. advertisers, branding consultants, marketing managers, branded content agents, etc., is necessarily strategic, that is, focused on influencing the audience for its own purposes (mostly commercial, but not only). These are actions that are qualitatively different, even when they are presented as being closely related or even similar. For example, the appearance of a well-known comedian in a television series or a film written by a scriptwriter is a different act than the appearance of that same person in a commercial written by a copywriter.

This distinction provides a normative foundation for the content/commerce separation in the media and is probably the best way of analysing utterances and instances of public speech in this context. Still, this demarcation is far reaching and thus should be considered with some reservations. To begin with, it would be naïve to argue that any act of speech made by content producers necessarily falls under Habermas’ view of communicative action. There are numerous messages that go through the media every day that do not have any value for public discourse, not even a potential one, and are made for pure entertainment, not to “reaching understanding”. To put it simply, I am not arguing that any television programme can spark a meaningful debate on shared values and norms. Nevertheless, the idea of the cultural public sphere suggests a space that provides its actors with the freedom and appropriate conditions that enable communicative messages to be articulated. In contrast, the output which comes from marketing professionals necessarily falls under the definition of strategic action, as this is what defines the essence of their professional field – using speech for the purpose of influencing others to reach a certain end. An advert might, in principle, spark a meaningful public debate, yet this would never be its primary goal, but a means to a different end.

18 Ellen Goodman's (2006) definition for the role of an editor is helpful here: “… a collective term for those who make speech selection judgments in the media” (p. 113).
Second, there are typical biases in the working of media companies which often lead them to get involved with strategic messages rather than communicative ones. This often happens, among other reasons, as a result of ownership influence, for example, once a media outlet campaigns for a certain political party that can serve the publisher’s business interests in different ways, or when a newspaper is biased in its coverage of other ventures the publisher owns. This is indeed another problematic and corruptive aspect of privately owned media. On the other hand, a newspaper can chose to take a political stand and campaign for a certain party because it supports its values, in which case this would not be considered a strategic act. Thus the line between the two can sometimes be fine. It should be judged by understanding the intention behind it, information readers in most cases do not have in hand and therefore are incapable of ‘reading’ the texts properly. In another instance, the general orientation of executives in commercial broadcast bodies towards programming can also be considered strategic action to some extent, as they aim to attract advertisers and satisfy their needs, as in Smythe’s (1981) analysis. Thus, in practice, media bodies do not operate according to the ideal set through the cultural public sphere concept and Habermas’ ethics of discourse. To sum up, while the work of marketing professionals always falls under the definition of strategic action, the cultural public sphere potentially provides a space for communicative action to happen, but not necessarily. However, in cases in which communicative action is alternated with strategic action (such as a newspaper promoting the publishers’ other businesses in its news reporting), it is most often considered unethical.

The distinction suggested here does not only have theoretical strength, but is also pragmatic in terms of research and policy making. It suggests that the most relevant measure in deciding whether any act of speech is discursive or not is through the intention of the actor. This, in most cases, can be inferred from the financial model on which the specific content is based. While the basic model of media bodies such as broadcasters, production companies, news outlets (print or online), radio stations or film studios is to produce media content and offer it as a product to audiences, the aim of most other commercial bodies who make use of various media platforms is to produce messages that will gain influence over their audiences so that they ultimately motivate people to consume their products or services (which are not the content itself); therefore

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19 This is true independently of the financial model of a specific media outlet: public broadcasting, commercial broadcasting and multi-channel television all attract audiences by offering attractive content.
their use of the speech act is instrumental. These two acts, as I showed here, are inherently different.

The fundamental problem with embedded branding is that it works to blur the line between these two acts, by presenting a strategic action as a communicative one. Habermas (1984) refers to this as a ‘concealed strategic action’ - “the result of a confusion between actions oriented to reaching understanding and actions oriented to success” (p. 332), and differentiates between two categories of this action. The first is *unconscious deception* in which

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\text{… at least one of the parties is deceiving himself about the fact that he is acting with an attitude oriented to success and is only keeping up the appearance of communicative action (p. 332).}
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This kind of action is typically related to psychological explanations such as defence mechanisms and leads, in Habermas' opinion, to “disturbances of communication on both the intrapsychic and interpersonal levels” (p. 332). More relevant to the discussion here is “conscious deception” which is simply defined by Habermas as “manipulation”. In these situations

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\text{… at least one of the parties behaves with an orientation to success, but leaves others to believe that all the presuppositions of communicative action are satisfied (p. 332).}
\]

It is the manipulative nature of embedded branding practices that best helps in understanding its damage to mediated public discourse. This observation will be central to my analysis of the empirical material. I will look at how, in practical terms, embedded branding works to blur the line between content and commerce and will give special attention to the harmful consequences of this trend on the functioning of the cultural public sphere.

**Neoliberal Context: Commercial Television and Deregulation**

Embedded branding and the general trend of heightened commercialisation in the media cannot be fully understood without considering the worldwide shift towards neoliberalism since the late
1970s. It is within this context that voices pushing for deregulation of the media became dominant, and sympathy towards the commercialisation of media content has flourished. I will therefore discuss these developments in the next sections.

The neoliberal shift changed western societies in a deep way and had a fundamental influence on the media, which was not only rapidly de-regulated, but also became a mouthpiece for the neoliberal values (Couldry, 2010). What started as a marginal, even eccentric, political debate after World War II, with a group of intellectuals who gathered around the political philosopher Friedrich von Hayek to create the Mont Pelerin Society in 1947, became 30 years later - first in the USA and UK and later in many other countries – a dominant economic and political perspective which led to a fundamental change in the role of the state in governing economic and social life, as well as a shift in defining the role of the individual within society (Harvey, 2005; Rose & Miller, 2008).

This group of scholars (among them were the economists Milton Friedman and Ludvig von Mises and for a time, the philosopher Karl Popper) defined themselves as liberals because of the emphasis they wished to place on personal freedom and in order to signal their detachment from the classical theories of Adam Smith, David Ricardo and Karl Marx. Freedom meant, first and foremost, a withdrawal of any state intervention in economic and social issues in favour of the freedom of market powers (‘laissez-faire’). It was argued that maximising the reach and frequency of market transactions would maximise social good and that therefore all human action should be brought into the domain of the market (Harvey, 2005).

From the neoliberal perspective which developed during the 1980s and onwards, big governments are damaging to the functioning of capitalism. Decisions made by politicians were biased in favour of strong pressure groups and the need to satisfy voters with generous promises. State bureaucracy, which provided social services, has continuously and inefficiently expanded for the purpose of maintaining its own power. Most importantly, it was argued that a welfare state creates a culture of dependency and exempts individuals from any self-responsibility (Rose & Miller, 2008).

Thus, at the heart of the conflict between a welfare state and a neoliberal one lays a deep ideological debate: what should the responsibility of a society be towards its members? What
should the role of the individual be in a society? Thatcher had a clear answer for that, as she famously said in an interview: “… there is no such thing as society. There are individual men and women, and there are families. And no government can do anything except through people, and people must look to themselves first” (Thatcher, 1987, 23rd of September)

In practice, neoliberal policies have swamped the USA, UK and many other countries (Israel, which was established on socialist foundations, among them) over a period of 30 years. Attempts were made to replace the role of the state as a regulator of economic activity with the logic of the free market. Privatisation and deregulation became central mechanisms for that purpose. In the UK, for example, many services that were state owned, such as water, electricity, phone services and national airlines were privatised. In the same spirit, the idea of regulatory bodies that led centralised planning and leadership was now replaced by the forces of the market that were believed to be the best regulators, either by complete deregulation of certain fields or policies of co-regulation and self-regulation.

Critics of neoliberalism view these policies as a façade of an ideology for maximising social good, while the actual outcome is neglect of any social coherence in favour of the stronger parts of the society. Harvey (2005), for example, sees neoliberalism

… either as a utopian project to realise a theoretical design for the reorganisation of international capitalism or as a political project to re-establish the conditions for the capital accumulation and restore the power of economic elites (p. 19, original emphasis).

The implications of this for the media were two-fold. First, it underwent, as a market, a process of gradual deregulation and, as a result, heightened commercialisation (Freeman, 2008; Hardy, 2010; Hesmondhalgh, 2007; McChesney, 1999, 2004, McGuigan, 2005a, Mosco, 2004).

Second, in its role as a major cultural force, it embodied the values of neoliberalism and worked to ‘naturalise’ them and present them as ‘common sense’, especially through reality television (Andrejevic, 2004; Couldry, 2008, 2010; Couldry & Littler, 2011) (although other genres, such as lifestyle programming and even news, also became carriers of the same set of values).
Deregulation of media markets in the spirit of neoliberalism is central to the understanding of the liberalised standards which the European Union and the UK have adopted in recent years towards ‘branded content’ (as I further discuss in Chapter 7).

In the USA during Reagan’s time, the Federal Communication Commission (FCC) took a consistent policy of liberalising the regulations governing cross-ownership, which led to the growing consolidation of media companies and heightened concentration of ownership in this field (Freedman, 2008; Hardy, 2010). Hardy notes that the FCC has gained a reputation as ‘reluctant regulators’, which is, in practice, another form of deregulation, as rules are not necessarily being changed but in practice loosely enforced. The 1996 Telecommunications Act further relaxed cross-ownership limitations on radio and television and later the FCC continued removing restrictions on cross-ownership (Hardy, 2010). Thus, deregulation of the American media market has been an ongoing project for the last 30 years.

The UK media market saw the same trend. The 1996 Broadcasting Act followed the spirit of the American one, though in a more moderate manner, and relaxed restrictions on cross-ownership between media companies. Many western European countries were soon to follow. The BBC has also been following the zeitgeist. It indeed survived proposals during the 1980s to privatise public service broadcasting, but was pushed to adopt the rules of a competitive market, for example by efficiency measures, cutting costs, commitment to ratings and developing public-private partnerships (Freedman, 2008).

In Israel, which was introduced to commercial broadcasting relatively late20, steps were taken by the government to open the market to competition. In July 2000 the satellite company YES was launched as the main competitor for the cables company HOT, and in January 2002 Channel 10 was launched as a second commercial broadcaster. Voices arguing for the need to remove the ‘heavy burden’ of regulation are often heard at industry conferences. At the beginning of 2011 the Israeli parliament confirmed the licensing of for commercial broadcasters, which will replace the franchising system. This is probably the most significant step towards deregulation of the market, as the change is meant to open an ‘economic horizon’ for broadcasters and allow the

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20 The first commercial broadcaster, Channel 2, was formally launched in 1993.
entrance of new competitors, but in practice it is predominantly expected to ease the regulation over the two exiting channels.

Within this atmosphere, embedded branding marks the trend of a heightened commercialisation of media content, which McChesney (2004) refers to as “hyper-commercialism”, in which

… the traditional distinction between editorial or creative work and advertising – the separation between church and state – is being toppled by commercial pressures (p. 138).

Therefore, the rise of ‘branded content’ and later ‘native advertising’ cannot be understood outside the neoliberal context and its implementation in policy. Heightened commercialisation should not be seen simply as an outcome of technological developments (as will be discussed, among other things, in the next chapter). It is nonetheless an outcome of values and ideologies which ultimately lead to decisions made by policy makers.

**The Rise of Reality TV: an Engine for a New Business Model**

Reality TV programming has emerged over the last decades as one of the most dominant cultural phenomena of the end of the last millennium and the beginning of the current one, particularly in television studies.

The genre has astonished observers with the speed of its global expansion and its ability to become a centrepiece of daily conversation in each country. Likewise, reality TV has spawned a critical discourse among media scholars on its cultural influence and other implications on society (Andrejevic 2004; Biressi & Nunn, 2005; Couldry & Littler, 2011; Hill 2005; Holmes & Jermyn 2004; Jenkins 2006; Kilborn 1994; Magder 2004; Murray & Ouellette, 2009; Ouellette & Hay 2008).

*Survivor*, which was first aired on Swedish public television in 1997 under the name *Expedition Robinson*, was developed by the British producer Charlie Parsons in the early 1990s. This was followed by localized versions of the show in 27 countries and regions around the globe. The other format that marks the rise of the genre, *Big Brother*, was developed by the Dutch company
Endemol; it debuted in the Netherlands in 1999 and has since appeared on the home screens of people from 69 countries.

Reality game shows quickly came to be most identified with the overall broad and catch-all phrase, ‘reality TV’ (Kilborn, 1994). These game shows, such as Survivor, Big Brother, Pop Idol and Wife Swap are characterized by placing ordinary people under surveillance in controlled environments over a period of time (Hill, 2005).

Reality game shows are commonly perceived as a new genre introduced to television, but this perception is far from accurate. The present-day reality game show is a product of the continuous development of factual entertainment (or popular factual television): "the marriage of factual programming, such as news or documentary, with fictional programming, such as game shows and soap opera" (Hill, 2005, p. 14). Nor did the tradition of factual entertainment rise out of the blue, as its roots can be traced back to three different strands: documentary television, tabloid journalism and popular entertainment. Production of the last two categories increased during the 1980s, partly due to the deregulation and privatization of media industries in America, Western Europe and Australia (Hill, 2005).

Considering the genre’s complex background and the intractable disagreements over its definition, it is hard to pin down its very first appearances. As Kilborn (1994) mentions, connecting with the ‘real world’ has been one of the abiding aspirations of film makers since the early days of the moving image industry. This desire to tap into reality has continued to come to expression in manifold forms throughout the history of cinema and in many television genres as well, from news making to drama.

In its contemporary form, reality TV’s conquest of prime-time programming in America, Europe and other regions basically occurred in three waves. The first was the crime and emergency services reality TV (also called ‘infotainment’), which made its way from the USA to Europe in the late 1980s and early 1990s. The second wave consisted of ‘docu-soaps’ and lifestyle programming (typically home and garden shows). In the mid and late 1990s, this subgenre reached the coast of Europe and other regions in the United Kingdom. The third wave is comprised mainly of reality game shows and gained the popular and general name – ‘reality TV’.
These shows started out in Northern Europe before spreading to the United Kingdom, United States and the rest of the world (Israel included) by the early 2000s (Hill 2005).

For the Americans, the turning point seems to be the summer of 2000 when CBS debuted both formats for the first time. The astonishing success of Survivor is considered, to this day, as a landmark in the beginning of the reality TV era in the United States. Fifty million people watched the final episode of Survivor in that summer (an average of twenty five million people watched each episode), and for the first time since the mid 1980's CBS managed to break through NBC’s unbeatable Thursday night (branded by the network as "Must See TV"). By the end of the 2001 season CBS's ratings among 18 to 49 year olds on that night, went from 2.4 (in 2000) to 8.2 (in 2001), while NBC’s ratings among the same audience and during the same time-frame dropped from 9.7 (in 2000) to 8.9 (in 2001) (Magder, 2004, pp. 137-139).

However, for the rest of the world, it was Big Brother that launched the new era of television entertainment. The format has gained enormous ratings in almost every country it has reached, including Germany (RTL2 and RTL, 2000), Spain (Tele 5, 2000), Australia (Channel 10, 2001) and Britain (Channel 4, 2000), where 9 million British viewers watched the final episode of the first season (a 46% share of television viewers that night) and over 7 million viewers called Channel 4's hotline to vote for the winner (Hill, 2005).

Within just a few years, it has become clear that reality TV is more than just another passing trend or off-season summer phenomenon, but that it is a dominant global genre that has taken over prime-time slots and appears to have fundamentally altered the face of traditional programming. "The world as we knew it is over" Leslie Moonves, the president of CBS Television, told Bill Carter from The New York Times. Moonves is "exaggerating for effect", Carter wrote, "but only a little" (Carter 2003).

No less surprising has been the "buzz" that successful reality formats have managed to stir. According to the Lexis-Nexis database for example, Survivor received more than twice the pre-debut coverage that ER merited several years earlier (Andrejevic 2004, p. 4). Formal recognition was quick to follow: after a long and heated debate, the Academy of Television, Arts and Sciences in the USA agreed to devote a special category in the annual Emmy Awards to reality TV (Rutenberg 2001).
In the context of everyday discussion, reality TV is perceived, first and foremost, as a product of the entertainment and television industry that is typical of contemporary popular culture. This also constitutes the framework for most of the discussions on the shows. Part of the discourse is concerned with the programmes themselves, their participants and possible plot developments. This is a fan-oriented discourse, which is fuelled by journalists in newspapers, magazines, websites and other media, as well as by viewers and participants in blogs, forums, chats and other forms of user-generated content. A more critical approach is taken by some members of the mainstream media and viewers, predominantly those concerned with the ramifications of the programmes on culture and society.

In recent years, reality TV has also become a subject of academic interest, and the literature in this field is growing exponentially (Andrejevic 2004; Biressi & Nunn, 2005; Couldry & Littler, 2011; Hill 2005; Holmes & Jermyn 2004; Jenkins 2006; Kilborn 1994; Magder 2004; Murray & Ouellette, 2009; Ouellette & Hay 2008). This discourse places the phenomenon of reality TV in a broader context of technological, economic and social changes.

I wish to shed light on the phenomenon of reality TV from a perspective which is concerned with commercialization and specifically, the model of embedded branding. The PQ Media report from 2008, for example, marked reality shows as a main force in the expected 25% growth in product placement on American television for a total of $3.5 billion. My analysis aims to situate the rise of reality TV beyond the framework of the television and entertainment industry, deeming it a cultural phenomenon indicative of fundamental changes in the operation of the capitalist economy over the past few decades.21

Most of the literature on reality TV and product placement or sponsorship has focused on the constraints of television production and programming, to include the following: technological changes, such as the digital revolution and the proliferation of media platforms (cable channels, the Internet, cellular telephony), which lead to content convergence (Jenkins 2006); the slow penetration of DVR's (digital video recorders) that enable viewers to skip commercials and thus appear to threaten the future of the traditional thirty-second TV commercial model (Magder

2004); the rising costs of writers, directors and actors in continuing seasons of successful scripted series (Magder 2004); and the concentration of media ownership (Jenkins 2006). All these are presented as motives behind the industry's search for new economic models.

I would like to raise the possibility that brands and reality TV developed in a symbiotic manner for reasons that go beyond mere economic considerations, and that reality TV serves the needs of brands in a more profound way then first meets the eye. As Moor (2007) suggests, the current dominance of brands in marketing campaigns has whittled away at the distinction between the image and the object. Brands are no longer simply images at the service of products, companies and services, but full-fledged objects that are artificially embedded and integrated into everyday life. Likewise, reality TV blurs the distinction between the ‘real’ reality outside of the box and the produced reality that is transmitted on the screen. The two realities are often intertwined; and when this happens, it is perceived as a success for the producers of the show. For instance, winners of Pop Idol who are swept into stardom within the framework of the show’s format turn into professional singers and occasionally bona fide stars in the reality that continues beyond the programme’s purview. Alternatively, a conflict between participants of the UK’s Celebrity Big Brother triggered a public storm and even diplomatic tensions surrounding the fate of the Indian actress Shilpa Shetty, one of the show’s contestants (and its eventual winner) in 2007. Moreover, producers as well as broadcasters of reality TV often aim to ‘make news’, that is to make the plot of their show part of the agenda of the news reported in the printed press or television news. Jenkins (2006) describes how the results of the top-rated reality series become news events that are even covered by rival networks. In Israel, the appearance of the winner of the first season of A Star Is Born on the front page of Ha'aretz, a quality newspaper (2003), was considered a triumph of popular culture over elitism and the ultimate proof of reality TV’s wherewithal to become newsworthy and hence ‘real’. In a different way, the last episode of the first season of The Ambassador in Israel was anchored by a well-known news reporter, a choice that implied to the viewers that the live broadcast they were watching was not just the last episode of an entertainment show, but a live news event.

Andrejevic (2004) also mentions the intensive media coverage of different reality TV shows. He sees this as a marketing advantage of the genre.

A spin-off of the American The Apprentice, the Israeli version consists of contestants vying to become an ‘ambassador’ charged with improving the country’s international reputation.
In that sense, reality TV - be it deliberately or unintentionally - caters to the most fundamental goals of brands. The genre offers an artificially manufactured ‘reality’ that is not only pitched as real to viewers, but also reaches out to reality and aims to influence it in many different ways, to the extent that the fine line between the show and the real world is blurred and the two become inseparable. On the one hand, the genre is completely synthetic, as it is controlled by the producers who set the rules, select the location and decide on the rewards, thereby ‘creating’ a reality by means of the editing process. On the other hand, reality shows provide their viewers with a sense of authenticity, intimacy with the participants and not least, an image of the contestants’ freedom and empowerment. This is somewhat reminiscent of Andrejevic's view of reality TV, as he writes that "we find ourselves caught between the promise of an empowering form of interactivity and the potential of an increasingly exploitative one" (2004, p. 7). However, while Andrejevic's analysis concentrates on interactivity and the way in which reality TV is used to introduce the concept of surveillance—for economic considerations and via interactive technologies—as a positive and liberating one, my focus is on the way reality TV, more than other genres, helps brands integrate into everyday life and blur the distinction between objects and their image, reality and ‘reality TV’.

Blurring shall indeed serve as a key concept in my attempt to understand how brands influence commercialization processes in an era of digital technology and content convergence. As an ongoing process, blurring seems to epitomize the recent changes in the media world in several ways: blurring between the real and the fictional, as seen in reality shows; between different media, as happens in content convergence; between content and marketing, as evident in the ‘branded content’ model, and between genres that were once clearly defined.

It is not my intention to refute earlier analyses of the reasons for the emergence of reality TV (such as in Andrejevic 2004) or the new branded-content business model (such as in Magder 2004). However, I suggest looking, for the first time, at the rise of brands to the ascendancy over the past two decades, as an intermediate factor that had a profound influence on the emergence of reality TV, the rapid global expansion of the genre, and especially the new business model that underpins this development – embedded branding.
Summary

This chapter has set out the theoretical framework for my research with special attention given to theorising the difference between content and advertising.

I have therefore traced some key theoretical contributions to the longstanding debate about the influence of capitalism and commercial culture on the role of the media in a democratic society. These have included the classic argument by the leading scholars of the Frankfurt School on the culture industry (Adorno & Horkheimer, 2002) as well as Smythe’s (1981) later argument about audience power being a commodity that media bodies produce and then sell to advertisers.

I gave special significance to Habermas’s social theory of the public sphere, as it sets ideal and basic principles for the maintenance of public discourse in a democracy. The public sphere is not a physical space but rather a concept of circumstances which allow, in Habermas’ words, for “private people come together as a public” (Habermas, 1989, p. 27).

However, as I have shown, the notion of the public sphere has some significant limitations that call for a certain revision, predominantly its focus on political issues and the over-emphasis on rationality, while neglecting other possible modes which allow debating common social issues, such as affective modes of deliberation. In this context, McGuigan’s (2005b) complementary notion of the cultural public sphere suggests a broader and more flexible approach to the original concept. More importantly, it takes the discussion beyond journalism, to a range of genres and modes of production, including what is often considered as ‘just entertainment’. This seems to be much more synchronised with the contemporary media landscape in which genre definitions mix and blur and public discourse takes many forms – satire, drama, comedy as well as reality TV - and happens across many different platforms. In this reality, broadcast channels work alongside social networks to create a vibrant and constantly changing ‘public sphere’.

Therefore, my thesis is not limited to a discussion of the commercialisation of journalism, but rather to the commercialisation of media content in its broader sense, or simply the ‘texts’ produced by the cultural industries (Hesmondhalgh, 2007). It is not about the public sphere, but rather about the cultural public sphere in which reality TV, the core of my empirical work, is nonetheless significant for debating common issues.
But within the boundaries of the cultural public sphere, does the distinction between content and commerce still matter? Habermas’ theory of discourse ethics, as presented in *The Theory of Communicative Action* (1984) is most significant in elucidating this question. His notion of communicative action and strategic action assists in theorising the basic difference between the work of content producers (journalists, scriptwriters, directors or comedians) and that of marketing professionals (advertisers, brand architects and branded content agents).

In communicative action, the speaker is oriented towards reaching understanding with the other participants, through debating. In contrast, in strategic action the speaker is oriented toward ‘success’ and is using speech in an instrumental way, to gain influence over others for his or her own purposes. To put it simply, communicative messages are discursive and the speaker may change his initial position. Strategic messages are designed according to a certain goal and therefore the speaker cannot be moved from his position by hearing other arguments. Furthermore, in communicative action the aim of the speaker is apparent – to make himself understood. In strategic action the intention of the speaker cannot be inferred directly from his words, but only by knowing his goal.

Indeed, not every content producer is necessarily oriented towards communication in its Habermasian sense. Still, these philosophical categories provide highly useful and relevant foundations for understanding the basic difference between content and commerce.

Most importantly, in Habermas’ analysis, the case in which a strategic act is presented as a communicative act is simply a manipulation. This form of manipulative communication is at the centre of my work and therefore these terms will be used often throughout the text.

Finally, this chapter has discussed the heightened commercialisation of the media as a direct outcome of the global shift towards neoliberalism and suggested to look at Reality TV as a cultural product that is deeply intertwined within this change and a strong engine for the rise of embedded branding in the television industry. The neo-liberal shift, which began in the 1970s in the USA, the UK and many other countries (Israel included), guided policy makers to favour the dynamics of the free market and push towards intensive privatisation and deregulation. This resulted in a heightened commercialisation of content and the ongoing blurring between content and advertising, ‘hyper-commercialism’, in McChesney (2004) words, and has turned the media
itself into an agent of neoliberal values (Couldry, 2010). The next chapter will dissect the historical and contemporary processes which pushed content producers and marketers to join hands and led to the gradual collapse between content and commerce. It emphasises the ways by which technological and economic changes overtook both parties and brought them closer together, vis-à-vis their audiences, who in contrast to the ideal of the public sphere or the cultural public sphere, are first and foremost consumers.
Chapter 2
The Rise of Embedded Branding:
From product Placement to ‘Branded Content’

Introduction

The previous chapter presented a normative framework for assessing media content and advertising, based on Habermas’ (1984) theory of discourse ethics, mainly the notions of communicative action and strategic action, and McGuigan’s (2005b) concept of the cultural public sphere. The latter expands the perspective of this research to media content in general, beyond journalism.

The current chapter examines the processes, both historical and contemporary, which have led to the gradual erosion of the content/advertising distinction, and consequently to the rise of ‘branded content’ and ‘native advertising’, which work to blur the line between the two. Based on detailed analysis of the changes which the media world underwent in the last decades, I argue that the rise of embedded branding should be understood in terms of an elective affinity (Weber, 1949; Weber & Kalberg, 2011) between marketers and media outlets, that is - a mutual attraction based on inner similarities.

I begin by laying out the history of the relationship between content and advertising as it developed in different media in the USA and the UK: print media; commercial radio and television (predominantly in the USA, the cradle of commercial audiovisual media); the film industry in Hollywood; and lastly, British commercial television. My overview will relate to the main categories in this field: advertorials, sponsorship and product placement. The tension between the editorial and commercial sides of media bodies is an inherent characteristic of commercial media and has been part of it since its very first days. It tends to fluctuate, depending on local culture, technological developments and the sustainability of funding models.
I then move to dissect more recent changes in the media landscape. The main process that has led to heightened commercialisation of media content and the rise of embedded branding since the 1980s is audience fragmentation. This began with some technological changes in the early 1980s which opened the way for multiple channels on television (cable TV) and new modes of media consumption (such as VCR and personal computer), but was significantly intensified with the digital revolution and the rise of the Internet since the mid-1990s.

I therefore turn to analyse the reaction, both by marketers and media bodies, to audience fragmentation in the digital age, which is the key for understanding both the rise of embedded branding and how it differs from previous practices of commercialisation. From the side of marketers, the dominance of brands and branding is essential to understanding their wish to sponsor media content and integrate into it in a seamless way. From the side of media bodies, convergence of content and consequently the shift towards cross-platform content, explain their wish to join hands with advertisers. This is why ‘elective affinity’ is the best term to describe the growing closeness between advertisers and content producers, as inner reactions to external changes have led to mutual interests and interdependence of the two sides. The outcome is an abundance of commercial co-operations which, I argue, work to blurr the line between editorial content and advertising. The analysis presented in the chapter sets the ground for approaching the second research question: do ‘branded content’ and ‘native advertising’ mark a new phase in media commercialisation? If so - what are its characteristics?

**Content and Commerce: A Historical Account**

**Print Media: ‘Church’, ‘State’ and the Advertorial**

The tension between the editorial and commercial sides of the mass media was evident from the very first days of commercial media, with the development of commercial newspapers towards the end of the 19th century. It was in that period that the journalistic ethos of resisting commercial pressures such as those presented by public relations sources or directly by advertisers was established. The principle of separating the ‘church’ (the editorial side) from the
‘state’ (the commercial side) - as the publisher of *Time* magazine, Henry Luce, phrased it - reflected values of objectivity and accuracy that became important for professional journalism. But alongside it, the tendency to violate this principle has also developed. As Turow (2006) observes:

Insofar as Luce was both publisher and editor-in-chief, though, he violated the separation from the start. Moreover, reporters quickly learned that they often had to get along with publicists and PR flaks if they wanted to get good stories and exclusives (p. 51).

The trend of fusing editorial content with advertising was especially notable in the magazine industry in the UK and North America. This happened from the early 1920s, as competition over advertising budgets was rising, with the arrival of a new commercial medium, the radio. With the development of tools for audience research, advertisers could learn not only about circulation but also about different characteristics of the audience of each magazine and on overlaps between the different publications. This allowed for a more targeted planning of advertising expenditure. It made the interdependence between content and advertising tighter, as magazines which did not supply content that could target a clearly defined consuming audience, could not survive. This pushed magazines, especially those targeting women, to focus on niche areas of lifestyle, which are directly related to consumption. “The lifestyle magazine”, conclude Leiss et al. (2005), “blends advertising and editorial content until they are almost indistinguishable” (p. 108). It was in this environment that the first practice of fusing editorial content and advertising was created. The advertorial - the presentation of advertising messages in a journalistic style - was first used in business magazines such as *Fortune* but then became commonly used in many others. The advertorial, write Leiss et al. (2005):

… is really an adaptation by magazine of the topic-specific newspaper section (women, sports, science) in which advertising and content can be prepackaged and inserted as a unit (p. 108).

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24 The magazine was formed in 1922 by Luce and Briton Hadden.
This notion now often re-emerges in reports and public discussions over ‘branded content’ or ‘native advertising’, and it is often questioned whether there is anything new in the field, as the advertorial has always been around (Sebastian, 2013; Turner, 2014).

But with the arrival of audiovisual media – introduced to mass audiences with the development of commercial radio in the USA and the arrival of the sound films in the 1920s - new practices for advertisers’ involvement in content were introduced.

**American Radio and Television: The Sponsorship Model**

**American Radio: The 1920s and 1930s**

While the industry of print media developed from its outset around content as its core product, radio took a totally different path. It was first and foremost a promising technology in search of ways to be marketed to the masses. It was only with time and the growing distribution of sets that it became clear that programming was the main asset radio had to offer for consumers, not the devices themselves. This is why radio programming in the USA was based in its early years on the model of sponsorship. Radio stations at that time merely served as a platform for commercial broadcasting, not as commissioners of content. This meant that each programme had one sponsor that was fully responsible for funding as well as production, and essentially had complete control over the content. In addition, the sponsor paid the station for the time slot.

In the early phase of radio sponsorship, at the beginning of the 1920s, advertisers tended to produce sales talks that were related to their products in a pretty straightforward way: the association of greeting cards manufacturers sponsored a talk on the history of Christmas cards and Gillette produced a programme on beard fashions since medieval times until the triumph of the safety razor (Barnouw, 1978).

This was quickly replaced by what became known as ‘trade-name publicity’, a model in which the sponsors produced entertainment programmes that were not directly related to their products, and gained audience attention and appreciation simply by attaching the brand name to the programme. This first happened with the *Browning King Orchestra*, a weekly one-hour series that was launched on the 25th of April 1923. “No sales message was used; the programs did not
even mention that *Browning King* sold clothes”, writes Barnouw (1978, p. 17). Soon many others followed: the *Goodrich Silvertown Orchestra*, the *Cliqout Club Eskimos*, the *A&P Gypsies* and the *Kodak Chorus*.

The perception of the radio as a medium for the public was only established with the foundation of the National Broadcasting Company (NBC) in 1926 and especially after the Radio Act of 1927 had been legislated. According to this act, radio channels should be used for “the public interest, convenience or necessity”25. Although the Radio Act remained vague about the rules of radio advertising, it did oblige identification of sponsors’ identity. This became the basis for the American regulatory approached towards sponsorship and remained unchanged in the Communications Act of 1934 (Goodman, 2006). For Americans, sponsorship is not problematic as long as it is disclosed.

Until World War II, American sponsors’ influence over radio programming was virtually unlimited. Programmes were not used for direct sales anymore, but there were many other channels of influence. Sponsors were looking for large audiences and therefore explored new entertainment genres, so concerts of the early days were replaced with comedies, variety programmes, dramas and quiz shows. Sponsors were also looking to target specific audiences. This is how the daytime drama, the ‘soap opera’ was born, with the sponsorship of Procter & Gamble for *Guiding Light* (1937)26 and later *As the World Turns* (1956), targeting American housewives. The firm's detergents and soaps were actually not integrated into the storyline in the case of Proctor & Gamble, but were presented only during commercial interruptions (Donaton, 2004).

Therefore, sponsorship on radio during those years meant overall ownership and control of the sponsor over the production, even though sponsors did not necessarily use product placement. The influence was strong but subtle: the advertisers were those who took the decisions all along the production process, defined target audiences, created new genres, commissioned new programmes, influenced storylines, characters and general topics, but their commercial presence

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26 This soap is the series that ran for the longest time in the history of American television.
was manifest to listeners only by attaching their brand name to the programme. As Barnouw (1978) nicely depicts:

In the sponsor-controlled hours the sponsor was king. He decided on programming. If he decided to change programs, network assent was considered pro forma (p. 33, original emphasis).

American Television: The 1940s and 1950s

In the early years of American television the sponsorship model shifted to the small screen. Some radio shows simply moved to television, like the General Electric Theatre and Texaco Star Theatre, while others, such as Coke Time and The Colgate Comedy Hour were produced exclusively for television. But after the war, in the years 1945-1955, a gradual shift pushed the networks to seek more control and responsibility over programming. Advertisers had to bear the heightened expenses of programme production that came together with the development of the television industry and the rise of successful TV talents. They were also reluctant to take responsibility over programming, in the face of the paranoid atmosphere created by McCarthyism. Furthermore, the vast increase in consumer goods pushed marketers toward ‘hard sales’ practices through commercials. From the other side, broadcasters were concerned about their inability to control the schedule in a way that would maximise their profits. They were also worried about their legal responsibility for the content they broadcasted (Leiss et al., 2005).

Eventually it was public outrage during the 1950s and the 1960s over two media scandals that pushed for the shift towards a separation between programming and advertising. The first was the ‘Payola’ scandal in which radio DJ's were paid by record companies to promote rhythm and blues and rock and roll singles in their playlists. Later, a quiz scandal broke out when it was revealed that sponsors of some popular quiz shows (such as Twenty One) favoured some contestants and pushed the producers to supply them with the right answers (Turow, 2006; Goodman, 2006). Both scandals revealed the problematic aspects of commercial involvement in programming. Angry hearings on these highly publicised scandals and on the more general issue

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27 NBC started its television broadcasting in 1939 and was soon joined by CBS. By 1941 there were already ten licenses issued for commercial television broadcasting in the USA. The technology was spreading quickly in the homes of American citizens during 1950s: in 1957 more than 82% of American households had a television set and the reception of the signals reached 97% of the Continental USA (Leiss, Kline, Jhally, & Botterill, 2005).
of television violence were held, leading the congress to present in 1960 new anti-Payola regulations that extended the obligation of sponsorship disclosure to broadcasting employees and defined failure to disclose as a criminal act (Goodman, 2006). The concept of sponsorship was never formally prohibited, but by the mid-1950s the networks took control over programming, the sponsorship model faded away and was replaced by the 30-second spots between programmes.

The Hollywood Film Industry: Product Placement

Product placement refers to the inclusion of commercial references within a programme or a film by mentioning a brand or a product in sound or image in return for payment or other consideration28. The first evidence for the use of this practice goes back to the very early days of filmmaking, at the end of the 18\textsuperscript{th} century. Just a few months after the French brothers Auguste and Louis Lumiére started to make short films they agreed to publicise Sunlight Soap, the leading product by the British soap brand Lever Brothers, in return for support with the production and later the distribution of their work in Europe and the USA. This resulted in the first product placement in motion pictures ever: the May 1896 film Washing Day\textsuperscript{29}. The 41-second film featured women hand-washing laundry in the sun, with two wood cases of Lever Brothers soap placed in front of them (Newell, Salmon, & Chang, 2006).

The systematic use of this practice was then established in what soon became the most powerful centre of the film industry worldwide – Hollywood. While radio was struggling to find its way as a new medium and gave in to advertiser control through the model of sponsorship, Hollywood’s major studios were enjoying the mounting popularity of their movies and soon became a strong cartel\textsuperscript{30}. This was especially true since the debut of the sound films at the end of the 1920s, which started a new era for this industry. Unsurprisingly, the sound film also drew the attention of advertisers as an exciting new medium for advertising, but, in contrast to radio stations, the

\textsuperscript{28} For formal regulatory definitions of product placement see Chapter 7.

\textsuperscript{29} This film, 41 seconds long, is available on YouTube: \url{http://www.youtube.com/watch?v=UxkJbC2-EuY}. Last accessed 10.07.2011.

\textsuperscript{30} The MMPDA – The Motion Picture Producers and Distributers of America was founded in 1922.
majors were much more reluctant towards the idea of advertiser involvement in their ‘successful stars’ business.

By the end of 1928 the majors were flooded with requests by different manufacturers to endorse their products off-screen (Segrave, 2004), but in 1931 Will H. Hays, the powerful head of the MPPDA banned all the long-term contract actors from such commercial deals, because “in many instances the nature of such advertising is undignified and tends to discredit the motion picture industry as well as those individuals whose names are used” (Variety, October 6, 1931).

Similarly, ad trailers appeared in American cinemas for a short time during the 1920s but then disappeared until the end of World War II.

The major studios were unfavourable towards doing business with advertisers for two reasons: they were acting as a cartel and sought to control the production and distribution of ad trailers in the same way they did with their successful movies. More importantly, the studios, unlike radio stations, had a solid funding model that was based on tickets sales. Therefore, they had a strong position vis-à-vis advertiser pressure, and at the same time, were concerned about the possible public backlash that could result from opening cinemas to advertising (Segrave, 2004).

Product placement was introduced into this ambivalent environment. It surfaced for a short time at the end of the 1920s as a niche marketing strategy alongside ad trailers. Between 1929-1931 agents for these commercial deals appeared, presenting catalogues of products to the studios and following productions in progress. Variety (February 11, 1931) even reported on an MGM film from 1931 – Easiest Way – which included seven different national advertisers. But in 1932 the MPPDA placed a ban on all screen advertising, including product placement. Product placement did not entirely disappear from the movies, but remained a relatively minor phenomenon for many years. Hollywood studios wished to appear in the public eye as those providing sponsor-free entertainment, unlike radio. At the same time they worked to preserve their powerful position vis-à-vis independent cinemas and the advertising industry. As Segrave (2004) concludes:
If Hollywood could not control and dominate the screen advertising field, as it did with entertainment films – and it looked like it could not – then Hollywood would make sure the field never grew or amounted to much (p. 49).

Therefore, while the model of sponsorship reflected the weakness of radio stations (and television) in their early years, the practice of product placement indicated just the opposite - a strong position of the film industry in those days. The majors were free of any dependency on sponsors for their productions. Advertisers were standing in line to get the chance to expose their products in the films, if any did come, and could not gain any influence on the production process beyond that. In practice, product placement faded away from the film industry and was expected to re-emerge only in the 1980s, as dramatic changes in the entire media environment overtook Hollywood as well.

**The UK: Public Broadcasting on Commercial Television**

The UK took a very different approach towards advertising once commercial television was introduced, with the establishment of ITV (Independent Television) in 1954. Its reluctant approach towards commercialisation was by that time backed by a historical resistance towards advertising and deeply rooted in the tradition of public broadcasting set by the monopoly of the BBC.

From the outset, advertising was relatively slow to penetrate the British press, and it was only in the 1880s and 1890s that a real change in advertising in the press became evident (Chapman, 2005). However, it was the introduction of radio in the 1920s which set Britain on its separate route, as the ethos of public broadcasting was then established. There is more than one account of Britain’s choice of the model of public corporation\(^{31}\). One of them relates to the strong lobby of newspaper publishers in the UK which pushed the Sykes Committee that was appointed to report on the future model of the broadcasting system, to maintain the radio as a public

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\(^{31}\) In post-World War I Britain, this model was perceived as a good way to manage public resources by experts, free of market pressure and political influence. At the same time, the establishment of the BBC is also considered a personal achievement of its first General Director, John Reith. (Curran & Seaton, 2003).
broadcasting monopoly (Leiss et al., 2005). The Committee reported back to the government in 1923 and stamped the unenthusiastic British attitude towards advertising:

This would be too high a privilege to give to a few big advertisers at the risk of lowering the general standard of broadcasting (Sykes, 1923).

Three years onward, it was the Crawford report on broadcasting (Crawford, 1925) which finally led to the foundation of the BBC in January 1927, the first national broadcasting organisation.

The unenthusiastic attitude towards commercial broadcasting should be also seen in terms of the deeper cultural divide between the UK and the USA. Murdock (1992) mentions the fear of the importation of jazz and Hollywood movies at the beginning of the 20th century as an example of the opposition to the American cultural ‘invasion’. This standpoint surfaced again with the introduction of commercial television, as it was the American sponsorship model that now represented for British policy makers the threat of cultural decline. General Director Reith clearly voiced this position in a famous speech in the House of Lords in 1952, presented by Wilson (1961):

Somebody introduced smallpox, bubonic plague and the Black Death [into England]. Somebody is minded now to introduce sponsored broadcasting (p. 107).

Therefore, when the Conservative government decided in 1954 to adopt Selwyn Lloyd’s minority report which supported the introduction of commercial television to the UK, it was nevertheless influenced by previous findings of the Beveridge report32 to allow commercials and ban sponsorship of programmes (Curran & Seaton, 2003). Actually, the 1954 act aimed to create a strict separation between advertising and editorial content. “Spot advertising was seen as the least worst option because it allowed programmes to be clearly separated from advertising, and confined ads to specified slots” writes Murdock (1992, p. 211).

But reality proved to be more complicated, as advertisers were continually struggling to find breaches in the UK regulatory system. Shortly after the ITV stations were launched, they started broadcasting ‘shopper guides’, programmes that clearly promoted certain products and brands.

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32 Which opposed the introduction of commercial television and was rejected by the new government.
Their number of viewers gradually increased and they became more entertaining and inventive. It was hard to ignore the fact that often they were presented as entertainment but included straightforward product placement. Between 1957-1962 regulators held an ongoing debate on whether these magazines were breaking the terms of the 1954 act by presenting entertainment that was practically advertising.

By the end of 1962 advertising magazines were officially banned, after the Pilkington Committee on Broadcasting (1962) pointed out that it was actually the entertaining nature of these programmes that was blurring the distinction between programming and advertising, as the real purpose of selling was hidden from viewers. Thus, even in the strict anti-commercial climate which Britain was hoping to set for itself, the tendency to blur the line between advertising and content was a part of the commercial media culture, and sponsorship was the principal way for advertisers to finally gain presence for their products onscreen.

As this historical account clearly shows, the tension between the editorial side and commercial side of media outlets existed from the very first days of commercial media and has always been volatile, depending on cultural values, technological developments, economic sustainability and dynamic market forces. It is therefore an inherent part of commercial media and one of its dominant characteristics. A strict separation between content and commerce reflects the values and ethics of a local culture, as the British case shows, but is nonetheless an outcome of a sustainable economic model, as in the case of the Hollywood majors. At the same time, a trend towards blurring the line between the two is an outcome of a specific perception and policy making towards the media market, as in the American case, but just the same – a weakness of the economic model of a medium or media outlets, such as the case of the American radio in its early years. Thus, ethics and money cannot be discussed independently, as they interact, and do so under complicated circumstances.

However, on the verge of the 1980s, the USA and the UK came to adopt quite a similar model for commercial television: viewers were presented with a schedule that separated programmes from commercials, and by tuning into the programmes every night in their living room they gave the broadcasters unprecedented power to influence mass audiences and their consumption habits.

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33 For example, Murdock (1992) mentions *For Pete’s Sake* with Janet Brown and Peter Butterworth, which presented sketches parodying popular films while integrating the promotion of certain products.
But this reality of the vast influence of a few broadcast channels dominating huge advertising budgets was about to change, as technological and social changes were about to shake the foundations of the media and advertising markets.

**From Cable Television to the Internet: Audience Fragmentation**

The proliferation of media channels from the end of the 1970s and the fragmentation of audiences that followed are key developments in understanding the emergence of embedded branding. This fragmentation happened in two waves: the first began at the end of the 1970s and lasted throughout the 1980s; and the second - the digital revolution – has been underway since the mid-1990s and is the focus of this research.

**The First Wave of Fragmentation: The 1980s**

The model of programming funded by advertising slots, which became the dominant one for commercial broadcasters from the mid-1950s in the USA and UK, started to erode at the end of the 1970s and the beginning of the 1980s as a number of technological changes began threatening the dominance of the American networks (NBC, ABC, CBS) as well as commercial channels in the UK. To start with, cable television introduced new channels which viewers could skip to and opened the new era of multichannel television, with options such as basic cable channels, pay-channels and pay-per-view (such as films). In the UK, for example, there was just one commercial channel in 1980 (ITV) and it had 88 minutes of advertising a day. By 1993 Britain had 15 channels which carried 1500 minutes of advertising each day (Nixon, 2003).

The remote control changed viewing habits fundamentally, as it introduced ‘zapping’ into the family living room, enabled ‘mute’ mode during commercial times, or even their complete

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34 The UK was somewhat late to follow as it was dominated by one commercial channel until late 1982, when Channel 4 was established.
35 Cable television technology existed already in the 1940’s and was used in the USA as way for rural areas to get television (Community Antenna TV), but made its significant penetration only in the 1980s and 1990s (Wasko, 1994; Turow, 2006).
36 For a detailed discussion on the development of cable service in the USA and its implications on the television and film industries see Wasko, (1995) (pp. 71-112).
avoidance by skipping to another channel\textsuperscript{37} (Andersen, 1995; Murdock, 1992). The home video (VCR) presented, from the late 1970s, yet another alternative to going out to the cinema or watching scheduled programming. Personal computers also appeared in those years, offering yet another way to spend time at home - computer games.

The threat these technologies posed for advertisers was twofold: firstly, they created new options for entertainment and information (cable channels, home video and the personal computer) and therefore threatened to scatter audiences and impair the unprecedented dominance of broadcast channels, mainly during their prime time hours\textsuperscript{38}. At the same time, some devices, such as VCRs, allowed viewers to skip commercials and gain control over what they consumed. Marketers could think of ways to deal with the dispersal of mass audiences over many different channels, but the other half of the problem was much more challenging – the ability of viewers to avoid advertising completely (Turow, 2006).

Advertisers’ main response to this process was to try to identify clearly defined groups in society that could be targeted more effectively. They virtually had no other choice as the new reality offered multiple television channels with smaller audiences that were watching more distinct niche content. This was a shift from the mass audience approach that had been dominant until then. Targeting smaller, well-defined audiences seemed to promise a better return on investment for their advertising expenditure.

Market research firms were quick to pick up the challenge of identifying distinct groups. They were now interested in details about people’s lifestyles – their cultural background, values, interests, activities and its connection to demographics. New research tools were helpful here (new statistical tools, as well as the computer as a processor of information), so different companies were competing on segmenting groups in society and defining people’s lifestyle accordingly, in an attempt to connect their analysis to consumption habits\textsuperscript{39}.

\begin{itemize}
\item \textsuperscript{37} As Lehu (2007) notes, the remote control was developed in the mid-1950s by Robert Adler, but it took almost three decades for it to become a widespread home technology.
\item \textsuperscript{38} As Nielsen ratings data shows, during the 1970s the three American networks (CBS, NBC and ABC) reached 90% of American households that had their sets on (Turow, 2006, p. 37).
\item \textsuperscript{39} The Prizm research firm, for example, suggested classifying Americans into 40 lifestyle groups, according to their postal zip codes, under the assumption that people tend to live close to those who are similar to them and share similar patterns of consumer behaviour. Each group had a title, such as Bohemian Mix, Blue-Blood Estates, Furs and Station Wagons which was followed by a short description on that group’s way of life. Members of the cluster of Furs and Station Wagons, for example, were from Northeast Phoenix, Arizona, bought more vermouth than the American average, voted for the Republican Party, belonged to a
\end{itemize}
The search for clearly segmented groups and their lifestyle served both media bodies and advertisers and brought them closer together. As cable services were quickly penetrating the homes of Americans (by late 1981 30% of American homes had cable) more and more niche channels appeared and were distinguished by their unique identity and target audience. Teenagers and young adults had Warner’s Music Television, women were targeted by the Health Channel and Hearst-ABC’s daytime, men were offered ESPN, and there were many more – channels for culture fans, news addicts, travellers, game show freaks and of course – minorities, such as blacks or Hispanic Americans.

At the same time, advertising agencies were going through a fundamental shift. As the efficiency of the 30-second spot on broadcast channels was questioned, advertisers were demanding more accountability from agencies as to their expenditure (Nixon, 2003)\textsuperscript{40}. On another front, the agencies were challenged by new competitors who threatened to undermine their field of expertise. On one hand, management consultancy agencies offered broad strategic advice about brands (Julier, 2008; Moor, 2007) and on the other hand, independent media buying companies threatened the advertising agencies’ function in researching, planning and buying media space. This pushed the agencies to re-think their position within the new fragmented media landscape and, as Nixon (2003) shows for leading UK agencies, re-organise their function and structure\textsuperscript{41}. The ‘creative revolution’ in UK advertising during the 1980s marked a shift from old forms of advertising on television, press and radio to new, innovative forms of marketing, which emphasise the importance of creativity and the need to think of new solutions for the client’s business as a whole, beyond traditional media space.

One of the expressions of that change was that the role of creative professionals was emphasised. The other change was structural, as agencies adopted a broader view of marketing, in which press and television advertising were just one activity within a spectrum of strategic business solutions offered to clients. The HHCL agency, for example, re-branded itself as a marketing and

\textsuperscript{40}There were a number of reasons for the credibility crisis towards the agencies in the UK, among them managerial problems and the recession at the end of the 1980s and beginning of the 1990s, which significantly affected advertising expenditure. For more, see Nixon (2003).

\textsuperscript{41}See also Moor (2007, pp. 39-64), on this change.
communications company, a title which became with time generic to many agencies (Nixon, 2003).

All these efforts to cope with the new fragmented media environment, both by marketers and broadcasters, still did not offer ways to cope with the growing ability of viewers to control the content they watched and skip commercials, a phenomenon that was relatively minor during the 1980s, but became a grave concern with the rise of the new media in the mid-1990s.

The Second Wave of Fragmentation: The Digital Revolution

There was nothing in the vast changes the media world underwent during the 1980s that could prepare broadcasters and advertisers for the tremor of the digital revolution that started in the mid-1990s. The era of new media not only led to a further fragmentation of audiences; it fundamentally changed the ways in which media content is consumed, shifted the power relations between audiences and producers, altered the interactions between different media – old and new – and ultimately created a medium that did not exist before, with new characteristics – the Internet.

To begin with, digital technologies developed for television – digital video recorders (DVRs)\(^\text{42}\), electronic programming guides (EPGs) and video on demand services (VOD) – have enabled consumers’ greater control over the timing and choice of the programming they watch. Their gradual penetration into homes from the beginning of the 2000s has posed a growing threat for the model of broadcast channels, as it undermined the broadcasters’ control over viewing through a programming schedule. Commercially, the most important change was that it enabled viewers to watch their favourite programmes without any commercials, either by skipping them (DVRs), or by paying directly for content (VODs).

The Internet is surely the most significant development in understanding media fragmentation in the digital age. Not only did it emerge as a new medium, but it seemed to threaten the mere existence of the ‘old’ media – television, press and radio, as it gradually (especially with the

\(^{42}\) Often also called personal video recorders (PVR). In the USA this technology became strongly identified in the early 2000s with the brand TiVo that was sold as an independent unit. In the UK (as well as Israel), personal recorders are usually part of the service offered by the cable and satellite companies.
introduction of broadband technology) offered all the characteristics these had to offer separately in the past – words, images, sound and video and on top of it – interactivity in experiencing all these. The reaction of the ‘old’ media was dualistic: on one hand, the rise of the Internet was perceived as a threat to traditional media and was therefore viewed with some antagonism; on the other, it created a rush into the new medium: in 1995 496 newspapers had online businesses worldwide, while in 1998 their number grew to 2700 (60% of them were American). Television followed: 800 American broadcast stations had online presence by 1998, as well as 151 cable channels (Schiller, 1999). Consumers now not only juggled between many competing television channels, but had numerous websites of different sorts, alongside the online presence of traditional media outlets that were struggling to find their identity in the new, unknown world.

Mobile technologies are yet another aspect that should be taken into consideration in understanding fragmentation in the digital age, as these devices became yet another platform for users to listen to music, watch their favourite drama, or get updated on the latest news. It would be more correct to describe these, especially since the emergence of ‘smart phones’ as mobile media centres. Their important unique features are the mobility they provide, together with the ability to track the location of individual users, novel characteristics that open new opportunities for both content producers and advertisers.

Therefore, fragmentation in the digital age should be considered as a more complex and multifaceted process than the same trend in the 1980s. Indeed, the most obvious change was the growing number of platforms that provide content, which directly resulted in further fractionalisation of audiences. But other features are nonetheless important. Interactivity is a dominant feature of this age\(^\text{43}\) as well as mobility and consequently personalisation, which enables new ways of targeting audiences and collecting data about them (Turow, 2006, 2011). Bolin (2014) concludes that this is the “age of mass personalisation” (p. 168), which he finds relates to audiences in a way that is even more estranged from their essence as social beings, as they are now being gathered based on digital information produced by algorithms.

\(^{43}\) Of course, interactivity did not start with the Internet, but was enabled to certain degrees through other technologies before that, such as television (even flipping between channels is a form of interactivity) and video games. Jenkins defines interactivity as “the ways that new technologies have been designed to be more responsive to consumer feedback” (Jenkins, 2006, p. 133).
Greater control over the mode of consumption from the consumer’s side is yet another important characteristic of the digital environment (and it is an outcome of interactivity in many ways). This refers to almost any relevant aspect of consuming media content - time, length, place, choice of content, response to it and its further distribution. Many in the media industry, as well as media scholars, celebrate this change in power relations; the unprecedented empowerment of the individual consumer. Donaton (2004), the former editor of Advertising Age, clearly presents this view:

The advertising business for the last hundred years was based on, indeed cherished, the push model. Advertisers’ intrusions were rarely welcome, but they were accepted by consumers as the price they had to pay for essentially free radio and TV programming. The new model that is emerging flips the traditional system on its head. The empowered consumer increasingly has the ability to bypass advertising messages totally… As advertisers lose the ability to invade the home, and consumers’ minds, they will be forced to wait for an invitation… The end users, rather than the creators and distributors of content, are in control. And that changes all the rules (pp. 10-11).

This vision by Donaton was realised sooner than he probably expected, as the voice of individuals was empowered through user generated content and social networks, but still, this analysis should be more carefully inspected. Was there a real turnaround in the power relations between media consumers and corporations in the digital age? As Jenkins (2006) notes:

Not all participants are created equal. Corporations – and even individuals within corporate media – still exert greater power than any individual consumer or even aggregate of consumers (p. 3).

Indeed, the big players of the old media, both advertisers and media bodies, are not quick to think of consumers as peers. They are constantly looking for ways and new models to preserve their power in the digital arena. In what follows, I will elucidate how this search brings the two sides closer together. Two concepts play a central role in this process: for marketers, the rise of
Brands and branding processes as dominant concepts, and for producers of media content, the convergence of content.

**Brands and Broadcasters in the 2000s: Elective Affinities**

The steadily growing investment of brands in sponsorship of media content in recent years and consequently, the rise of ‘branded content’ and ‘native advertising’ as professional fields, pose intriguing questions: is it the ruthless aggression of marketers that leads them to ‘impose’ their presence in programming and content in general? Is it, maybe, the greed of media outlets that pushes them to seek additional avenues of profit while scarifying their editorial independence? In the next sections I will dissect the processes which occur almost simultaneously, from both sides, and push marketers and content producers to join hands and collaborate.

**The Historical Shift of Brands: Every Space is ‘Media’**

Brands and branding processes are key notions in understanding the rise of ‘branded content’, or ‘native advertising’ in the marketing world. To begin with, the definition of brands and the understanding of how they functioned underwent a historical shift during the 1980s and the 1990s. Traditionally, from the end of the 19th century and the beginning of the 20th century, the use of brands was close to being simply a mark that was used to reassure consumers of the quality and origin of the product and differentiate it from other similar products (Lury, 2004; Moor, 2007). This approach was indeed still evident in definitions of brands that were given by marketing scholars at the beginning of the 1990s, such as Murphy (1990) and Kapferer (1992). According to Kapferer for example, an internationally agreed legal definition for brands is “a sign or a set of signs certifying the origin of a product or service and differentiating it from the competition” (Kapferer, 1992, p. 11).

The development of the contemporary understandings of brands is rooted in the expansion of competitive markets in industrialised countries in the second half of the 19th century. The expansion of markets to national and international spaces, the development of networks of
circulation and distribution and the growing competition between nations have all led to
growingly aggressive competition between producers. This, at first, resulted in the emergence of
advertising and consumer culture and then later contributed to the rise of brands as they are
known today (Lury, 2004).

As mass production and capitalism developed, manufacturers found themselves competing in
markets that offered products that were firstly, standardised in price and packaging, and
secondly, less differentiated from one another in terms of substance and quality. This forced
them to put greater attention on marketing in order to create demand for their product, reassure
their market and ensure future profits, and in many ways, take over the role that was traditionally
solely that of the retailer. While retailers were in the past those who were responsible for
weighing products, packaging them and reassuring consumers of their quality, marketers were
more and more interested in taking over that role through branding their products and thus
‘speaking’ directly to consumers. Therefore, the development of brands as they are known today
should be understood in light of that ongoing, growing tension between producers, marketers,
and retailers (Lury, 2004; Moor, 2004). The more products became standardised and similar in
quality, the more marketers needed to manipulate their unique value vis-à-vis consumers in
mediated, intangible ways. These changes initially led to the emergence of marketing as a
discipline (Lury, 2004) and specifically, began the shift in the notion of brands, from being about
‘signing’ products to focusing on consumers’ needs and the manipulation of their perceptions.

Moor (2004) analyses the overall implications of this process:

… once a significant number of relatively similar products achieve a
degree of quality that is predictable and repeatable, the gap that initially
provided the conditions for the emergence of brand-like marks is no
longer something that brand owners seek (or need) to close through the
idea of brand-as-guarantee, but something which they seek to extend
and manipulate through the idea of the brand as a set of intangible and
transferable values which can give rise to multiple affective ties.
Branding ceases to be primarily an attempt to secure markets by
guaranteeing quality, and becomes increasingly a strategy for
differentiating relatively similar products on the basis of abstract qualities or values (p. 15).

There are multiple definitions of the contemporary notion of brands. Particularly, the distinction between the point of view of marketing scholars and that of sociologists should be noted. In marketing literature the change is explained mainly as a shift from a focus on just signing the product and its features to an additional function which is reflected in greater emphasis on the consumer and his or her perception of the brand. Keller (1998) defines a brand as “a set of mental associations, held by the consumer, which add to the perceived value of the product or service” (p. 10). Kapferer (2004) adds to this definition: “These associations should be unique (exclusivity), strong (saliency) and positive (desirable)”, and then continues by saying that “Implicitly, in this definition the product itself is left out of the scope of the brand: the ‘brand’ is the set of added perceptions” (p. 10).

These definitions emphasise the nature of the brand as an image, in addition to its traditional function as a way to authenticate the product and its manufacturer and differentiate it from other similar products.

Scholars from sociology and media studies present a more complex view. Two sociological definitions are relevant for this discussion. Lury (2004) suggests that the brand is:

The organisation of a set of multi-dimensional relations between products or services, [a medium that] is not simply an add-on, a mark to identify an origin that is fixed. Instead, it is an abstract machine for the reconfiguration of production (p. 27).

From a media scholar’s point of view, Arvidsson (2006) sees brands as:

Paradigmatic embodiment of the logic of informational capitalism. [This is because] brands are in themselves immaterial, informational objects. They are part of the propertied ambience of media culture in which life unfolds. As such, brands become valuable through their ability to manage and program human communication and appropriate
the ethical surplus – the common – that it produces as a source of value (p. 13).

Although there is a difficulty in reaching an agreed definition of branding “because branding proceeds in different ways in different institutional contexts, and because new accounts of, and prescriptions for, branding are being produced all the time by marketing gurus and branding consultancies” (Moor, 2007, p. 7), some characteristics are evident across different contexts. Most notable is the tendency of branding to be more strategic and planned in relation to communication, to have a more long-term perspective oriented to the more long-term commercial interests of the company (for example using the brand as the basis for launching new products) and have an expanded view as to the media that can be used for communication of the brand in comparison to traditional advertising or other forms of marketing.

Lash and Urry (1994) have linked the growing importance of brands in the late 20th century to structural changes in post-Fordist economies. This influence became evident during the 1980s and 1990s in many areas in economic and social life. Brands gained economic value as assets in themselves; they were a consideration in mergers and acquisitions and promoted changes in trademark and intellectual property laws. Branding, as a strategic way of thinking, became so dominant that it then extended into governmental and non-governmental organisations, as well as other areas, for example, cities (Moor, 2004). In the context of the present discussion, brand influence on marketing activities and consequently on brand presence in consumers’ everyday life, are of relevance and will be the focus of analysis.

At the same time brands became dominant in the organisation and activity of companies in the last decades of the 20th century, the growing number of media outlets and the fragmentation of audiences that followed, as described earlier, have turned the marketing world upside down. While marketers were putting more and more efforts in extending the emotional, abstract values of their products or services, beyond their specific functional use, they found it harder to reach large number of consumers through advertising in traditional media, such as television spots. This new situation posed as much difficulties as it offered new opportunities.

The key change in understanding the rise of brands is the shift from advertising through traditional media spaces, such as spots on television, newspaper ads and billboards, into brand
presence across a range of spaces, either in the physical world or the mediated one. This is a reality in which every space in the consumers’ life is a potential medium for the integration of brands. “‘Media’ in this sense”, writes Moor (2007), “are not a discrete entity or set of entities; they are simply the context in which all marketing takes place” (p. 46, original emphasis).

To begin with, this shift has turned advertising into a sub-category in the wider scope of branding practices. In the overall, carefully planned strategy of a brand, placing promotional messages on a commercial break on television or in a magazine ad became just one option among many others the bigger picture comprises. Hart and Murphy (1998) describe the new relations between marketing, branding and advertising:

> Marketing is a broader function which includes branding and concerns the development and implementation of strategies for moving products or services from the producer to the consumer in a profitable fashion. Advertising is a narrower function within marketing, which is concerned with the use of media to inform consumers that products or services, branded or otherwise, are available for them to purchase and to stimulate them to do so (p. 3).

This, in turn, led to a comprehensive transformation in the function and organisation of advertising agencies. This already happened during the 1980s, with the ‘creative revolution’ in British advertising, as mentioned earlier, and continued into the 1990s. During this period, the strongest competition for advertising agencies came from branding consultancies that now offered a much broader view of marketing, including business strategy, design specialists as well as marketing advice. Their success and dominance in offering a range of communication channels for brands has changed the traditional hierarchies in advertising between ‘above the line’ (advertising in media for mass audience) and ‘below the line’ (niche-focused, direct, promotional activities) and turned all of these to practices that are subjected to an overall comprehensive strategic plan of the brand. As Moor (2007) writes:
What this means, in effect is that all elements of a company’s symbolic and material culture become subject to the same degree of analysis and design intensivity as would previously have been accorded to the product and its advertising (p. 42).

How do all these changes influence consumers’ experience with brands in their life-world? As Arvidsson (2006) suggests:

Brand management is still essentially about putting public communication to work in ways that either add to or reproduce the particular qualities that the brand embodies. It is these qualities that consumers subsequently pay for access to (p. 67).

This, in practice, means that branding practitioners work to give presence to the brand's ‘identity’ in as many relevant spaces as possible, in multiple forms, as part of a strategic plan to direct and control the ways in which the brand is perceived by consumers. This is what leads them to think in terms of ‘experience’ or ‘ambience’ in creating branded environments. Moor (2007) describes this “spatial shift”:

Branding in this sense is a kind of spatial extension and combination, in which previously discrete spaces of the brand - the advert, the point of purchase, the product in the home - are both multiplied, so that there are simply more ‘brand spaces’, and made to refer back and forth to one another so that they begin to connect up or overlap (p. 48).

Moreover, there is a special significance to integrating brands into consumers’ everyday lives in an authentic and natural way, so that they serve as identity creators, or in Arvidsson’s (2006) words:

… building blocks whereby consumers can create their own meanings. What people pay for, the idea goes, is not so much the brand itself as what they can produce with it: what they can become with it. (p. 68, original emphasis).
Brands’ spatial expansion is what explains their presence in recent years in festivals, exhibitions, street events, concerts and even education programmes, as much as it explains the investment in ‘guerrilla marketing’ that aims to generate ‘word of mouth’ in certain communities (for example, by paying ‘consumers’ to sit in a trendy café while holding a new magazine, or paying popular teenagers to use a certain brand of clothes or food). It is what brings brands to invest in ‘concept stores’ or ‘mega-stores’ that are all created and designed in the spirit of the brand’s ‘values’, as much as it brings them to invest in merchandising by the brand, creating a uniform for staff members, branding the company’s vehicles and even choosing a certain ‘type’ of salesperson in shops. Design has special significance in branding, as Moor (2007) argues, since it is used to give the brand’s core identity, its ‘values’, visual and material form.

This is clearly demonstrated in the empirical examples I will outline in subsequent chapters, for example, in Dove’s Real Beauty campaign, which presented models in plain underwear and a simple ‘clean’ look against a white background. This unique design turned them into gigantic icons and created a visual language which then became highly identified with the brand. It conveyed the notion of natural beauty and the idea of accepting the body and nurturing it, instead of trying to ‘correct’ it. The creation of a clearly recognised visual language to express abstract ideas such as certain values or a way of life, is actually what helps brands to expand into multiple spaces, each time through the relevant context of a given space. Thus, the identity of a brand is strategically implemented through its unique, easily identified visual and material form, across many platforms, either in the real world or the mediated one. Moreover, the fact that a brand’s design elements and visual language can be communicated and become easily recognisable even when the brand name is absent, is what enables brands to influence programming content in new ways, which bypass regulatory rules, as will be demonstrated in the empirical chapters.

Therefore, the rise of ‘branded content’ as a professional market and a dominant phenomenon in the media landscape from the 2000s should be understood in light of the changes that the marketing world underwent, and especially the dominance and characteristics of branding processes, as described here.

First, the appearance of branded content departments and branded content professionals in media and communications companies in these years is part of the agencies’ shift from dealing simply with advertising to being agencies that provide a range of communication solutions for brands.
The wish to integrate brands into media content - reality shows, soap operas, films or even documentaries - is thus part of the more general trend of giving brands a presence in spaces that were not commercialised before. Media content is yet another such space, with its unique characteristics and benefits. Specifically, the mediated world offers opportunities to control the way brands are integrated in what is presented to viewers as ‘everyday life’. It is thus induced and at the same time presented as authentic and so serves marketers’ needs, as I will explore in detail in Chapters 5 and 6.

Second, the manner in which brands are integrated into media content should be understood in light of brands’ spatial expansion. Rather than simply focus on direct exposure of products through product placement, it is more common at present to integrate the brand as an image in a range of ways, either through abstract values that represent the brand’s identity (‘natural beauty’, self-confidence, a good body-image), or through visual embodiment (using colour, fonts, a logo and general graphic design). In this reality, product placement became just another practice within the range of embedded branding practices, and not even a central one, as I will show in the empirical part of this work.

Nonetheless, it is still necessary to understand why on the other side, content producers - either broadcasters or independent producers - are motivated to lend their creative work to such commercial co-operation. This requires an understanding of the notion of convergence and the trend which followed - platform content.

Content Convergence: From Broadcast to Multiple Platforms

The same constraints that pushed marketers to reshape their strategies, obligated media outlets, especially television channels, to search for new ways to cope with the rapidly changing media environment. This had already begun in the 1980s and became even more vital with the digital revolution from the 1990s onwards. The more executives in these bodies witnessed their declining ability to attract mass audiences – and thus gain profits from advertising spots - the clearer it became that it was necessary to search for new models for distribution and funding of

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44 See for example, Auletta (1991) on the decline of American networks.
their content, beyond the traditional model based on a programming schedule and advertising spots.

The rise of the Internet has clarified beyond all doubt that the change the media arena is going through is fundamental and irreversible. But what would the future relations between ‘old’ and ‘new’ media be? Some analysts during the 1990s predicted the complete decline of old media and a takeover of the new, digital world (Negroponte, 1995), a vision which clearly did not come true.

Another vision, widespread at the beginning of the 2000s, was that of the ‘black box’. It predicted a convergence of all delivery technologies into one ‘box’ which would include all previous modes of communication – old and new - and make all other familiar ‘boxes’, such as the television, radio, telephone and computer, disappear. This prophecy has not been fulfilled, at least not so far (it is what Jenkins [2006, p. 13] calls the “black box fallacy”), as everyone is witnessing the growth and multiplicity of ‘black boxes’ in our everyday life – laptops, mobile phones, tablets, DVRs, DVDs, television sets, game consoles and so on, instead of their technological convergence into one omnipotent device.

So, with a proliferation of new technologies of delivery, i.e. ‘boxes’, and as new social practices in media consumption (what Gitelman [(2006)] defines as ‘protocols’), such as surfing the Internet, were added to old ones, such as going to the movies, what is the reality of the crossroads of old and new media? Convergence has turned out to be a core term in understanding this intersection, but one that should be understood in a different way than simply by referring to technology. The political scientist Ithiel de Sola Pool (1983) was probably the first to understand the new, complex, interaction developing between different media. Convergence, he claimed, is about a physical medium that can offer more than one function, and about functions that were once unique to one medium but can now flow between a few of them.

Pool’s observations are particularly impressive considering they were made almost a decade before the rise of the Internet. His vision of the flexible flow of services between different media is more relevant today than at the time it was published. Jenkins (2006) believes two forces pushed for this direction of convergence: on the one hand digitisation, which created multiple channels of communication (and scattered audiences among them); on the other hand cross-
media ownership, which began in the mid-1980s as part of the general concentration of ownership in the media and created an economic incentive for the flow of content between different media under the same ownership. Thus “digitization set the conditions for convergence; corporate conglomerates created its imperative”, he concludes (p. 11).

Jenkins’ (2006) definition of convergence is most relevant for the current research and will be used here:

By convergence, I mean the flow of content across multiple media platforms, the cooperation between multiple media industries, and the migratory behavior of media audiences who will go almost anywhere in search of the kinds of entertainment experiences they want (pp. 2-3).

This is a scholarly definition that is plainly rooted in recent developments in the media industry. According to it, the notion of convergence relates to content and its flow between multiple platforms, not to technology or its ‘protocols’. This understanding is indeed evident in the industry’s terms in recent years such as ‘extension’, ‘synergy’ and ‘franchise’ (Jenkins, 2006, p. 19), and more generally in the common terms ‘cross-platform content’ or ‘multi-platform content which interviewees often used and which I will use in analysing my case studies.

The term ‘cross-platform content’, as the practical expression of content convergence, is not a futuristic vision but represents actual changes that have been taking place in the media since the 2000s. To begin with, this term reflects a change in media bodies’ self-perception. The basic shift is one from a mono-media body, such as a television broadcaster, newspaper or online website, to a content provider across multiple platforms. It severed the link between the production of content and a single medium (for example: ‘Channel 4 is a television channel’), and forced media outlets into a fundamental reorganisation and an investment in new enterprises.

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45 Jenkins explains these terms: “Industry insiders use the term ‘extension’ to refer to their efforts to expand the potential markets by moving content across different delivery systems, ‘synergy’ to refer to the economic opportunities represented by their ability to own and control all of those manifestations, and ‘franchise’ to refer to their coordinated effort to brand and market fictional content under these new conditions” (Jenkins, 2006, p. 19).
This change is clearly evident in the two media outlets that are at the heart of the case studies analysed in the empirical chapters.

Channel 4 in the UK, which is behind the successful programme How to Look Good Naked, is by no means just a television channel anymore, but rather a brand for commissioning audiovisual content that is present across multiple platforms: it extends to a number of television channels (Channel 4, E4, More4 and 4Music), is invested in the production of feature films for cinema (Film4), has a VOD service (4oD - mainly online, but also on television) and maintains an active online presence through multiple websites connected to its various ventures. Thus, under the brand Channel 4, or simply ‘4’, some productions can be exclusive to a certain venture (for example, a rock concert for 4Music) and at the same time content flows from one platform to another – a television channel, VOD service, website and so on.

In the same way, the franchise holder of Israeli Channel 2, Reshet, which is behind the reality format Overdraft Family, started in 1993 as a television franchise holder for the first commercial channel in Israel, producing and commissioning programmes for a number of days every week. Currently, Reshet has turned into a content provider across multiple platforms: It offers a VOD service on cable television and online (as part of its VOD service, it signed a commercial co-operation agreement with Ynet, the most popular news portal in the country), maintains its own website for additional content in relation to its programmes, is planning to launch a cable music channel and has developed a number of mobile applications for its programmes.

Secondly, this fundamental conceptual shift is the main reason why media bodies, predominantly broadcast television (but not only), are searching for new business models. Instead of relying exclusively on their ability to attract mass audiences during television’s prime time hours and sell advertising spots according to the ratings they achieve, broadcasters now also attempt to stream audiences from one platform to another and ‘collect’ their accumulating numbers as they flow from the television screen to their website or their mobile application. This does not necessarily mean that the model of advertising spots will vanish (this is one of the key debates in the television industry), but rather that new models are currently being added alongside it. The

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46 First launched in 1982 as a broadcast television channel.
47 The Israeli model divided the weekly air time of Channel 2 between three franchise holders – Reshet, Kehset and Telad, and later (2004) between two – Reshet and Keshet.
pay-per-view model (for VOD service, for example) is one such solution, as well as the payment
wall or personalised advertising (on the Internet). The model of advertising integrated into
content, embedded branding, is yet another such model, and one that has clear advantages in the
new media environment, mainly its ability to flow with content from one platform to another.
Therefore, I argue that from the side of content producers, the rise of ‘branded content’ as a
business model and thriving professional market should be seen in the light of their shift from
mono-media bodies into content providers across multiple platforms.

Brands and Media Content: Mutual Attraction

Elective affinity (‘wahlverwandtschaft’), a term that was frequently used by Weber (Weber,
1949; Weber & Kalberg, 2011) and became a crucial concept in his thought and understanding of
social science (Howe, 1978; McKinnon, 2010), is probably the most suitable one to explain the
complex process which brings marketers and content producers to get involved in commercial
co-operations.

What did Weber mean by applying this literary metaphorical term to social sciences? The
original source of this term is in 18th century chemistry, but it entered intellectual discourse once
it appeared in Goethe’s (2008) novel Elective Affinities (Die Wahlverwandtschaften) in 1809.
The plot of the story implies that love and passion may be governed by the same principles of
chemical attraction, or – affinity – which make humans, in a similar way to chemical substances,
connect, either by establishing social relations, or by falling in love and committing to marriage.
It thus suggests that the forces that lead to the choice of one person among others are an outcome
of internal forces that bring people who share certain similarities closer together. Therefore, the
simplest way to understand this term is as mutual attraction, commonly described as ‘like attracts
like’ (Howe, 1978).

But Weber’s use of the term was actually quite informal and diverse (McKinnon, 2010).
Therefore, the meaning of the term in the context of social science can be inferred from the
understanding of its origins in chemistry and literature, together with its application in Weber’s
writing. Howe (1978), on the basis of such an analysis, concludes that for Weber, elective
affinity is a central concept in social science’s efforts to explain the choice of one action over many possible others. He further suggests a possible comprehensive understanding of the term in Weber’s writing:

The greater the number of positive inner affinities between two elements vis-à-vis the total possible number, the more strongly are the elements joined. That is their ‘degree’ of elective affinity (Howe, 1978, pp. 381-382).

It seems that the notion of elective affinity can be a most useful framework for looking at the compound process of growing closeness and interdependence, as described above, between marketers and media bodies. It is these ‘inner affinities’ which developed in both sides following audience fragmentation which ultimately led to their ‘mutual attraction’ and the rise of ‘branded content’ or ‘native advertising’. In the marketing world it was the dominance of branding and the tendency of brands to expand into new spaces that were previously not commercialised, in ways that are more image-related rather than product-dependent. In the media world it was the shift of media bodies towards cross-platform activity, in which audiences are ‘collected’ across various platforms, which pushed them to seek new funding models that would be aligned with this new reality. Thus, collaboration around the production of media content emerged as a mutual interest, serving the need of both sides, in a shaky and rapidly changing environment.

Summary

This chapter presented the historical background and recent developments which led to the growing proximity between advertisers and content producers as reflected through the rise of embedded branding, i.e. ‘branded content’, or ‘native advertising’. This context is of particular significance in my efforts to understand, based on the empirical data presented in Chapters 4, 5, 6 and 7, if there is anything essentially new in contemporary commercialisation practices, as asked in the second research question.

48 As mentioned in Chapter 1 (in the context of Weber’s influence on Habermas) for Weber ‘action’ is the human behaviour of a single actor and the subjective meaning he attaches to it.
The history of commercial media clearly shows that the tension between the commercial side and the editorial one has always been an inherent part of its culture and day-to-day reality, with the degree of commercialisation constantly changing across different countries, different periods of time, various media, and with the emergence of new technologies.

In this complex landscape long-known notions in the field have emerged: the advertorial is rooted in the press, mainly in the tradition of magazines; the notion of sponsorship is predominantly attributed to the development of American radio (and later, American television); and product placement originally belongs to the tradition of filmmaking in Hollywood. However, the rise of embedded branding is rooted in broader comprehensive circumstances which work across markets, cultures and media and understanding them is at the heart of my dissection.

My analysis suggests that the rise of embedded branding from the end of the 1990s is best understood through Weber’s (1949; 2011) notion of elective affinity which suggest that in social sciences, the degree of attraction between two elements is an outcome of the number of their “positive inner affinities” (Howe, 1978, p. 381) which bring them closer together. This could simply be described as ‘mutual attraction’, an outcome of internal reactions of both media outlets and marketers to similar external circumstances.

As to the external circumstances, audience fragmentation, which began in the 1980s, with the introduction of technological novelties such as cable television, VCRs and personal computers, led to a heightened commercialisation of media content already at that early stage. This trend was immensely intensified from the mid-1990s, with the ‘second wave’ of audience fragmentation - the digital revolution and the rise of the Internet. This era introduced further fragmentation, which has persistently eroded the classic model of advertising to mass audiences as numerous channels of content have rapidly emerged, together with the emergence of technologies such as digital recorders and VOD services, which enable viewers to skip commercials entirely.

What were the internal reactions of each side to these changes? In the marketing world, audience fragmentation was one of the main engines propelling the historical change in the understanding of brands and branding processes, as marketers could no longer access mass audiences through just a few ‘pipes’ (broadcast channels, leading papers and so forth). Rather than a sign to mark
the origin of a certain product and differentiate it from others, brands now focus on the overall image created in consumers’ minds. Consequently, brand presence is no longer limited to traditional media spaces, such as television spots or billboards, but actually expands to every possible space, with the purpose of integrating into consumers’ everyday life. Design plays a special role in giving material form to brands’ abstract values across multiple platforms, either in the mediated world, or in reality. In this context, embedded branding has become yet another niche activity for brand integration, one of many which marketing and communications agencies offer to their clients to establish their overall brand presence.

For media outlets, the abundance of novel platforms pushed towards the convergence of content. This means that the traditional linkage between a specific medium and a certain function ceased to exist, and instead content began flowing across platforms. The change was both conceptual and practical. Media bodies that wanted to flourish in the new environment had to stop thinking of themselves as mono-media entities (for example, a television channel or a radio station). This became practically possible, among other reasons, as concentration of media ownership was intensified from the mid-1980s and it became more common for corporations to have cross-ownership over several media arms. Thus, for media companies the buzz-word of the digital age quickly became ‘cross-platform content’ and it emphasised their role as content producers (rather than a specific platform) that work to gain presence across multiple platforms.

Thus both marketers and producers became interested in gaining presence across different media platforms, in a way that is platform-specific (for example, a website or mobile application), but at the same time - stretching across platforms - so they can create an encompassing presence in a fragmented environment. Brands are interested in reaching their target audience in different meeting points and use brand-values and their embodiment in design for this purpose, while media outlets seek to collect audiences along different platforms by offering attractive content.

These comprehensive processes are behind the rise of ‘branded content’ and ‘native advertising’ as a novel market and a promising funding model, and they raise a number of questions: How does this market operate in practice? How are these commercial agreements ultimately being implemented in media content? Furthermore, is embedded branding significantly different from the old notions well-known throughout the history of commercial media, such as sponsorship and product placement? And if so, what are its new characteristics? The empirical chapters will
unfold the story behind two reality programmes and their sponsorship by leading brands and will suggest answers to these questions, as well as to the last question: what might the implications of this commercial activity be to the media’s ability to maintain public discourse and how should policy makers respond?
Chapter 3
Methodology

This chapter discusses the methodological issues raised by this thesis, from the formulation of the initial research questions and the general methodological orientation, through to the research design, choice of case studies, the collection of data and its final analysis. It provides a glance into the research process and the decision making along the way, as well as a reflection on the theoretical foundations of the methodology and the dilemmas which the topic raised and how I chose to cope with them.

The chapter consists of six sections. The first section discusses the formulation of the research questions and general methodological orientation of the thesis. The second, third and fourth sections relate to the work process: the research design (second section), the choice of case studies (third section) and collection of data and analysis (fourth section). I then turn, in the fifth section, to discuss challenges in the fieldwork and ethical questions. Finally, I consider the contribution of this thesis to media research.

Formulation of Research Questions and Methodological Orientation

This thesis seeks to explore the implications of commercial funding of media content for the media’s role as a platform for public discourse. My goal was to explore the implications of an emerging market, that of ‘branded content’ or ‘native advertising’. This relatively new market and professional field presents a funding model of advertisers integrating within media content.

To begin with, this is a production study. I was not interested in measuring the reception of ‘branded content’ by audiences nor was I interested in its effectiveness in commercial terms, but rather in looking at how this funding model influences the production process and the final outcome, i.e. the programme itself. Second, it is an exploratory piece of research, as I wished to understand and theorise the implications of an activity that is relatively new and has not been thoroughly documented so far. Third, my perspective is a critical one, rooted in the tradition of
critical theory and more specifically the political economy of the media (Hardy, 2014), which emphasises the potential harm of commercialisation to the media’s role in democratic society. This is also why I chose to put the term ‘branded content’ in speech marks whenever it came up (i.e. to draw attention to its problematic nature) and to present my own term: embedded branding (which emphasises the role branding plays in shaping this commercialisation practice).

This general question has led me to formulate three more specific research questions. First, I wanted to ask how this market operates in practice. Who are the actors in the field and what are their goals? How do they negotiate and come to understandings, and how are these agreements then implemented, or not, in the programmes produced? What kinds of conflicts arise along the way and how are they solved? Second, if I wanted to say anything meaningful about this emerging phenomenon, I had to examine whether there was any substantial novelty in it. This obligated me to put things into historical context, to look back to the development of early commercial media, and to ask whether the practices I describe are different from old and familiar practices, in particular product placement and sponsorship (see Chapter 2). And if so, what are this field’s new characteristics? These two questions allowed me to approach the third question, which is the most significant for my general objective: if we are indeed witnessing a new phase in the commercialisation of content, what are its implications for the media’s role as a platform for public debate and consequently, what should be the recommendations for regulators and policy makers? This question obligated me to theorise the fundamental difference between editorial content and commercial messages, so that I could analyse the potential harm caused by their blurring in the practices I describe.

I have invested myself in a challenging research topic, which presented difficulties and obstacles from the outset. The ‘branded content’ market, although frequently reported in industry magazines and conferences in recent years (marketing publications as well as those of the media industry), is an informal market that is not clearly defined, is constantly changing and most importantly, is completely non-transparent. Moreover, it often operates in a legal grey zone. To add more complexity to the scene, I found the terms used by professionals (such as ‘branded content’, ‘branded entertainment’, ‘native advertising’, ‘sponsorship’, ‘ad-funded programming’ or ‘product placement’) to be unclearly and inconsistently defined. The understanding of these terms also changes across countries and media markets (the most notable difference is between
the American understanding of these terms and that of the UK and other European countries, or Israel) making this ambiguity evident also in regulatory codes (as I further explore in Chapter 7). Although I was looking at what seemed to be a global market, it has strong local characteristics that make the landscape more complex.

Furthermore, it was difficult to find quantitative data about ‘branded content’ activity in the countries I researched - volume of activity, levels of spending or measures of effectiveness. There are hardly any sources that monitor this market in a reliable and consistent way. PQ Media’s reports and forecasts on product placement (Quinn & Kivijarv, 2005, 2006, 2008, 2010, 2012, 2015) provide a useful source in this respect, but this media research company, although providing some global perspective, is mainly oriented towards the American market. It also relies on a more narrow understanding of the field (‘product placement’) and primarily confirms the general trend of constant growth of the market, but does not allow a close inspection of its research methodology.

My orientation, in any case, was a different one. I was less interested in gaining access to data on the size of the market and its growth (although this data was valuable at the beginning, reassuring me that I was addressing a relevant topic); rather I sought to understand what happens in practice, to follow the process by which brands diffuse into programming and become an inseparable part of it. Practically, I tried to become a fly on the wall in a process that does not happen in one place or at a certain point in time. Rather, it involves many actors, some of whom are not aware of the existence of others, in different places, and over a long period of time. I, therefore, sought to be a fly on the wall in a space that has neither walls nor clear boundaries, and had to think carefully about the methodology I choose for achieving this goal.

These challenges led me to choose a qualitative research orientation, in which I provide close inspection of two case studies, based on triangulation of sources (interviews, internal documents, reports).

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49 In the USA, Nielsen annually rates the “Top 10 Best Branded and Opinion-Shifting Product Integrations in Scripted Shows” (http://www.nielsen.com/us/en/newswire/2013/nielsen-tops-of-2013-advertising.html), but does not provide any quantitative data on overall activity; in the UK the Branded Content Marketing Association offers a “Branded Content Evaluation System” (http://www.thebcma.info/products-services/) as a tool for marketers, but does not publish any quantitative reports. In Israel, for a while the Effect-TV company published monthly reports on ‘branded content’ activity, spending and effectiveness, but ceased doing so after it was sold in 2009.

50 I used PQ Media executive summary reports and press releases, as the full reports are very costly and were not accessible to me. PQ Media’s representatives refused to provide access for research purposes.
television programmes, programme websites and other relevant material). Furthermore, I chose to look at this market in two different countries - the UK and Israel (I later elaborate on this choice). In each case study I was interested in looking at the path which connected the broader strategic plan of the sponsoring brand with the programme, including the latter’s derivatives on other platforms, mainly the Internet.

As Berg (2012) nicely describes, while quantity is elementally an amount of something, quality is essential to the nature of things:

> Quality refers to the what, how, when, and where of a thing - its essence and ambience. Qualitative research thus refers to the meanings, concepts, definitions, characteristics, metaphors, symbols, and descriptions of things. In contrast, quantitative research refers to counts and measures of things (pp. 2-3).

Therefore, it was only natural for me to choose a qualitative approach for this project, not only due to the difficulty of attaining quantitative data on the field, but mainly because the questions I was asking were about the essence of things, not their quantity. I was more interested in looking deeply into the process of commercialisation than at the field as a whole. I was looking for a microscope rather than binoculars.

From the various methods used in the qualitative approach (Berg & Lune, 2012), my choice was that of case study. Yin (2009) defines a case study as an empirical inquiry that uses multiple sources of evidence to investigate a contemporary phenomenon within its real-life context, in which the boundaries between the phenomenon and its context are not clearly evident. This definition highlights how a case study differs from other research strategies. For example, an experiment separates a phenomenon from its real-life context (the context is controlled by the laboratory environment). The survey technique tries to define the phenomenon under study narrowly enough to limit the number of variables to be examined.

Yin also points to the ‘prejudice’ against case studies. Case studies, he claims, are criticised for lacking rigour and evidence and for introducing researchers’ biases. Although this may be symptomatic of other types of research, Yin maintains that these problems are more common in case studies when they are conducted without rigour: i.e. without triangulation and disregarding
the chain of evidence. In addition, it is argued by some that they take too long and produce overly extensive reports. Yin argues that this may be because case studies are often confused with ethnographies. Finally, the most common prejudice against case studies is that because of the inherent difficulty of representing populations, they do not lead to generalisations.

This criticism is founded on the expectation that results stemming from case studies should be generalisable to populations. Authors who recognise the above-mentioned limitations of the case study technique, however, also see some clear advantages to it. Benbasat, Goldstein and Mead (1987) offer three reasons for adopting the case-study strategy: (1) it is effective for generating theory from practice; (2) it is useful for answering ‘how’ and ‘why’ questions, that is, for understanding the nature and complexity of the processes taking place; (3) it is an appropriate way to conduct research in areas where few previous studies have been carried out.

All these reasons are relevant to the field I chose to research and theorise. Moreover, the choice of the case study method was almost inevitable, since the market itself is based on "case studies": productions and specific sponsorship agreements signed with brands. Also, as I have learned during my fieldwork, there are very few known rules in the field of ‘branded content’ and at the same time television programmes tend to be very different from one another.

In fact, my ability to portray some general characteristics and generalise my conclusions was strengthened by looking closely at the details of the two case studies I chose, rather than looking at a distance at many different programmes. This is because the case studies I have built are very detailed and rich in information, based on interviews which provide multiple perspectives on each case, and internal documents which allow an exceptional peek into these productions and the process of content commercialisation in general. This abundance of information on the process of production and brand integration could not be reached in any other approach which would emphasise a broad look at the market as a whole.

I chose to approach the case studies by using multiple methods approach, known in qualitative research as triangulation (Berg & Lune, 2012; Denzin, 1978; Denzin & Lincoln, 2011). I used interviews, internal documents, television programmes, the programmes’ websites and other relevant material (radio programmes, the sponsors’ publications, attending a shooting day) pertaining to each of the case studies. Triangulation is inherent to qualitative research (Denzin &
Lincoln, 2011) and in particular, as Yin argued (2009), it adds rigour to case study methodology.

It is defined by Denzin (1978, p. 297) as “the combination of methodologies in the study of the same phenomena” and similarly by Berg (2012, p. 5) as: “multiple data-collection technologies designed to measure a single concept or construct”. The term derives from its use in navigation and military strategy in which the position of a certain object is best estimated by looking at the centre of a triangle created by three reference points (‘triangle of error’) (Berg & Lune, 2012; Jick, 1979). Accordingly, in qualitative research the term refers to the use of at least three technologies of data collection (Berg & Lune, 2012). It is not the same as what Teddlie and Tashakkori (in Denzin & Lincoln, 2011) refer to as ‘mixed methods research’ which is specifically about using quantitative techniques together with qualitative ones.

What is mainly important in triangulation is that the multiple perspectives it provides on the phenomenon under investigation adds richness to the study and strengthens its validity and generalisability (Denzin, 1978). As Berg (2012) further elaborates:

Each method thus reveals slightly different facets of the same symbolic reality. Every method is a different line of sight directed toward the same point, observing social and symbolic reality. By combining several lines of sight, researchers obtain a better, more substantive picture of reality; a richer, more complete array of symbols and theoretical concepts; and a means of verifying many of these elements (p. 4).

In some ways, this approach is similar to the practice used by journalists of cross checking sources to make sure the information is accurate. But, although triangulation is probably the best way to approach my topic, it is important to remember it does not provide a warranty for capturing the ‘truth’ in the matter of inquiry. As Denzin (Denzin & Lincoln, 2011) nicely puts it, in qualitative research one can only get close to validation, but never really attain it:

Objective reality can never be captured. We know a thing only through its representations. Triangulation is not a tool or a strategy of validation but an alternative to validation... The combination of multiple methodological practices, empirical materials, perspectives and
observers in a single study is best understood, then, as a strategy that adds rigor, breadth complexity richness and depth to any inquiry (p. 5).

**Research Design**

This research was designed around two case studies of prime time reality television programmes, one from the UK and one from Israel. The British programme is *How to Look Good Naked*. The Israeli one is *Overdraft Family*. Both programmes are original formats that were developed in their own country and first aired during 2006. Each one was sponsored by leading brands in each country. The British programme was sponsored, in its first two series, by Dove; The Israeli programme was sponsored, for the first five series, by Bank Hapo’alim and the food chain Shufersal-Deal\(^{51}\).

My goal in the fieldwork was to trace the path of commercialisation between the sponsoring brand and the programme; from the sponsoring brand’s strategic goals, through the development of the television formats, the formation of the sponsorship agreements, followed by the implementation of these agreements during the production process, on television and other platforms, and, finally, the way the brand’s integration appeared in the final outcome – on television programmes, websites and other derivatives.

For this purpose, I used triangulation. To begin with, I conducted background interviews both in the UK (eleven interviews, see Appendix 1) and in Israel (nine interviews, see Appendix 2), to get to know the market in both countries\(^{52}\). This assisted me in choosing the case studies that would stand at the centre of my work. I then used three different sources: semi-structured in-depth interviews with key players around each case study (nine in the UK, see Appendix 3; eight in Israel, see Appendix 4); internal documents from the sponsoring brands (see Appendix 5 for the list of UK documents; see Appendix 6 for the list of Israeli documents); and copies of the television programmes, the programmes’ websites and other relevant material (such as radio programmes, sponsors’ publications, attending a shooting day, etc.).

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\(^{51}\) Bank Hapo’alim was a sponsor along the first four series. Shufersal-Deal became a sponsor in the fourth and fifth series.

\(^{52}\) I know the Israeli television market very well and I have a special acquaintance with the niche of ‘branded content’, as I wrote a book about this topic (Balint, 2012a), but I still needed to conduct some interviews that would guide me to the best choice of case study.
The Case Studies

The Search for Case Studies

I began my journey in the fieldwork with background interviews, conducted both in London and Tel-Aviv. From the outset, it was clear that branded content professionals were the key to getting to know the field as they are the linking element between advertisers and broadcasters, and therefore they were at the centre of my work at this stage.

The choice of these markets for my research was guided by the nature of my research question but also by practical considerations. From a scholarly point of view, I was mainly interested in regulatory regimes that emphasised the separation between content and commerce, in which the rise of ‘branded content’ clearly clashed with existing law, regulatory rules and media culture. This was the general orientation of the European market when I began my exploration (European Union, 1989) and the UK market was a clear example of such a climate (Ofcom, 2005). This was also the case for Israel’s regulatory regime, which, historically had followed in the footsteps of British policy- and law-making in relation to public as well as commercial broadcasting (Israeli Parliament, 1990). However, both European and British regulatory codes have undergone liberalisation in recent years (European Commission, 2010a; Ofcom, 2011) and continue to do so. In Israel, the issue of ‘branded content’ became a topic of much heated debate, but no formal changes have yet taken place (Balint, 2012a). I discuss regulation changes in detail in Chapter 7.

At the same time, I wanted to look at two markets that also have different characteristics, since this would allow me to stretch my conclusions beyond a local case of a specific market to the general market of ‘branded content’. The British market is a case of a big and central player in the global TV market, second only to the American one. The Israeli market is a case of a small market which is relatively young\(^{53}\) and limited by local advertising budgets and typically isolated because most of its local productions are in Hebrew\(^{54}\). Against this background, any similarities between the two markets in the field of ‘branded content’ would strengthen my argument as to the existence of general characteristics of this niche activity. Thus, I was looking for similarities

\(^{53}\) Commercial broadcasting was first introduced in Israel in 1993, when Channel 2 debuted.
\(^{54}\) This seems to be changing in recent years, with the rise of a global market of formats and the awareness of Israeli television makers to the possibility of selling their formats abroad.
in law and regulation together with variations in other aspects. The choice of these countries provided all of the above.

From a more practical point of view, access to informants and documents was a significant issue in this project. As an Israeli media journalist who knows the market intimately and is well connected within it, it was only natural to use this background as a resource for my research. The UK was another natural choice as I was living in London during the first years of my research and continued to work as a journalist during this time.

After deciding on these two final locations, I conducted eleven background interviews in the UK with branded content professionals in leading marketing and communications agencies and regulators (see Appendix 1), and nine interviews in Israel with branded content agents from leading local agencies, regulators and other actors such as a participant in the Israeli Survivor, market research professionals and television executives (see Appendix 2). This stage of the fieldwork had two purposes: getting to know the market in each country and locating the appropriate case study for my research in each place.

Background interviews confirmed the existence of ‘branded content’ as a new professional market, which has been rapidly emerging since 2000, in both countries, in marketing and communication agencies, independent branded content agencies, broadcasters and production companies. The interviewees introduced me to the less publicly known world of ‘middlemen’ who worked to put content and commerce together through commercial agreements. I learned they shared common practices and a professional jargon such as “branded content”, “branded entertainment”, “sponsorship”, “product placement” or more specific terms such as “engagement”, “added value”, “look and feel” which repeatedly came up in interviews (Bergbaum, 2008; Cresswell, 2009; Holt, 2009; Lev, 2008; Moulsdale, 2008; Rutherford, 2008a; Willis, 2008). Repeatedly, the most significant part in each interview was that of analysing a specific example, a certain case of a production that the interviewee was involved in. Particularly, this part moved the interviewees from their position as observers on their own professional field back to their position as actors who were not always aware of many aspects of

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55 Such as Universal McCann as well as MediaEdge:CIA, Mindshare and MediaCom, all four are part of WPP.
56 Such as McCann Erickson and Saatchi & Saatchi.
their practice and its implications. This was the final validation for my decision to build my research around case studies.

During this exploratory stage, I decided on a number of criteria for the case studies: it was necessary to find programmes that had commercial sponsorship agreements that appeared to integrate the sponsor in the programme in some way. This would be the first sign, though not a sufficient one, of a ‘branded content’ deal. Second, I was looking for entertainment programmes that had some ‘weight’, such that raised topics of common interest or which had political facets, in the broad sense of this term. Part of my mission in this research was to elaborate the discussion about commercialisation beyond journalism or current affairs to media content in general and to the ‘cultural public sphere’ (McGuigan, 2005b). Third, and following the previous criteria, I decided to focus on the genre of reality television. Several sources indicated that this genre had become highly commercialised and that it was seen as suitable for ‘branded content’ (Carter, 2003 January 25; Deery, 2004; Jenkins, 2006; Magder, 2004; PQ-Media, 2006; Quinn & Kivijarv, 2006). Furthermore, reality formats are often positioned between entertainment and public discourse, by dealing, for example, with issues such as child raising (Supernanny), entrepreneurship and the business world (The Apprentice), gender roles and modern family (Wife Swap) and so forth. Fourth, I was looking for cases that would offer as many points of similarity as possible, so that my research conclusions would go beyond local markets, to the market of ‘branded content’ globally. Lastly, accessibility to interviewees and materials was of course a major consideration, although this could not be assured ahead of time and I did not have any guarantee of accessibility until the last interview around each case was conducted.

In the UK case, it was one of the background interviewees who brought to my attention the fact that How to Look Good Naked on Channel 4 had been heavily influenced by its sponsor’s (Dove) campaign. By coincidence, shortly thereafter I was asked by the Israeli newspaper I worked for to interview the producers of the programme in London57. This opportunity provided me with the first step into this fascinating case.

In Israel, I first considered looking at the local version of Survivor because it was heavily commercialised and the presence of sponsors (such as Sprite, Procter & Gamble and an

57 This was done towards the debut of an Israeli version of this format. It eventually turned out to be a complete failure and was quickly removed from the broadcasting schedule.
insurance company) in some episodes was clear and evident. I conducted a number of interviews around this case (see Appendix 2); however, I finally decided to look at the case of Overdraft Family because the connection between the sponsoring brands and the format was more explicitly based on a public debate topic (personal finances) and therefore was more relevant to my research goal. Furthermore, this format had many similarities to the British case study (as I will further elaborate).

About the Case Studies
As mentioned earlier, the research was designed around two case studies that followed the criteria I set for my research. These were two reality programmes that had commercial sponsorship, one from the UK and one from Israel. The first is the British programme How to Look Good Naked by Channel 4. It was first aired in June 2006 during prime time and was followed by five series up to 2012. The programme was sponsored in its first two series by Dove, which since 2004 had a marketing campaign titled the Real Beauty campaign. The sponsorship for the programme was dedicated to the Dove Pro-Age line of products for women over the age of 45.

The second case study is the Israeli programme Overdraft Family (in Hebrew: Mishpacha Choreget) by Channel 2. It was first aired on in November 2006 during prime time and had five more series. The programme was sponsored by Bank Hapo’alim in its first four series. The food chain Shufersal-Deal joined as another main sponsor during the fourth and fifth series. Some other advertisers were also integrated into the programme along the way, but these were not formally announced as sponsors.

I discuss the two cases and the formation of sponsorship deals in detail in the next chapter, which is an introduction to the empirical part (Chapter 4). In the present context, I will relate only to the similarities between the cases that made them excellent case studies for my research.

To begin with, both had sponsorship deals with brands that were relevant to the ‘content’ or theme of the programme and were integrated in it. Secondly, both relate to issues that fall

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58 Bank Hapo’alim was later replaced by Bank Discount as a sponsor.
somewhere between private life and public debate (how we perceive female beauty, in the case of *HTLGN*, and how we manage our money, in the case of *Overdraft Family*). These two topics are related to the personal and psychological realm as much as they are affected by social norms, shared values and external forces. This makes them useful case studies for the discourse on social norms and shared values which takes place in the cultural public sphere (McGuigan, 2005b). Thirdly, both are reality-based programmes, i.e. they deal with ordinary people, document ‘authentic’ behaviour, but have a clearly structured format into which that ‘authenticity’ is moulded. Fourthly, their formats carry many similarities. Both aim to take their participants through a process of psychological and behavioural change, towards self-improvement and empowerment. This is done through the formatted narrative of an individual in distress (not happy with their body-image; in financial trouble) who goes through a process of ‘re-birth’ which is mediated by television and its representative – the presenter. At the end point, a positive change is manifested in some material way (exposing one’s body, re-opening the business, etc.). Furthermore, both programmes offer practical tools to viewers, either by presenting information and practical tips or by showing a model of a successful transformation. Thus, both shift between their role as information providers (how to choose the perfect dress for your body shape in the case of *HTLGN*, how to be a wise consumer in the case of *Overdraft Family*) to their role as entertainers and providers of a dramatic role model. Finally, both programmes were first aired approximately at the same period of time - during the second half of 2006 - at prime time hours, and were successful enough to have a number of sequential series.

**Data Collection and Analysis**

**Sampling**

In both stages of the fieldwork - that of the background interviews and that of working around the two case studies - I used snowball sampling to locate informants. Snowball sampling, also known as ‘chain referral’, is a technique in which one informant refers the researcher to another informant and the second, the third and so on (Atkinson & Flint, 2001). It belongs to a wider set

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59 The term ‘factual entertainment’ which is used in the UK to describe these programmes clearly represents this duality. *HTLGN* was indeed developed by the factual entertainment department at Channel 4. For more on the factual entertainment department at Channel 4 see: [http://www.channel4.com/info/commissioning/4producers/features](http://www.channel4.com/info/commissioning/4producers/features). Last accessed: 01.02.12.
of link-tracing methodologies (Spreen, 1992) which use social networks as a resource to identify respondents and continually expand the range of potential contacts.

It is important to note, however, that I used this technique in a partial way - mainly to identify the relevant interviewees each time, and in most cases did not ask one informant to put me in touch with another. What happened in practice was that usually, after getting the information about another relevant informant during the interview (for example, names of the key people behind Dove’s *Real Beauty* campaign, the commissioning editor of *HTLGN*, the developer of *Overdraft Family*’s format, the marketing manager of Shufersal-Deal and so forth) I contacted these people independently and directly. I did this because I actually did not want my interviewees’ awareness of the ‘bigger picture’, the ‘Rashomon’ I was building by collecting different viewpoints on the production we discussed in detail. This could lead them to think about what others may say in comparison to their ‘version’ and may inhibit their openness during the interview. Also, the relationships between these people may be sensitive in many ways and I did not want these unknown factors to interfere with my work. In some cases, I simply used my personal contacts both in London and in Tel-Aviv, to make the first contact with interviewees.

As Atkinson and Flint (2001) note, snowballing is usually used for interviews and is particularly useful in two cases. The first is for reaching ‘hidden’ populations that are either marginal or hard to reach; often such that are involved with illegal or deviant acts (prostitution, drug abuse or pick pocketing). The second case is that of ‘urban elites’ (e.g. senior executives, specialists and professionals in certain areas, politicians, etc.), which are also hard to reach and so chain referral may be most useful in ‘opening the door’ for a researcher. Interestingly, my study is located right between these two cases. I was looking into a commercial activity that often takes place in the grey zone of legality and regulation, hidden from the public eye and inherently opaque. However, it does not occur among ‘vulnerable’ populations or marginal ones, but rather among urban elites, that of marketing professionals and television makers.

The choice of case studies and snowball sampling was a challenge and a risk. Once taking the path of a certain case study, I invested a lot of time and energy in working around each case, but had no guarantee that I could complete the work until the last interview and the necessary documents were obtained. Most subjects were virtually irreplaceable for me (for example – the branded content agents behind the sponsorship agreement, or the people who were behind the
development of each format), and if I failed to reach any one of them and get their co-operation, I would have to go back to square one and start working on another case study all over again. To my relief, this did not happen, but it prolonged my fieldwork and more than once created nerve-wracking periods and a feeling of having reached a ‘dead end’. This, for example, happened in the case of a vital interview in London when the interviewee was most hard to reach and then kept postponing our meeting for many weeks. Here, and at many other points during the fieldwork, my skills as an investigative journalist proved to be most helpful. One such skill is simply, like a trained hound dog, sticking to the target and following it, until found.

**Interviews**

Interviews were one of the main sources for my research. The interview is a central resource in social science (Rapley, 2001) and the basis for most qualitative research (Denzin & Lincoln, 2011). There are good reasons for this. It allows the researcher access to areas that ‘naturally occurring’ materials would not allow, such as people’s subjective experiences and attitudes. It also enables overcoming distances of space and time, by talking to people about their experiences in the past or in distant places (Denzin & Lincoln, 2011, p. 529).

I conducted in-depth interviews in both stages of the research – the exploratory one and during the case studies. They were, on the one hand, structured, as I prepared a list of questions that went along a certain path and this format was systematically used in each stage in both countries. At the same time, they were open-ended, as the interview was conducted as a conversation and I was flexible and often followed-up on topics raised by the interviewee or followed my own interest as the conversation went along. The general interview format was such that it started with a general exploration of the informant’s position and professional field and shifted to a detailed discussion focused on a case study (in the background interviews the case study discussed was chosen by the interviewee, while in the case study interviews, the interviewees knew in advance that we were going discuss a specific production, in which they had a certain role). Questions varied according to the informant’s position (e.g. a producer of a programme would be asked about her work as a producer, while a branded content agent would be asked about his perspective as a middleman between sponsors and productions).
What was I looking for? Most often interviews in qualitative research are used for narrative inquiry which revolves around the life experiences as narrated by those who live them. In this approach, researchers try to look at different aspects that are beyond the declarative facet of the interview (Denzin & Lincoln, 2011). My approach was a different one. To begin with, the information that interviewees presented was of great value, as my project is an exploratory one, trying to unearth an untold story about an emerging market, mostly unknown to the public. More important, the multiple interviews I conducted were part of the triangulated approach. I did not only use multiple methods for collecting data, but also used multiple sources to look at the same case from different angles (Denzin & Lincoln, 2011). In that sense none of the interviews I conducted was a ‘standalone’. Each interview had an essential role in creating ‘the bigger picture’ around the case study and the fieldwork often felt like detective’s work in which the mystery is gradually uncovered. I had no idea what the ‘story’ behind Dove’s co-operation with HTLGN was at the starting point (it turned out to be more interesting than I had first assumed) and the same goes for the Israeli case of Overdraft Family. The story kept changing as I went along, and details became clearer as each interview was conducted.

However, although interview data is often presented as a statement given by a single person, it is inherently a site of social interaction between the interviewer and the informant - and should be studied as such (Rapley, 2001). Interview data, Rapley further argues, should not be understood and analysed simply as a resource, but rather as “reflecting a reality jointly constructed by the interviewee and the interviewer” (Rapley, 2001, p. 304).

Indeed I often asked myself, “Should I consider the interview material as factual testimonies for all intents and purposes? Have I managed to reconstruct any type of reality through them and arrive at ‘truth’?” These questions went through my mind on more than one occasion. To what extent would the interviewees agree with the picture I am portraying here? Would they nod in agreement or jeer at the vast distance between my depiction and their own point of view? I do not presume to have managed to recreate ‘reality in the making’, and I am also fairly certain my interviewees would have quite a few reservations about the final outcome I present regarding the productions they were involved with. Reality is too intricate, it involves too many players, each with very different points of view. Interviews as a research tool are limited due to the difficulty of assessing how reliable they are in relation to reality. However, what I seek to present through
the interviews is a specific perspective of the programmes and the commercial intervention in them, one that highlights questions regarding commercial influence and overlooks other aspects. I have attempted to outline this new perspective and the interviews were helpful in this task. I got as close as I could to the facts and on that basis presented a certain way of looking at the production process. I can only hope that this ability, which is based on cross-referencing many sources of information, does not do too big an injustice to reality as it actually was. In short, interviews are the best tool, but they are far from perfect. I had to accept the fact that there were entire pieces I would never gain access to and that the interviewees were driven by many motivations, some of which promoted honesty (e.g. the need for credit and recognition, the need to share dilemmas), while others promoted concealment (e.g. ethical problems or ‘manoeuvres’ that would damage the speaker’s self-presentation).

Another question that came up during the fieldwork in that context was my identity as a media journalist and investigative journalist. I came to the fieldwork having a lot of experience with interviewing people as a journalist and specifically, having a record of dozens of interviews I conducted in Israel on ‘branded content’ for a book I was working on. Was my background a blessing or an obstacle in my work as an academic? The answer is not straightforward and greatly dependent on the location of investigation. In Israel, my identity and reputation as a journalist were helpful in allowing access to interviewees, but at the same time, in some cases this built a wall of suspicion at the beginning, as some informants suspected I may use the materials for journalistic purposes. In two cases I gave my obligation to use the interview material only for academic purposes, a promise, needless to say, I honoured in the strictest way. However, in most cases, early acquaintanceship with my professional identity and work actually created more trust and openness from the informants’ side.

The UK fieldwork suggested just the opposite. Because I was an outsider to the market, a foreigner whose name was completely unknown to informants, gaining initial access was much more of a challenge, and at some moments seemed like an impossible mission. In my view, it was mainly the fact that I was a complete stranger (both in the UK and to the local industry) that made one or two informants less willing to share their experiences, rather than my background as a journalist, as my identity as a journalist seemed to draw very little attention or suspicion.
Overall, my skills as a journalist and my early knowledge of the field proved to be more of a bridge to the field than a barrier and were most helpful, in both countries, in many respects: locating informants, contacting them, conducting the interviews and obtaining documents. Probably, this has to do more with my basic mind-set as a former journalist, rather than with others’ reactions to it. The key difference between journalists and non-journalists, in scholarly fieldwork, is that the former are trained to see data as accessible and possible to reach. I often felt that the basic assumption that it was acceptable for me to contact someone I did not know, ask commercially sensitive questions and ask for internal documents was the main reason I finally got access to all of this data. To put it simply: I dared to ask. Furthermore, my early knowledge of the field of ‘branded content’ was also very helpful as subjects were fast to realise I was well-versed in their field and this, in my opinion, promoted openness and co-operation on their side.

**Internal Documents**

Internal documents, such as presentations of branded content agencies to their clients or broadcasters to potential sponsors, were the second source of data for me and a most valuable one (see Appendix 5 and Appendix 6). Not only did they add richness and rigour to the overall picture (Berg & Lune, 2012; Yin, 2009), but they also strengthened any weak points that emerged due the use of interviews, such as the time passing from real events and memory distortion, bias of personal perspective (informants trying to justify their own acts, presenting themselves in a positive light) and biases that emerge from interaction with the interviewee (Rapley, 2001).

Internal documents presented things as they were negotiated and presented by the different actors at the time deals were signed and the programmes were produced. They consisted of details and images which informants would never bother to mention, for example, the interesting fact that the graphics of the families’ financial data in *Overdraft Family* was designed according to Bank Hapo’alim’s branding from the third series onwards (Bank Hapo’alim, 2009). They added more layers to my analysis in more ways than one. First, they added significant information and contributed to the overall validation of my data. Second, they introduced me into the professional discourse of the field I was looking at: how do brands define their campaign’s goals? How do
branded content agents prove their success to their clients? And how do broadcasters ‘sell’ new formats to potential sponsors? Third, they contained many images that were valuable to my analysis of how branding practically works in ‘branded content’ deals. They demonstrated the role of design in branding in general (Moor, 2007) and in this field in particular and were most helpful in shaping the ‘multi-layered’ integration model, as presented in Chapter 4.

Except for one case, all internal documents, in the UK and Israel, were given to me by interviewees, together with the permission to use data for my research. In all cases, these informants were the producers of the documents. It seems that the time that had passed since the events made it easier for them to share this information. The one exception is Dove’s Strategic Plan for the Worldwide Real Beauty Campaign (Dove, 2004). This was given to me by a senior executive from a leading advertising agency who took part in the campaign, but was not an interviewee. However, since the architects of the campaign talked about it in detail since it came out (Fielding, Lewis, White, Manfredi, & Scott, 2008) and it became a subject of a number of scholarly articles in various fields in social sciences (Banet-Weiser, 2012; Bissell & Rask, 2010; Josée Johnston & Judith Taylor, 2008), most knowledge about it became public domain during the time of my fieldwork.

**Data Analysis**

I used thematic coding to analyse the data and draw a coherent narrative from the raw material I collected, which included interviews, internal documents and the programmes and their derivatives (websites, sponsorship credits, live events held by the sponsors, and so forth).

In its most simple understanding, a theme is an implicit topic that organise a group of recurring ideas (Auerbach & Silverstein, 2003). It is therefore the creation of the researcher which is derived directly from the empirical data in his attempts to understand a phenomenon.

DeSantis and Ugarriza (2000) define a theme as:

… an abstract entity that brings meaning and identity to a recurrent [patterned] experience and its variant manifestations. As such, a theme
captures and unifies the nature or basis of the experience into a meaningful whole (p. 362).

According to Rubin and Rubin (1995) the analytical goal of such an analysis is to develop an ‘overarching theme’ from the data corpus, or an ‘integrative theme’ which ties various themes into one coherent narrative. In the same spirit, Van Manen believes such an analysis should bring out the essence of a phenomenon, winnowing the “essential” from the “incidental” so that the topic of research is finally crystallized into “what it is and without which the phenomenon could not be what it is” (van Manen, 1990) The analytical approach should not be seen as a single phase or stage in the research, but rather as an ongoing process which is actively undertaken by the researcher, from the early stages of data collection to the final ones of analysis and writing. This attitude of an ongoing, active, analytical process is indeed evident in the advice given by Auerbach and Silverstein (2003) to qualitative researchers:

You can think of the steps of coding as a staircase, moving you from a lower to a higher (more abstract) level of understanding (p. 35).

As the two suggest, I have used a number of steps in the data analysis, starting with selecting the relevant texts, looking for recurring ideas, organising them into themes, arranging the themes in an abstract grouping they refer to as the “theoretical construct” (Auerbach & Silverstein, 2003, p. 39) and then finally organising them into a theoretical narrative that relates to the initial research concerns.

In this research, the first and most meaningful challenge was to understand what had happened in the commercialisation process of the two programmes and what the core features of ‘branded content’ were. This necessitated an initial selection of data which provided direct evidence on what had taken place in the two productions.

I then worked closely with the data, looking for recurring ideas that may shed light on my research concerns. This was probably the most important, albeit tiring, stage in the process. It demanded a close and repetitive examination of all the data I had collected over time. I could not look for exact words; these were meaningless in the context of this research. Rather, I was attentive to ideas and concepts that emerged repeatedly from the different sources I used. What at
first seemed to be a futile process, led to a surprising ‘pop up’ effect, as the themes clearly emerged all at once, presenting the process with a clarity and coherency I could not see before. It was probably one of the most important turning points in the whole research process. The way to arranging these themes into one theoretical narrative was wide open from that moment. The interviewees’ detailed accounts, together with the information provided by the documents and the programmes were assembled into one story which, hopefully, depicts the essence of contemporary commercialisation practices.

**Challenges in the Fieldwork**

There were a number of questions which occupied me throughout the work on this research; two are worth mentioning here, at the end of this long process. The first is ethical in nature and relates to issues of transparency and my relationship with the informants. How transparent should I be about my research questions, research design and my perspective on the topic? Most of the interviewees were not aware of the ‘bigger picture’ I was assembling around the case studies, nor were they aware of my critical point of view on the subject. I often wondered if they would co-operate with me in the same open way as they did, if they knew that I was sceptical of their activities. I decided to present the general topic of my research (this would usually be as following: “I’m looking at the commercialisation of content and in particular I am interested in sponsorship and branded content”) and answer any questions that may come up for the informants. Rarely did it happen that I was asked for more details about the project or my personal view on it. The explanation for this, I think, belongs to the field of psychology more than media studies: people are much keener to tell their own story rather than ask about others’, and they easily open up when they feel someone is genuinely interested. To my surprise, even when my critical point of view on ‘branded content’ was known to informants (mainly from pieces I published as a journalist in Israel), it did not prevent them in most cases from co-operating with me. On the contrary, it intrigued them. I could not avoid the thought that they simply find this kind of criticism mostly intellectual, lacking any significant influence on the ‘real’ world of money and compromises in which they act.
The second relates to differences between the case studies, which, in my opinion, created some weakness in my research design. Channel 4 in the UK and Channel 2 in Israel are both broadcast channels, but they do not share the same economic model. Channel 4 is a hybrid: a public service-commercial channel, advertising-based but not privately owned. Channel 2, on the other hand, is a privately owned commercial channel, advertising-based as well, that carries heavy regulatory public obligations (enforced by the Second Authority for Television and Radio). Thus, while Channel 4 does not operate for private profit, Channel 2 is strictly profit oriented. This has some implications for the way each channel operates.

What was particularly relevant to my research is the dependence of each production on sponsorship money. While interviewees from Channel 4 explained that programmes are not directly dependent on sponsorship money, as the sponsors’ money goes to the general pot of the channel and each production has its pre-set budget (Jackson, 2009; Kell, 2009), the viability of the Israeli production was, from the outset, dependent on the ability of the programme to recruit sponsors (Koren, 2011). This means that the Israeli production was much more dependent on sponsorship money in comparison to the British one, and this of course, has a significant impact on its editorial independence.

This leads us to the overall ‘story’ of these productions. The story behind the sponsorship of HTLGN is not really similar to that of Overdraft Family. HTLGN’s format was inspired by Dove’s campaign and its overall aesthetic, but ultimately, despite the sponsorship agreement, the producers did not allow any direct influence by Dove’s people on programming (on television). Thus, in the UK case, the regulatory structure seemed to have worked quite well. In the case of Overdraft Family on the other hand, sponsors were weaved into the programme from its conception and throughout the production process and editorial independence was seriously compromised (as I show in Chapters 5 and 6). In that sense, Overdraft Family is a much more straightforward case of ‘branded content’ in comparison to HTLGN.

I further discuss this issue in Chapter 7, but there are two points to be made in the context of methodological issues. The first is that most probably any two productions chosen for research would differ in some ways, even if they share many basic similarities. This is even truer when considering I chose to look at two different countries. The second relates to the ‘jungle’ spirit of the market I was looking at. There are no clear rules for embedded branding deals, anywhere. It
is a market quickly emerging in recent years and its actors are guided, more than anything else, by what is possible at any specific moment. I was trying to base a model of these deals in a market that constantly re-invents itself. Considering this, my analysis, which points out many fundamental similarities in the way these commercial agreements are implemented, indicates that the difference between the programmes ultimately served to validate my findings and overall argument. I managed to base a model for brand integration into programming even in a case in which editorial independence seemed to be guarded and - beyond a particular case.

**Contribution to Knowledge**

My long journey into the market of ‘branded content’ and behind the scenes of sponsorship deals adds to the existing knowledge and scholarly literature in media studies in a number of ways.

To begin with, this is an exploratory research and, as such, it seeks to bring basic knowledge into scholarly literature. My research allows an unprecedented view into the emerging market of ‘branded content’ in the UK and Israel. It presents the actors in the field and sheds light on the role of branded content agents as mediators between content and commerce. It shows how the chain of commercialisation practically operates, how the negotiation process works, and reveals many details about commercial agreements that are usually hidden from the public eye.

Furthermore, it presents the complicated relationship between broadcasters and advertisers that is very far from the ‘state’ and ‘church’ separation; rather it is one of mutual attraction, or elective affinity (Weber & Kalberg, 2011). In that sense, the findings presented here may shatter some perceptions about how commercial media operates, or strengthen others, and may be useful to other scholars who want to use this body of knowledge for their own analysis and interpretation.

Second, I wished to put contemporary commercialisation processes into theoretical, as well as historical context. The empirical chapters of this work (Chapters 4, 5, 6 and 7) cannot be read outside the critical and analytical context I have presented up to this point. They are located within a broader discussion about the cultural public sphere (McGuigan, 2005b) and the theory of discourse ethics as described in Chapter 1, as well as an analytical view on processes such as audience fragmentation, the rise of branding and convergence, which have led to heightened commercialisation, as I describe in Chapter 2. In that sense, I made an effort to weave a number
of different fields of knowledge into one narrative that would tell a coherent story about one of the most noteworthy and influential phenomena in today’s commercial media landscape. My narrative is a critical one and ultimately is oriented towards pointing out the harms ‘branded content’ brings upon the cultural public sphere (McGuigan, 2005b), upon public debate in its broad sense.

Thirdly, and following the last comment, shedding light on the role of branding in contemporary processes of commercialisation is of special significance to my overall analysis. It elaborates the discussion beyond the crisis and change of media bodies (Jenkins, 2006; Magder, 2004; McAllister, 2000), to changes in capitalist markets and marketing strategies (Arvidsson, 2006; Lury, 2004; Moor, 2007). It allows a better understanding of not only why ‘branded content’ is on the rise in recent years, but also why it appears in these novel forms, as described in the empirical part (Chapters 5 and 6). My dissection of the role brands play in the commercialisation of media content may stretch beyond media studies, to a broader scholarly discussion on brand saturation and their influence on public debate and public life in general (for example, the commercialisation of education).

Fourth and most important, I present in Chapters 5 and 6 a model for analysing the different displays of embedded branding. This model suggests a shift from product integration (i.e. ‘product placement’) to a new phase of media commercialisation. It is a practical tool that could be useful for analysing other expressions of embedded branding in future research and may hopefully change the scholarly discourse on this phenomenon.

More generally, I sought to promote in my research the idea of media transparency. It is usually the media’s role to promote the transparency of other institutions, but in my opinion media outlets are nonetheless obligated to be transparent themselves and all too often fail to do so. The market of ‘branded content’, I hope, will become somewhat more accessible to the public eye following my efforts. Transparency regarding how brands embody themselves in media content and influence public debate is not only an idealistic goal, but a practical tool. I am most hopeful that my research will prove useful for media scholars and far beyond. I hope it can serve regulators and policy makers in their decision making in this field. Predominantly, I hope it will become a tool for education and the promotion of media literacy in various ways.
Finally, I would be more than happy to see my findings break through the somewhat isolated terrain of scholarly debate into wider circles. Hopefully they can contribute to audiences’ awareness and consciousness as to how commercialisation in the digital age actually works and to its potential harmful influence on each one of them as audience members, and more generally, on the ability to maintain public debate.
Chapter 4
The Campaign and the Format: Introduction to the Case Studies

Introduction

This chapter will introduce the formation of the sponsorship agreements for the two case studies: *How to Look Good Naked* in the UK and *Overdraft Family* in Israel, two successful reality-based programmes. Both were sponsored by leading brands – Dove in the UK case, and Bank Hapo’alim and Shufersal-Deal in the Israeli case. The following sections will trace the interconnections between the format of each programme and its sponsoring brand. As part of this, the story behind the development of each commercial campaign and thereafter television format will be unfolded and the negotiation process around the two sponsorship deals, both from the side of the sponsors and the side of production, will be traced.

The chapter is highly relevant to the first research question, which is about how the ‘branded content’ market operates in practice. It unfolds the early stage of brand integration: the conditions which encourage commercial co-operations to be created in the first place, the dynamics between content producers and brand representatives, and the overall climate which supports these deals. Sponsorship agreements are presented here as a core notion for understanding the field of embedded branding, as they allow the attachment of a commercial body to a specific production (unlike the purchasing of advertising spots from the general commercial time of a broadcaster) and consequently - its integration into programming.

What clearly emerges from this exploration is that a necessary condition for the initial establishment of embedded branding agreements is the belief, on both sides, that there is a synergistic connection between the ideas and values that each party wishes to promote, beyond mere commercial interests. This is a reflection of what I earlier described as ‘elective affinity’ (Howe, 1978), which can be understood as a mutual attraction based on internal forces and
certain similarities that brings the two sides closer together. Moreover, there is an underlying assumption that the sponsor and the production are synonymous in their goals, i.e. that they are both ‘actors’ in the cultural public sphere and are both oriented towards communicative action, i.e. generating public discourse, around the relevant topic. This assumption may later turn out as a problematic one, as the production process progresses and the ‘real’ goals of the two sides gradually emerge, as I later discuss in Chapter 7.

The Case Studies

Two reality-based programmes were chosen as case studies for the research project: *How to Look Good Naked* (Channel 4, UK) and *Overdraft Family* (Channel 2, Israel). The British programme *How to Look Good Naked* first aired on Channel 4 in June 2006 and became a successful prime-time programme (followed by five series to 2012). The programme was sponsored in its first two series by Dove, which had been leading, since 2004 (and at the time the programme was aired) a marketing campaign titled the *Real Beauty* campaign. The campaign aimed to widen the perception of female beauty by presenting women who clearly deviated from the strict model of the fashion and beauty industries as icons of beauty. It then linked their natural beauty to the use of Dove products. The sponsorship for the programme was dedicated to the Dove Pro-Age line of products for women over the age of 45.

*How to Look Good Naked* (henceforth *HTLGN*) is a ‘makeover’ programme with a psychological twist: it deals with styling and fashion for women but carries the premise of ‘natural’ beauty, promotes the existence of many models of female beauty (instead of one ‘ideal’ model, as often shown in the media) and rejects plastic surgery or invasive treatments. Thus, each episode takes a participant through a personal journey that is not only about undergoing an external makeover – i.e. changing their clothes, haircut and makeup – but also promotes a change in self-perception through a number of exercises (such as asking the participant to compare herself to other women who stand in a line, in order to expose her to her own distorted body-image). The cathartic moment arrives at the end of each episode, after the makeover, when the participant is asked to show herself naked (either in an artistic nude photo on a billboard or by ‘flashing’ the audience at the end of a fashion catwalk in a crowded mall) as an act of pride and self-acceptance. The
programme is presented by Gok Wan, a professional stylist, whose positive and supportive attitude towards the participants became highly recognised with the programme.

The Israeli programme *Overdraft Family* (*Mishpacha Choreget*) was first aired on Channel 2 in November 2006, became a successful prime-time programme and had five more series. The programme was sponsored by Bank Hapo’alim in its first four series. The food chain Shufersal-Deal joined as another main sponsor during the fourth and fifth series. The sponsorship of Bank Hapo’alim was later replaced by Bank Discount. Some other advertisers were later integrated into the programme (for example Osem, a big Israeli food brand, and Bezeq, a leading telecommunications company) but these were not formally announced as sponsors. These two sponsorship deals - Bank Hapo'alim and Shufersal-Deal - will be the focus of the empirical analysis of the Israeli case study. It should be mentioned that the production was fined twice by the Israeli regulator (The Second Authority for Television and Radio) for prohibited commercial references and had to ‘pay’ with an overall withdrawal of 23 minutes of commercial airtime. This happened in subsequent series, which are not included in the empirical data here. In 2011 *Overdraft Family* was fined following prohibited references to Shufersal-Deal and Bank Discount in six different episodes, and once again in 2012, for prohibited references to Osem and Bezeq (The Second Authority for Television and Radio, 2011, 2012a, 2012b).

*Overdraft Family* is a programme about personal finance, family businesses and small businesses and is similarly based on some underlying psychological assumptions. It presents difficulties in managing money as an expression of deeper emotional issues, either related to the individual, to the couple’s relationship or to broader family interactions. In each episode a family that has run into financial difficulties goes through a process of change. This begins with the family acknowledging the reality of its financial situation and its main problems with managing money, which is then followed by a series of tasks and exercises that aim to reveal the deeper psychological layers that have led the family to its current situation. The programme ends with a ‘diagnosis’ of the problem and the behavioural changes needed, together with a practical solution - a concrete and dramatic change (moving flats, selling the business, entering into a new partnership and so forth) - which serve as a cathartic moment, followed by a forecast of an optimistic future, if the changes that were suggested are maintained. The presenter, Alon Gal, is
known for his direct and authoritative attitude towards the participants, and became highly identified with the format.

How to Look Good Naked and Dove

Dove’s Real Beauty Campaign

The Dove Real Beauty campaign was a worldwide marketing campaign launched by the Unilever global corporation\(^{60}\) in 2004. Unilever’s decision to start an international campaign for Dove in the mid-2000s was an outcome of a twofold change which began in the 1990s – the expansion of the brand across countries and across product categories. First, Dove shifted from being a primarily American brand to being a global one. Later, it expanded its lines of products and shifted from being a soap brand to being a ‘personal care’ brand (i.e. dealing with a wider range of toiletries). Originally, Dove soap was marketed only in America, Canada and Australia. During the years 1990-1994, Dove was launched in 88 countries, the UK being one of them. In those years the brand also started to expand its line of soap products and launched body washes and other products. In the early 2000s the brand further expanded its line of products and started producing antiperspirant deodorant and later also a variety of hair products (White, 2009).

Alessandro Manfredi, global business partner for Dove at Unilever, explained the rationale behind the Real Beauty campaign\(^{61}\):

> The brand was extremely successful when we started the campaign, and I'm talking about the period of the end of 2001, beginning of 2002. But we realised that the success was due to the love of consumers for the product, and that the relationship of the consumers with the brand was nonexistent, basically. There was a second problem that increasingly the brand was starting to look and feel different amongst

\(^{60}\) The corporation owns other personal care brands, such as Axe for men (also known in the UK as Lynx), Lux, Ponds, Vaseline and more, as well as many food brands and home care brands. For more, see: [http://www.unilever.com/brands/](http://www.unilever.com/brands/). Last accessed: 23.04.15.

\(^{61}\) Manfredi was one of four participants in a roundtable discussion with the leading team of the Real Beauty campaign. The event was organised by the Advertising & Society Review.
the four biggest regions. ...Also keeping an eye to the fact that the brand was moving from being a soap brand, as most of the business was in soap, and to start entering categories like face, like hair, that were really beauty care (Fielding et al., 2008).

As both Mel White, brand partner at the Ogilvy & Mather Creative Agency in London who had a leading role in the formation of the campaign, and Manfredi explained, the creative team wanted on one hand, to continue the soap’s original advertising line, which was based on women’s testimonials describing Dove’s unique functional quality of not drying the skin (because it contained 25% moisturising cream)\(^{62}\), and on the other, to broaden that functional message into a distinctive ‘world view’ (i.e. a set of values for the entire brand) which could target an audience that would potentially buy a range of products by the same brand (Fielding et al., 2008).

The shift from marketing a certain product by its functional qualities to targeting an audience on the basis of linking the brand to certain ‘values’, perceptions and lifestyles, is typical of branding processes (Arvidsson, 2006; Moor, 2007). This kind of ‘matching’ was made possible, among other reasons, due to the development of information technology for marketing purposes (Turow, 1997). White describes the connection between technologies for segmentation of audiences and the search for a unique agenda for the brand:

> With technology and information today, there is much more information available. Not just about what type of people live where, how many children they have and their disposable income, but much more information about how do they behave, what do they like, what are their passions. So one can now define much more precisely than one could do 15 years ago, who are the people that are going to be most interested in your brand… So, for example, there are some women for whom L'Oréal's message, “Because you're worth it” and all these

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\(^{62}\) According to Unilever, Dove's formula was originally developed to treat burn victims during the war. It was then launched in the USA, first as a ‘cleansing bar’ during the 1950s, and then as a ‘beauty bar’, a refined version, in 1957. The launch in 1957 marked the introduction of synthetic toilet soaps, just at the same time as synthetic detergents in general were introduced. See: [http://www.unilever.co.uk/brands/personalcarebrands/dove.aspx](http://www.unilever.co.uk/brands/personalcarebrands/dove.aspx) . Last accessed: 11.01.10
pictures of absolute perfect beauty, is very appealing. Those will not be the same women for whom Dove's campaign for Real Beauty – “Do the most you can, and feel good about your own sense of beauty” would appeal… So you can segment within the beauty category women based on their attitudes towards beauty (White, 2009).

The search for a unique point of view on female beauty led the creative team in early 2003 to approach the feminist writer and psychoanalyst Susie Orbach, who gained recognition when she published in 1978 the book *Fat is a Feminist Issue* (2006), which was pioneering in raising the issue of eating disorders and the ways in which women's relationship to their bodies and to food was socially constructed. They asked her to join as a consultant for a campaign idea they were trying to develop – making a change in the way beauty advertising was presenting female beauty (Orbach, 2005, 17th of June). The alliance between a writer with feminist concerns and a brand with commercial goals illuminates how branding processes may blur the line between Habermas’ notion of a communicative action and strategic one. While Orbach is an ‘actor’ in the public sphere and her book was an attempt to influence public discourse on beauty and women’s self-perception, Dove’s use of her agenda was instrumental, in order to reach a certain audience by creating a differentiating agenda for a range of products which are marketed under the same brand name. By adopting Orbach’s point of view, the two actions have seemingly become synonymous, that is, Dove and Orbach are now both ‘actors’ in the public sphere, and both come across as involved in taking a stand on a substantive feminist issue.

Moreover, as Orbach herself acknowledged, she realised that it was only when her agenda was adopted for commercial purposes that her message could be amplified as she had always wished. Until that time, she had been frustrated by her failure to recruit powerful institutions to push her feminist agenda forward. This was despite the public recognition she gained over the years for her writing and activism. She described these efforts thus:

> I had spent [the] previous five or ten years trying to get the government to do stuff, and got nowhere. And I could see that the whole situation was global, as opposed to just local. In fact, I had gone to big advertising agencies and said – “Come on, you've got to do something about the representation of girls and women and food” (Orbach, 2009).
Orbach was well aware of the instrumental use of her work: the beauty industry which she was criticising for victimising women and creating a relationship of abuse towards them, was now using her feminist critique for the same initial purpose - selling more products:

So, am I naïve? No, I don't think I am. Politically, did I care whether they sold more soaps or not? I thought, in order for them to be successful, they have to sell more soap! But there is a difference, as you well know… between selling products and selling a brand… most of the way we were talking about it was not linked to the product, it was linked to the positioning [of] the brand (Orbach, 2009).

By differentiating between advertising of a product and branding, Orbach practically suggested that branding is closer to her own activity which is “aspirational, ideological” and is allegedly not directly connected to consumption. As I suggested above, the belief of both sides that they are sharing similar goals and are involved in similar acts is essential for any commercial co-operation, in this case – a co-operation between the brand and a feminist activist. The Dove Real Beauty campaign was finally launched in 2004 and became known worldwide and highly identified with the brand.

**Channel 4’s format for How to Look Good Naked**

The format of Channel 4’s programme, HTLGN, was developed during 2006, when the Real Beauty campaign was still running. The new format was developed by Channel 4’s features department against a background of two other British makeover formats: the styling and

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63 This view is clearly presented in the piece Orbach wrote for Campaign Magazine (Orbach, 2005): “The victim, shunning that awful feeling of being exploited and to gain some self respect, rejects the idea that she is then being used. Instead she makes the job of appearing beautiful her own project, her personal desire. She is not being compelled to bind her feet, she does it willingly herself. It's the only way to be. So she will involve herself in trying to look younger, skinnier, taller, bigger breasted and make sure that every surface is coiffed, painted, plucked, waxed, perfumed, moisturised, conditioned and dyed”.

64 Feature formats are formatted programmes, 30-60 minutes long, which provide viewers with a combination of entertainment and information on life style and self-improvement topics. On Channel 4’s website addressing independent production companies, it is further explained: “Features Programmes address a wide range of subject matter: food, relationships, property, money, health, design, families. The way we live now is at the heart of the programmes we commission, as is personal transformation”, and “Aspiration, life-change, risk-taking, and human drama are key to many successful Feature ideas on C4, as is problem-solving and trouble shooting”. See [http://www.channel4.com/corporate/4producers/commissioning/features.html](http://www.channel4.com/corporate/4producers/commissioning/features.html). Last accessed: 28.03.15.
fashion programme *What not to Wear*, and *10 Years Younger* which was predominantly about plastic surgery. Both presented a strict and critical approach towards women and their bodies and promoted the idea of self-change towards reaching certain standards, rather than that of self-acceptance.

Philippa Ransford, who was a commissioning editor at Channel 4 of *10 Years Younger*, took a central role in developing the *HTLGN* format from its outset. Ransford explained that her team felt a “wind of change” in the fashion industry towards a more natural look for women, which led them to think of an “anti-surgery show”:

> It was a flip side. We knew *10 Years Younger* worked and we got like 2.2 million [viewers] and also at the time, in the magazines people were beginning to be kind of anti-surgery, fashions were beginning to shift away from the kind of very plastic look to feeling natural and looking natural (Ransford, 2009).

Ransford was not the only one who thought she noticed a new trend. A few articles from 2004 onwards spotted the tendency to use ‘real’ women for advertising, instead of models, and celebrate more realistic beauty. This, for example, was the opening paragraph of a piece in the *New York Times* from August 2005:

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65 *What not to Wear* was first aired in 2001 on the BBC. Each episode presented a participant that was chosen by her/his friends as a particularly bad dresser; she/he would then be surprised by the two stylists and go through a styling session of how to dress according to her/his body shape. Later the participant would be sent to go shopping independently and would then be ‘ambushed’ by the two, to see if she/he was successfully following the instructions she/he had been taught. The format developed and changed over the seven series of the programme, but remained loyal to its core idea and basic approach.

66 *10 Years Younger* was first aired in 2004 on Channel 4. Like *HTLGN*, it was commissioned by the features department and produced by Maverick. Its participants usually look older than they really are at the beginning of the process, as a result of an ongoing neglect of their appearance and unhealthy routine. Each episode begins with a street survey of 100 passers-by that are asked to estimate the participant's age. The average perceived age is then presented. Thereafter, the programme follows the participant as she goes through different treatments, including plastic surgery. Once the makeover process is done, the participants go for a second round in the street, to check how many years were ‘lost’ in the process. Finally, in the moment of catharsis, the participant appears in front of her family and friends with a new appearance.

67 McRobbie (2004) further provides a post-feminist critique on *What not to Wear* and makeover programming.

68 Though she was not the editor who originally commissioned this programme. According to Ransford, this was Emma Wescott, another editor at the department.
Madison Avenue is increasingly interested in using everyday women in advertising instead of just waifish supermodels.

The change comes after the Dove line of personal-care products sold by Unilever introduced what it called a ‘campaign for real beauty,’ which presents women in advertisements as they are rather than as some believe they ought to be (Elliot, 2005, August 17th).

Ransford further went on to explain how the title and the format of the programme were born:

So this was all kind of happening in the ether, if you like. We were constantly saying: “What’s the new show, what’s the new show”... Out of the blue, Sue [Murphie, head of the features department] said, “What about this for a title – ‘How to Look Good Naked?'”, and we all went, “Oh, that’s quite good”.

We went into the meeting\(^{69}\), we had some yellow stickies, and we basically brainstormed the format points. …And I’ll never forget that because… I had coffee, and it was much easier for me because I was in the arena, doing 10 Years Younger, and it kind of makes you think of ideas, and you happen to have something in the back of your head… and I literally came up with every single format point. I remember it, literally - bang, bang, bang… (Ransford, 2009).

When asked what these points were, she replied:

Ok, I first came up with the Dove moment… we called it ‘the Dove moment’ (Ransford, 2009).

She then explained:

\(^{69}\) Ransford mentioned here two other women who were in that specific commissioning team, besides Sue Murphy and herself: Lucy Edwards and Katie Boyd.
The ‘Dove moment’ is what they call now, ‘the line-up’. Basically how fat are you, are you as fat as you think you are. That, basically, came from the Dove adverts (Ransford, 2009).

When I mentioned that this part in the programme is indeed surprisingly similar to the look and feel of the Dove ads (see Figure 1), Ransford said:

Exactly. It is supposed to. And also, I mean, this is like, when we made this, it was like three years ago or… we actually made it up in our heads, literally, about February 2006. So the whole kind of Dove thing was happening (Ransford, 2009).

Figure 1: ‘The Dove moment’, or ‘the line-up’, How to Look Good Naked, Channel 4

Thus, at that initial stage, the convergence between the brand and the programme, as Ransford clearly described, was an inspirational one, as the commissioners willingly adopted the values and core idea of the campaign and turned these into a makeover programme. This makes HTLGN a particularly interesting case of 'branded content'. On one hand it presents an unusual scenario, as most commercial co-operations do not begin with “natural”, “back of your head”, “ether”-like inspiration, nor is it often the case that a commercial campaign manages to become so

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70 The Dove ads included group photos of women of all different shapes and sizes in simple white or black underwear against a clean white background
influential. On the other hand, the case clearly demonstrates the broader principle presented here, in which the starting point for a commercial co-operation has to be based on the belief of both sides that they share similar ideas and values on the topic and that they are involved in a similar action - that of promoting their shared ‘public’ agenda around ideas or ‘values’. In reference to the term ‘elective affinities’ presented earlier (Howe, 1978; Weber, 1949; Weber & Kalberg, 2011), this can be considered as the ‘falling in love’ stage in which the two sides are struck by their similarities which sparks their mutual attraction and later leads to a contract of ‘marriage’ (i.e. signing a formal deal of co-operation).

The Sponsorship Agreement

The sponsorship department at Channel 471 was made aware of the format of HTLGN in early 2006, when the programme was still in development. Vicky Kell, a senior account manager at the department, was responsible for finding a sponsor and negotiating the deal for the new programme. The format was presented to potential sponsors72:

A great new contemporary show focusing on how any woman can improve the way she looks, clothed and unclothed, without resorting to plastic surgery (Channel 4, 2006).

Then, some more details followed:

New series that shows women their bodies as they’ve never seen them before. Each week we take one woman who’s wildly dissatisfied with her body shape – and one part of her body in particular. With the help of our experts we’ll show her how to look – and feel – like a million dollars, without resorting to plastic surgery (Channel 4, 2006).

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71 The sponsorship department at Channel 4 is independent from the advertising department (the latter is formally called Agency Sales), but both are parts of the commercial team of the channel. Sponsorship agreements are done therefore, independently from the sales of advertising minutage (30-second spots). At the time of the interview with Kell (August 2009), the sponsorship department included three senior account managers and three account managers, who were responsible for all sponsorship agreements, including AFP.

72 At the time of the interview with Kell (2009), the sponsorship team at Channel 4 worked with around 20 different UK media agencies that had sponsorship teams. These agencies represent up to 50 different advertisers each, and the size of their sponsorship teams varies from one or two specialists to agencies that employ 20 specialists.
Kell (2009) later recalled the first contact with Dove regarding the new programme:

… so we took it out to all of our agencies. And the sponsor who came on board was Dove, which was absolutely perfect, because at the time all of their adverts were about real women. They still are about real women. It wasn’t about skinny size zero models. It was all gorgeous beautiful curvaceous confident women, not necessarily curvaceous, any shape, any size.

Kell’s partner throughout the negotiations was Dan Fletcher, who in early 2006 was part of the sponsorships, partnerships and entertainment team at Mindshare, the marketing communications agency representing Dove. He holds a similar memory regarding the immediate affinity between the programme and the brand:

So they made us aware as an agency that that was coming up. It didn't take a massive amount of clever detective work to go, “Hang on a minute, that's perfect for Dove” (Fletcher, 2009).

Fletcher's next mission was to convince Unilever's people of the feasibility of the deal. For that purpose, he had direct conversations with Channel 4 and Maverick about the planned format of the programme, before presenting the idea to his client, Unilever:

We worked with Channel 4 and we worked with Maverick. So, we had direct conversations with Maverick about the format, about the elements that were involved and we then formulated that to a recommendation that we took to Dove (Fletcher, 2009).

What eventually played a significant role in the case of the How to Look Good Naked deal was the launch of Dove’s Pro-Age line that happened just at the same time and was joined to the brand’s Real Beauty campaign. This line of anti-ageing products targets middle-aged women and fit well

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73 The team Fletcher worked for was called ‘performance’ at that time. He explained (2009) that at that time this division was almost a separate arm from Mindshare, which was then a media buying agency. Eventually, in mid-2007 the ‘performance’ division became the branded content arm and turned out to be an early sign of the agency's shift into a marketing and communications agency which offers brands a range of marketing services.
with the expected target audience of the programme (women between the ages of 45-65), as Fletcher explained:

The Dove take on anti-ageing is - don't try and stop the ageing process, let's celebrate the ageing and how good you look with some products that are specifically developed for that age group. The good news that on How to Look Good Naked, the conversations that we had - again, we didn't have to try and influence anything - was the women that they were going to choose tend to be middle-aged women. They weren't after your sort of twenty something. They were after real women that were an ideal target audience for Pro-Age (Fletcher, 2009).

Thus, from the sponsor’s point of view, it was the concordance of the target audiences together with the ‘ideological’ affinity which eventually led to the decision to sponsor the programme. Branding, therefore, is not only used to promote a certain set of values, but to define a group, a certain segment of the market, through these values (Arvidsson, 2006; Lury, 2004; Moor, 2007). Once this similarity was identified by the brand, direct conversations were held with the production team while the format was in development to reach a final agreement as to the ways in which the brand would be integrated in the programme.

**Overdraft Family, Bank Hapo’alim and Shufersal-Deal**

Channel 2’s format for Overdraft Family

The background for the development of the reality-based Israeli format Overdraft Family was the change in overdraft policy introduced by the Bank of Israel\(^74\) in 2006. According to the new regulations, from June 2006 current account holders in Israeli banks were not to be allowed any overdraft withdrawals beyond the personal framework pre-approved by the bank. The new regulations’ purpose was to drastically change the culture of overdraft withdrawals from current

\(^74\) The Bank Supervisor is a regulatory arm in the Bank of Israel which is oriented towards protecting banking clients and ensuring the stability of the banking system. For more on the structure and functions of the Bank of Israel see: [http://www.bankisrael.gov.il/abeng/1–4eng.htm#7](http://www.bankisrael.gov.il/abeng/1–4eng.htm#7). Last accessed: 27.12.12
accounts. It aimed to have a twofold impact: to obligate account holders to be more responsible in the management of their income and expenses and also to prevent banks from charging high commissions for overdraft withdrawals.

The commissioning editor of *Overdraft Family*, Orit Koren\(^75\), recalls that the idea for the new programme came from the press reports on the new overdraft regulations:

> I saw big articles on the state’s initiative to put an end to overdraft withdrawals. Interviewees admitted they just cannot live without [an] overdraft. The reports presented statistics on the percentage of people who have [an] overdraft on their current accounts.

> Just at the same time, *Supernanny* came out in many countries. I loved it. I thought— if there can be a way to coach people on how to raise their children, there must be a way to coach people on how to manage their money. We all know that one and one is two, but there must be something else there that does not allow us to stay within the framework... It is about emotional wounds, not a lack of knowledge of mathematics… So, I thought, I'll take the *Supernanny* model and implement it, with some changes, on people who have crazy overdrafts. I saw good potential for a prime-time programme, because it touches everyone… everyone had overdrafts (Koren, 2011).

The manager of the development department was supportive of the idea and the Ma’agalot production company was commissioned to further develop the format.

Tzipi Rosenblum (2011), an editor at Ma’agalot who worked on the project, remembers that “everyone was looking to develop a series on finance in light of the change in overdraft policy, but no one did it. They got stuck, because economics is boring”. She described her feeling of desperation when she was trying to think how to approach the topic, “because I thought – what do I have to do with finance? I don’t know anything about this”, but the breakthrough came

\(^{75}\) Orit Koren was working at that time, 2006, for the development department of *Reshet*, one of the two franchise holders of Channel 2, the leading broadcast channel in Israel. These two companies share the weekdays and alternate their broadcasting days every few months.
when she realised that she had an overdraft herself and was trying to think of how to change her own situation:

I could move in with a flatmate, or leave Tel-Aviv, I could ride a bike instead of a motorbike. It then hit me that the overdraft is not about the gap between your income and expenses. It is about behaviour and it all starts and ends in your head. And there I had an idea for a series. I realised that the series would deal with behaviour that either produces money or prevents income or encourages expenses; behaviour that prevents us from making a change in our life (Rosenblum, 2011).

The Sponsorship Agreement with Bank Hapo’alim

The search for sponsors for the new programme began, according to Koren, during the production of the pilot.

We presented the format to the marketing [division] and we could see right away the potential for a bank’s sponsorship. It was completely obvious. The idea for the format came from the reports on the decision to change the overdraft policy, so the banks themselves may be interested in communicating such messages (Koren, 2011).

In contrast to the case of HTLGN, in the Israeli production the developers of the format were involved in the search for sponsors for the programme from the start.

As Koren explained:

We had meetings with several banks. It was I, together with the marketing. The creator of the programme will never go alone for such a meeting (Koren, 2011).

The head of the commercial co-operation department at Reshet in 2006, Ori Goldberg, recalls his impressions of the new format that was presented by the development department:
It was a ‘bingo’, the way it perfectly fit the timing and the brief of Bank Hapo’alim at that time. Because there was that decision by the state to put an end to the overdrafts, so Hapo'alim took a strategic decision to address the issue of family financial planning. If they are a leading bank, if “Being number 1 is a commitment”76, so they should be accountable, and they used it for marketing purposes: I, the bank, will educate my customers about how to manage their money, I don’t want them to go bankrupt just because of inadequate self-management (Goldberg, 2011).

Goldberg describes his mission as:

Blending commercial briefs77 with what the programming division is producing, or in some more extreme cases I impose on the programming division to produce solutions. I will tell them – there’s this big brief, which format can go with it? But it works the other way around - I’ll come and say to an agency, “We have this programme on economics, how can that work for the bank?” (Goldberg, 2011).

Finally, at Bank Hapo’alim, it was the manager of marketing communications, Sharon Landsman, who took the decision to invest in a sponsorship deal for Overdraft Family. She explains the bank’s interest in doing so:

We believe that if our clients learn how to manage their money better, it will be better for them and for the bank... This is because the bank’s profit model is based on risk management. The interest we charge is a function of our estimation as to how many people will be able to return loans and how many will not. There are many people who took loans, which they simply cannot return. There are people who can’t pay their

76 Bank Hapo’alim's familiar slogan.
77 A brief is a short description of a future campaign by an advertising agency.
mortgage and even if we’ll sell their house we will not be able to get back all the money we gave them (Landsman, 2012).

When asked if this means that in practice the bank has a financial incentive to ensure that many of its clients take loans, but also that these will be repaid, she replied:

That’s correct. The best clients are those that take loans from us and are able to return them (Landsman, 2012).

Landsman was made aware of the new format directly through the commercial co-operation department at Reshet.

Before a new season begins, we have a lot of proposals; broadcasters are looking for sponsors for all their new programmes, so I can have proposals from six different programmes. In this case, we were approached at an early stage, before they even had the presenter... And, to be honest, it’s funny, I tell people that I don’t know how this happened, but right at the first meeting I said, “We’re with you on this one” (Landsman, 2012).

Thus, similarly to the case of HTLGN, once the marketing professional had identified a conjunction between the brand’s messages and those of the programme, the way for a sponsorship deal was open.

The Sponsorship Agreement with Shufersal-Deal

The Israeli food chain Shufersal-Deal joined as another formal sponsor of Overdraft Family during the fourth and fifth series, in 2009-2010. Shufersal-Deal is a low-cost sub-branch of the

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78 The chain was launched in March 2005. Its pricing strategy is similar to the one that Walmart took in America and is believed to generate consumer loyalty by assuring them the shop offers the best return for their money. This model of pricing is made possible because it saves the chain expenses related to changing pricing due to sales events and the need to promote them. The model is also based on the purchasing of large quantities (such as ‘two for the price of one’ deals). Shufersal-Deal has more than 70 branches in Israel, as of 2012. For Shufersal-Deal’s website, see: http://www1.shufersal.co.il/Supersol_He/Deal/. Last accessed: 09.03.12
Shufersal food chain. It operates on the basis of an ‘everyday low price’ (EDLP) pricing strategy promising consumers low prices on a regular basis and thus has adopted the slogan “Your money buys more”.

It was only during the fourth series of Overdraft Family that the marketing manager of Shufersal-Deal, Dafi Kaminitz, was convinced by the branded content arm of the Gitam-BBDO agency to invest in sponsorship of the programme. The arguments used in this dialogue were related to the opportunity for the brand to be involved in a ‘public’ message, i.e. communicative action, in relation to ‘smart consumption’.

Eyal Se’ada, a branded content agent in Gitam-BBDO, described the dialogue with Kaminitz:

We came to Shufersal and we told them that the only platform nowadays for communicating Shufersal-Deal through branded content is Overdraft Family. It’s because the programme educates people: a. to become smart shoppers, b. to follow a certain budget, and c. to overcome their overdraft. All these values, without exception, are connected to the values of Shufersal-Deal.

What I care about is that people will connect Shufersal with the idea of smart shopping. That is, that at the end of the day, if you let me take it a step further, a person will think, “If I am a smart shopper, I should probably buy at Shufersal-Deal” (Se'ada, 2011).

Kaminitz, from her side, explained that the goal of the deal was

… to integrate with the programme’s values, to create a synergy between the brand’s values and the programme’s values which are, in this case, truly perfect (Kaminitz, 2012).

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79 Shufersal was established in 1958 and was later purchased by IDB, the biggest corporation in Israel. For more on the chain’s history (in Hebrew), see: http://www1.shufersal.co.il/Supersol_He/About/History/. Last accessed: 09.03.12.
Once again, what emerges from Se’ada and Kaminitz’s words, is that the key motivation of the brand to enter a sponsorship deal with a television programme was the perceived proximity of the values and ideas that the brand wished to promote to those of the programme.

**Summary**

This chapter uncovers the inner workings of embedded branding at its initial phase, that of negotiation and final successful agreement on the formal commercial deals. In both case studies, HTLGN and Dove, and Overdraft Family and its two main sponsors - Bank Hapo’alim and Shufersal-Deal, the connection between the programme and the sponsor was perceived by both sides as a ‘natural’ one, based on the belief that they share a similar agenda towards the relevant topic, that they are involved in a joint mission to carry a message that may contribute to the public good.

There are a few points worth considering here. To begin with, the interaction described here around the conception of the sponsorship agreements conveys the shift corporations wish to present, from their role as profit-oriented bodies with clear commercial goals, to seemingly public oriented bodies and ‘actors’ in the public sphere. This happens through branding processes which aim to create a synergetic link between their strategic commercial goals (transforming Dove into a global self-care brand, encouraging clients of Bank Hapo’alim to be more accountable for their financial management, pushing consumers to prefer Shufersal-Deal over other low-cost food chains) and a seemingly communicative message which carries some public mission (Dove - empowering women by expanding the definition of female beauty, Bank Hapo’alim - educating the public towards better financial management, Shufersal-Deal - educating consumers about how to become smart shoppers).

By doing this, brands blur the line between their own private interests and public ones (or present them as synonymous). Moreover, their branding works to change the perceived material exchange relations with their consumers. It is no longer consumers paying a certain amount of money for the purchase of a specific product or service, but rather the brand ‘working’ for the consumer in a way that is presented as free of charge. This happens through their self-
presentation as commercial entities with ‘public’ merit that give added value to their clients: Dove does not only sell self-care products, it also cares about the emotional well-being of women and their empowerment; Bank Hapo’alim does not only give loans and charge interest, it also educates consumers about how to manage their financial issues; Shufersal-Deal does not only offer food at low prices and large quantities, it also educates consumers about how to become smart and economic consumers.

By investing in sponsorship agreements of television programmes, these brands get an opportunity to further strengthen their image as actors in the public sphere around a certain topic, while marginalising or even concealing their direct commercial interests. This is why, as I have shown here, the focus interviewees have shown was predominantly around the conjunction of values and ideas shared by the brand and the programme, which made them ‘fall in love’ on the way to signing an agreement. This dialogue serves the brands’ representatives, as they are interested in transforming the brand into a body which promotes public good, but it also serves content producers, as they feel they are not taken by commercial interest or giving up their editorial independence, but rather working in co-operation with a partner who has similar goals.

I will now turn to discuss, in the next two chapters, the practicalities and details of the integration of the sponsors in both programmes. In the next chapter I will refer to ‘deep integration’, i.e. the integration of the sponsoring brands into the space of each programme on television. In the following chapter I will discuss ‘continuous integration’, i.e. brand presence across multiple platforms, beyond programming on television. These two dimensions are typical of embedded branding: they define the field, differentiate it from previously known practices (such as product placement) and, as I will show, constitute a new phase in commercialisation of content.
Chapter 5
The Brand and the Programme: Deep Integration

Introduction

The previous chapter introduced the case studies and how the sponsorship agreements were formed in each case. This chapter dissects the implementation of these agreements: how sponsors practically integrate into the space of programmes on television.

Based on thematic analysis of the empirical data, this chapter presents a multi-layered model for brand integration within television programming consisting of three different layers. The first layer involves the integration of messages and ‘values’ from the sponsor (‘diffusion of messages’); the second concerns the visual presence of the brand within the programme, based on the sponsor’s branding (‘visual diffusion’); the third relates to product placement - direct commercial exposure of the brand - by presenting products, services, or the brand’s logo in the programme. While the first two layers tend to represent the brand as an abstract image – conceptually and visually – the third relates to concrete representations of the brand.

I argue that brands are typically integrated into programming through a multi-layered model encompassing both abstract representations (values, messages, images and design) and concrete ones (shops, products, representatives and so on). This model defines the dimension of what I refer to as ‘deep integration’, as it represents brand penetration into programming in a numbers of ways that occur simultaneously, thus creating a media space that is saturated with brand presence in ways that are hard to notice or clearly dissect, and as I will suggest in Chapter 7, to regulate.

Deep integration, I argue, contributes to the blurring of the distinction between editorial content that independently decided upon by the producers and strategic messages promoted by sponsors,
to the extent that the two become indistinguishable. I further claim that this form of brand integration provides evidence of a new phase of content commercialisation.

Diffusion of Messages

In this section I will review the various ways in which messages by the sponsors were integrated into the programmes in the two case studies presented. In brief, this was done by ‘tailoring’ the programme’s format according to the brand’s general agenda on the topic. This includes segments inspired by the sponsor’s commercial campaign, using the sponsor’s representatives in the programme, tips and advice aligned with the sponsor’s messages and even using the sponsor’s slogan as part of the presenter’s ‘natural’ speech when ‘training’ the participants on their new and improved personal path.

How to Look Good Naked and Dove

The case of Dove’s integration into HTLGN is of particular interest because, as I showed in the previous chapter, the brand’s influence began as an ‘inspirational’ one (in which the programme developers took inspiration from the advertising campaign), and only later led to the formation of a formal sponsorship agreement with Dove. As a result, there is a striking similarity between the brand and the programme in this case, which relates to the affinity of ideas and values shared by both entities. From the brand’s perspective this kind of impact, i.e. the acceptance of its ideas into a wider public discourse, the cultural public sphere (McGuigan, 2005b) - is clear proof of success. In Dove’s strategic plan this principal goal was clearly stated: “To become an iconic brand” (Dove, 2004)\(^{80}\).

Iconic brands were further described as:

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\(^{80}\) This was the third goal of the campaign, after “To create a unique positioning in the Beauty arena” and “To make a difference to millions of women” (Dove, 2004)
… those brands whose messages have – by chance or by design – a cultural and social meaning that transcends that of their products… [and that] have a Big Brand Idea that is inspiring because it touches on a human truth or taps into meaningful social currency (Dove, 2004).

Indeed, *HTLGN* extended, both by chance and later by design, the cultural and social presence of the core messages of Dove’s *Real Beauty* campaign. One of the findings of the post-campaign analysis of the sponsorship deal\(^81\) was that it had resulted in a “very positive impact on brand personality” because of a “congruent fit with a programme with strong attributes” (Mindshare, 2007b).

As I will show here, both the brand and the programme set the goal of broadening the definition of female beauty beyond those of the fetishist messages of the fashion and beauty industries. Both encouraged women to take care of themselves through consumption in order to gain a more positive body-image, which was then linked to psychological empowerment and happiness. Interestingly, both linked nudity in public, beauty and self-confidence.

How were these messages diffused into the programme in practice? To begin with, the programme’s format as a whole, promoted the brand’s idea of broadening the definition of female beauty. Dove’s mission, as was defined in its ‘beauty theory’ document, was:

> … to make more women feel beautiful every day. By widening today’s stereotypical view of beauty and inspiring women to take great care of themselves (Dove, 2004).

According to the commissioning editor and developer of the *HTLGN*, Phillipa Ransford, the programme’s agenda was, from its outset, strikingly similar to that of the brand:

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\(^81\) This analysis was commissioned by the MindShare media agency on behalf of its client Unilever after the second series of *HTLGN*. 
The agenda is to give the confidence back to real women who worry because of the media kind of frenzy about how we should look. If they’ve got a little bump here or a bit of cellulite, that actually, it’s ok, we’ve all got it, and to kind of debunk the myths of these airbrushed celebrity, botoxed, plasticised women and actually to say, these women aren’t real. We think they’re real … enjoy watching them… enjoy following them, but don’t let that massively effect the way that you feel (Ransford, 2009).

Indeed the core idea of HTLGN was that any woman can be beautiful without surgery or invasive treatments. This point of view was echoed repeatedly throughout the programme, for example, in the opening words of its presenter, Gok Wan, in one episode:

We are constantly bombarded by images of surgically enhanced, airbrushed, ridiculously thin women. What is this one size fits all? And you know what? Real women don’t look like that (Wan, 2007).

In another episode, photos of models were alternated with photos of ordinary women, while Wan explained that many of the models’ photos were actually edited with Photoshop. He then asked:

… so why do we compare ourselves to them if what we see isn’t real?
It’s time for real women to fight back and look good – for real (Wan, 2006).

The other mission of the Dove campaign – “Inspiring women to take great care of themselves” (Dove, 2004) – was also a core element in the HTLGN format, and was used as a link between the brand’s ‘public’ mission and its commercial goal of encouraging women to purchase Dove

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82 It is worthwhile noting that Wan made frequent use of the phrase “real women” during the first two series. This seems to be a surreptitious reference to the brand’s campaign, although I could not prove any intentionality to that effect based on interviews. In the case of Overdraft Family, as I will show later on, brand slogans were intentionally inserted into the presenter’s leads as part of the commercial deal.
products. Mel White, who had a leading role in creating the *Real Beauty* campaign at Ogilvy, explained this:

> For Dove, where the connection comes in is you want more women to feel good about their own beauty by encouraging them in taking the best possible care of themselves. And the best possible care of themselves, then, is using the soaps that are not drying their skin, a shampoo that is not going to dry their hair and the body lotion that actually really does moisturise, so the link with the brand was in the 'taking care of themselves' piece of it. We weren't saying, at any point in time, you are just great the way you are, you just stick with it (White, 2009).

This idea was also clearly reflected in the point of view of the creators of *HTLGN*. Continuing her description of the programme’s agenda, Ransford further said:

> But - we’re also saying, it is very important to look after yourself. Because having confidence doesn’t come… you can’t just rest on your laurels. You’ve got to look after yourself; you’ve got to wear clothes that make you feel good… So it is all about empowering women. Which I think is really important (Ransford, 2009)\(^8\).

In the case of *HTLGN*, the notion of self-care through consumption as a means to empowerment was implemented through the journey Gok Wan takes with each participant on the high streets, where they buy new clothes, choose better fitting underwear and try various cosmetic treatments. This is a fundamental element in the format – the reinvention of each participant through the consumption of clothes and cosmetics.

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83 I then asked Ransford if she had read Susie Orbach’s book, *Fat is a Feminist Issue* and she replied she that she had not, but that she intended to get it.
Furthermore, the idea of presenting naked women in public and turning them into iconic images also serves to meld the brand with the programme. Both presented this as an empowering and liberating act for women. At the same time, in both cases, these icons were used to trigger a public debate on female beauty.

As Dove’s strategic plan reveals, in the early stages of the campaign the creative team suggested using nudity as an expression of liberated female beauty. One of the slides explicitly stated: Beauty = Going naked (Dove, 2004). In the final execution this idea was transformed into women wearing plain underwear84 (see Figure 2). The iconic images of ‘ordinary’ women flaunting their bodies in plain underwear on giant billboards became the most recognisable element in Dove’s campaign.

![Figure 2: Firming cream ad, group version, Dove](image)

Another activity Dove promoted was the ‘beauty debate’ in which posters on billboards (some of them interactive) presented images of women for public debate, by posing questions (such as, Fat or fit? Grey or gorgeous?), and inviting the public to discuss and judge them (see Figure 3).

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84 As Dennis Lewis, the creative director of the campaign, explained: “We talked at one time about having them completely nude, but my comment was ‘How many poses can you strike where—’ ”. Daryl Fielding, one of the campaign leaders, then added: “You've got only two hands, ultimately!” (Fielding & Lewis, 2008).
Similarly, the programme presented a ‘beauty debate’ segment as part of the format: photos of the participant in plain underwear before having undergone the styling process and an artistic ‘after’ photo of the participant in the nude were projected onto a wall in London\textsuperscript{85} (see Figure 4). In the ‘before’ stage, passers-by were asked by Wan what they thought the woman’s ‘best parts’ were, and in the ‘after’ stage it was the woman herself who was asked to approach passers-by and ask them whether they thought she looked good naked (as the title of the programme suggests). This was the cathartic moment in each episode signifying the successful end of process\textsuperscript{86}.

\textsuperscript{85} This concept was later replaced by the participant walking down a catwalk in front of a crowd and flashing her nude body for a few seconds.

\textsuperscript{86} Ransford (2009) explained that the idea of projecting the participants’ nude photos on a wall was originally inspired by the projection of Gail Porter’s photo over the Houses of Parliament in London in 1999 (as part of a guerrilla campaign for a men’s magazine). However, the programme’s implementation of the idea of presenting nudity in public is more closely related to that of the Dove campaign.
Thus, showing off the body in public was presented - in both cases - as a liberating and empowering act, signifying a cathartic moment of transformation, either after using Dove’s products of after completing the journey with HTLGN’s presenter Wan. At the same time, the programme, much like the brand in its ‘beauty debate’ posters, used these images to spark public debate by asking passers-by for their opinion for the purpose of debunking stereotypes about what is considered beautiful.

Overdraft Family, Bank Hapo’alim and Shufersal-Deal

The case of Overdraft Family offers a somewhat different perspective on the diffusion of brand messages in programming. While the affinity between HTLGN’s agenda and that of Dove’s Real Beauty campaign started out, according to the producers, mainly as an inspirational one (which later led to a sponsorship deal), in the case of Overdraft Family the integration was clearly intentional and, as I will show, carefully controlled. Although both cases provide evidence of the blurring that occurs between editorial and commercial messages during development and production, the case of Overdraft Family is more typical and prevalent in the reality of ‘branded content’ deals, as the background interviews with branded content agents suggest. This is also
clearly shown through the many examples I presented in an extensive report on this market in Israel (Balint, 2012a).

**Bank Hapo’alim**

Bank Hapo’alim’s messages were integrated into *Overdraft Family* in two ways. First, one of the bank’s representatives joined the professional advisory team that assisted *Overdraft Family’s* presenter, Alon Gal, in providing tips and advice to the participating families. The representative, Nurit Raz (branch manager at Bank Hapo’alim), appeared in each episode\(^{87}\) and became the ‘face’ of the sponsor in the programme. During the programme she was referred to as a ‘senior banker’, due to regulatory restrictions forbidding any use of commercial names; however she frequently appeared with ‘extra tips’ in commercial vignettes on Channel 2 which **did** identify the bank\(^{88}\). Consequently, any viewer who had seen the senior adviser in the show and later watched the commercial vignettes could not escape the linkage between the ‘senior banker’ and Bank Hapo’alim.

The other way the bank’s messages were integrated into the programme was by taking the family to a local Bank Hapo’alim branch to meet their bank manager, in cases where these families already had an account at the bank\(^{89}\).

The format developer and editor of the programme in its first two series, Tzipi Rosenblum, explained that the bank’s messages did not interfere with her editorial independence as they were synergetic with the format. As she stated:

> I had meetings with Bank Hapo’alim. It is important for them to come across as a serious, responsible and compliant bank. For me, it was important to provide tips on banking, regardless of the sponsorship...

> What I mean is that regardless of the bank sponsorship, I would

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\(^{87}\) In the series sponsored by Bank Hapo’alim.

\(^{88}\) These short videos are a cross between promotional clips for the programme and an ‘ident’ for the sponsor, and will be discussed in greater detail in the next chapter.

\(^{89}\) This was quite a prevalent scenario, as Bank Hapo’alim is one of the two biggest banks in Israel, together with Bank Le’umi.
recommend that people go to their bank and sort out their account and financial matters (Rosenblum, 2011).

However, the bank’s marketing communications manager, Sharon Landsman, emphasised how carefully these messages were controlled by the bank:

I would tell them, during the negotiations, these are the topics I would like to include, these are the messages that should be conveyed to the families. They were obligated to communicate these issues to the families. I wouldn’t check which families they took on, absolutely not. It’s their job to create a hot, interesting programme that people would want to watch. But they would show me an episode and I would comment on the segments that are relevant to me. I did not comment on anything else, it’s not what I was allowed to do in my relationship with them (Landsman, 2012).

Internal bank documents presenting the details of the sponsorship deal confirm that the integration of the bank into the programme was carefully planned and controlled. It was agreed that Nurit Raz would regularly appear on the advisory panel together with Alon Gal and would be included at least twice in each episode. In addition, it was specified that the recommendations to each family would be made by the bank’s marketing department together with Raz, and it was even noted that “Nurit would be credited as a ‘senior banker’, as it is not possible to say which bank she works at” (Bank Hapo’alim, 2009).

In the fourth series, Bank Hapo’alim gained even greater prominence in the programme as it was agreed that Raz would become a solitary advisor (instead of being part of a panel of professionals) and the participants’ visits to her office became an event in itself, a necessary starting point for each family in the process of self-improvement. This not only turned her into an exclusive authority on family finance, but also created a physical environment that ‘naturally’ emphasised the bank’s presence (more on this in the upcoming section, Visual Diffusion).
In Bank Hapo’alim’s internal document on the sponsorship deal for the programme’s fourth series it was clearly stated that:

After the family’s initial meeting with Alon Gal, family members will be sent to meet Nurit Raz, the banker serving as the show’s advisor, in the branch she manages, to get professional advice on how to improve their financial management (Bank Hapo’alim, 2010).

Instructions on other ways to integrate the bank into the programme through visits of the family to a local Bank Hapo’alim branch to meet their bank manager were also specific and detailed, as the bank’s internal documents for the sponsorship deal reveal:

In cases where the family is a client of the bank, the relevant branch will receive a financial report for further practical recommendations (Bank Hapo’alim, 2009).

It was then specified that the marketing department would write a conversation script between the banker from that specific branch and the family. Towards the shooting day, each branch manager received instructions pertaining to the banker’s dress code, the appearance of the room where the shooting was to take place (i.e. the brand’s visibility) and the importance of a clean and tidy look (Bank Hapo’alim, 2009).

The same segment was inserted throughout the fourth series, even when the family has had already had its first initial meeting with the bank’s formal representative, Nurit Raz, in their local branch (Bank Hapo’alim, 2010). Thus, although Rosenblum presented the co-operation with Bank Hapo’alim as a synergetic one, it is clear from the details presented here that the programme’s editorial independence in regards to the segments on banking advice, was compromised and subjected to the sponsor’s considerations. Even if no fundamental conflicts appeared around the messages conveyed to the families, the deal suggests a shift in the power relations between the programme’s editorial considerations and the commercial interests of the
sponsor; specifically, the deal indicates a significant involvement of the brand’s marketing department in the script of the show.

**Shufersal-Deal**

In a similar way, once Shufersal-Deal became a sponsor of the programme, it was agreed that the family’s training in better financial management would include visits to Shufersal-Deal branches for ‘guided shopping’ with the presenter. It was also agreed that the programme would include messages about ‘smart shopping’ as part of the general guidance provided to the families. Furthermore, the deal included the stipulation that references to the brand’s slogan “Your money buys more”, would be integrated into the presenter’s general conversations with the family.

In a presentation by Gitam-BBDO’s branded content arm for Shufersal-Deal, it was clearly specified that among other things, the deal would include “integration of scenes in which the families shop at Shufersal (with the presence of Alon Gal and at least one family)” and “integration of messages and values of smart consumption delivered by Alon Gal throughout the whole series”. It was also stated that “Alon Gal will use the slogan ‘Your money buys more’ and its variations throughout the series” (Gitam-BBDO, 2010).

Shufersal-Deal’s marketing manager, Dafi Kaminitz (2012), explained that after some tensions had arisen during the fourth series due to the choice of some of the families and the fact that their financial issues did not eventually lead to visits to Shufersal-Deal branches (for example, because they lived in rural areas where there were no Shufersal-Deal branches, or because the family had difficulties with their business and not with shopping), the production agreed that the majority of the families in the series would visit Shufersal-Deal:

> So in the next series we sponsored they already knew, if there’s going to be a deal between us, even if we did not sign yet or no payment was made yet, five out of the eight families in the series would visit a branch. So this was another attribute for them to consider when they were choosing the families. They needed to choose families that had

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90 I will further discuss the conflicts that often do arise between the editorial side and that of the sponsor in Chapter 7.
91 Towards the programme’s fifth series, which was the second sponsored by Shufersal-Deal.
issues with food consumerism so they could be given the mission of visiting a branch as part of their coaching (Gitam-BBDO, 2010).

Roni Aboulafia, a video editor in the programme, recalls the efforts made to integrate a shopping scene at Shufersal-Deal in one of the episodes:

We are obligated to include a scene that was taken in a Shufersal branch in a certain number of episodes. It’s tailored into the content, like the visits to the bank. So usually Alon would send them to go shopping, to show them how they can save money when they shop. But we would also try to fit it into the narrative of the episode. So for example, we had this father who didn’t spend enough time with his kids, so his mission was to go to the supermarket with his kids. But in actuality, this is imposed, because what kind of a parent spends quality time with his kids buying food? Clearly, this scene would not have been included under any other circumstances. Nothing happens there – they go to the supermarket and choose products. So we would add a cheerful soundtrack and stick it towards the end of the episode (Aboulafia, 2011).

The mentioning of the brand’s slogan as part of the presenter’s ‘natural’ speech was also carefully and systematically planned as part of the production’s obligation to the sponsorship deal. When Kaminitz was asked about this she replied:

He [the presenter] couldn’t say the same exact sentence; he had to use something similar, like “go shopping where your money buys more”. He once tried to invent something like “Stock Up-Deal”, as a reference to Shufersal-Deal. Alon is good at this, a real virtuoso, but I didn’t agree to this, I didn’t like it (Kaminitz, 2012).
A similar commitment was later made to Bank Discount, which became a sponsor during the fifth series once Bank Hapo’alim stopped its sponsorship. According to Aboulafia, in the case of Bank Discount’s sponsorship of the fifth series, it was agreed that the word ‘key’ would be mentioned by the presenter and the bank’s representative. This was agreed because at that time the bank had launched a special credit card called ‘Discount Key’:

So the bank’s representative had to use the word ‘key’ in its tip to the family, and this had to represent a way out for them, a solution, because they wanted to be identified with a positive message. For example: “You have four different accounts in four banks, you’re paying a lot of commission. THE KEY is to unite them into one account”. And we would send this script to the branded content agency for approval, so it was a big hassle. The other thing was that Alon had to say in each episode, “The key is…”, for example, “The key is to buy but still save money”, when he went shopping with them. We would usually get a list with all these requirement that had to be included during editing, but somehow this one was not included, so we had to go back and search through all the rushes to find were he said “The key is…” (Aboulafia, 2011).

Once again, the dynamic of the co-operation with Shufersal-Deal subjected the editorial independence of the programme to the sponsor’s needs in regards to the choice of the families, the issues discussed, the scenes that would finally be included in the episode, and even the words and phrases the presenter would use.

**Visual Diffusion**

In the previous section I have shown how sponsors’ messages and ‘values’ were weaved into the format of the programme in each of the case studies. In this section I move to consider instances of visual diffusion of the sponsors in both case studies. By visual diffusion I mean the interconnections between the design of the sponsoring brands or their commercial campaign, and
the various visual elements that were finally included in the programmes. These include the use of colours, fonts, logos and images in a way that embodies the ‘look and feel’ of the brand in the programme, or references to the sponsor’s commercial campaign.

**How to Look Good Naked and Dove**

Probably the most salient aspect of the link between *HTLGN* and Dove’s commercial campaign is the visual similarity shared by the two. This is evident on two levels: the first is the presence of visual elements from the *Real Beauty* campaign within the programme, and the second is the presence of the ‘look and feel’ of Dove’s anti-aging product line, Dove Pro-Age, in the sponsorship idents and promotional clips on Channel 4 and on the programme’s website. While the former was mainly ‘inspirational’, as the programme’s producers explained (Ransford, 2009), the latter was clearly intentional and was formally anchored in the sponsorship agreement. Thus there were two different sets of designs integrated into *HTLGN*; Dove’s advertising campaign was mostly identified with a clean white look, blue fonts and a group of women in underwear (see Figure 2 and the use of the ‘line up’), while the branding of specific adverts for the Pro-Age range was typically recognised by its deep metallic-red colour, silver-grey fonts and the Pro-Age logo (see Figure 5). Both graphic languages are highly identified with Dove, but will be discussed separately here. The first level I referred to above was used in the integration of the brand into the programme and will be discussed in this chapter. The second is evident in the brand’s continuous integration across multiple platforms and will be discussed in the next chapter.
To begin with, the most significant visual correspondence between HTLGN and the commercial campaign is evident in the ‘line up’ - the segment marking the beginning of the participant’s transformation process. As HTLGN’s commissioning editor Ransford explained, this segment was initially referred to as ‘the Dove moment’:

Because the Dove moment is when, like, you know, I don’t know what they call it now, the ‘line up’. Basically how fat are you, are you as fat as you think you are going to be. And that, basically, that idea came from the Dove adverts (Ransford, 2009).

There are three elements in the ‘line up’ segment that then became the identification mark of the entire programme, which were borrowed from the commercial campaign. The first is the decision to present women in plain underwear (either black or white). This look, which is similar to the one used in the original Dove campaign, takes the women back to their basic very simple and natural look and puts the focus on their body, rather than their clothes (see Figures 5 and 6). The moment in which the presenter asks the participant to undress and stay in her underwear is an emotional one and often brings the participant to tears. In most cases, she is asked by the presenter what she thinks of her body and which parts she feels less comfortable with. In that very moment the participant’s look becomes that of a ‘Dove woman’, as she appears in plain...
underwear (either black or white) and her journey towards transforming her self-perception has begun. Thus, this segment connects the programme and the brand visually as well as conceptually. This key moment presenting the idea of self-acceptance is conveyed by having the participant ‘wear’ a ‘Dove look’.

The second point of similarity is the choice of a white background and the overall white look of the set, before the participant goes shopping with the presenter (see Figures 6 and 7). This clean white look was thoroughly planned in the commercial campaign, as Daryl Fielding, a business partner at Ogilvy, explained:

… because the look that we created was very fresh, it just made all the other beauty brands look old fashioned. And I think that was also part of it – the very clean look, use of white, very simple. It's sort of artless, but it's not that easy to get there. And actually I think that also the look and feel was also very much part of the message as well (Fielding et al., 2008).

Indeed the ‘whiteness’ of the Real Beauty ads, as well as that of the programme’s set, carried a message of simplicity and ‘purity’ which stood against efforts to create synthesised, unnatural beauty for women and was thus part of the message. It serves as a good example of the efforts made by branding consultants to give visual and material form to the brand’s abstract values (Moor, 2007). Once this ambience was adopted by the programme it served as ultimate confirmation of the connection Dove sought to create with the idea of ‘natural beauty’, as if signalling that anyone who wishes to support this agenda would best do so through the ’language‘ created by Dove.

The third element was the decision to position ‘real’ women in a line. In both the commercial campaign and the television programme this was used as a way of embodying the concept of the diversity of beauty: there is no single ideal of beauty, but rather women of different shape, size, colour and ethnicity are presented side by side as beautiful, happy and confident. In HTLGN this element ultimately turned into a psychological exercise in self-perception and was therefore
dubbed ‘the line-up’. The participant was asked to compare herself to other women with the same ‘problem area’, positioned in order of size, and position herself next to the woman closest to her in size. Unsurprisingly and without fail, the participant demonstrates harsh self-judgment while in truth, her ‘problem’ or ‘size’ are never as bad as she estimates.

When combined together at the beginning of each episode, these three elements gave the programme a typical ‘feel’ which created a strong and immediate visual linkage between the programme on television and the commercial campaign running at the time. It became part of the HTLGN format and thus was repeatedly reproduced when the format was purchased and produced in different countries around the world.

Figure 6: The ‘line up’ in HTLGN in the USA.
Another element that echoes the commercial campaign and was already mentioned here (in Diffusion of Messages), was the decision to present ordinary woman as icons of beauty, by showing large, glamorous images of their body in public. Dennis Lewis, the creative director of the Dove campaign, credited Rankin\textsuperscript{92}, the photographer chosen to shoot the campaign, for this idea:

\begin{quote}
… the thing that he [Rankin] said, and I thought, ‘God, that's so simple, why didn't we think of it?’ was that he would just put the women on a pedestal, let the women be iconic (Fielding et al., 2008).
\end{quote}

This was done predominantly by presenting the ads on large billboards in the streets, which according to Lewis, almost made it appear as a political campaign:

\begin{quote}
… the fact that we were on billboards also made it particularly pertinent, because it's where political campaigns happen. It has a courage to it. ‘How dare you be so big and gorgeous in public in your underwear?’ It worked extremely well, I think, that we were out on the streets with that (Fielding et al., 2008).
\end{quote}

\textsuperscript{92} http://www.rankin.co.uk/  Last accessed: 25.09.15
Lastly, the ads that encouraged the ‘beauty debate’ and became yet another element of the commercial campaign (see Figure 8), were also echoed in the television format. In *HTLGN* the participants’ photos were also presented as large iconic images in public, up for public debate, first (‘before’) as a way to convince the participant that she is attractive in the eyes of ordinary people, and later (‘after’) as a manifestation of her new look, as well as the internal shift she had undergone, which made her confident enough to appear naked in a photo (see Figure 9).

Figure 8: Dove’s ‘beauty debate’ ad.

Figure 9: *HTLGN*’s nudity photo.
The presence of the visual language of the campaign in HTLGN therefore, did not aim to promote Dove’s products, nor did it reference the brand’s name. Rather, it embodied the ideas the campaign sought to promote through visual means and in a way that represented the brand as an image, an image with an embracing omnipotent presence within the space of the programme.

**Overdraft Family, Bank Hapo’alim and Shufersal-Deal**

*Overdraft Family* provides an example of visual integration that is more intentional and driven by formal obligations to the sponsors. Nonetheless, both case studies clearly portray the ways in which brands seek to ‘colonise’ the public space of television.

As I will show here, during the production of the programme much attention was given to integrating the ‘look and feel’ of the sponsors, particularly the banks (first Bank Hapo’alim and later Bank Discount), wherever it was possible. This became a formal part of the commercial agreement, a source of discussion and even preoccupation for the sponsor and the producers during production, and was later presented as an achievement by the bank to its internal audiences and senior management.

To begin with, it was formally agreed that *Overdraft Family*’s graphic package would be designed according to Bank Hapo’alim’s graphic ‘language’, in which, among other things, the colour red is dominant (see Figures 10 and 11). This was clearly stated in Bank Hapo’alim’s internal documents pertaining to the sponsorship deal for the third series (2009), as well as the fourth one (2010):

> The programme’s graphic package will relate to the bank’s graphic language (Bank Hapo’alim, 2009, 2010).
So, for example, the programme’s opening credits featured a red doorbell with the name of the programme (instead of a family’s name) and this became the icon of the programme during the series sponsored by Bank Hapo’alim (see Figure 12). Later, when Bank Discount became a sponsor, the icon was changed to feature the colour green, as it is the colour that is part of the bank’s branding (see Figure 13).
Roni Aboulafia, the video editor who worked on *Overdraft Family*, recalls that the graphic package of the programme had to be changed once Bank Discount became a sponsor:

> The previous lead used Hapo’alim colours, the red and white, so they had to make a new one that would reflect Discount. So they made a green lead and they used the bank’s fonts, for example, in the title presenting the banking advisor during the programme. The fonts are highly identified with the bank, in a way - they’re even stronger than the colour - once you see it you just know that it’s Bank Discount (Aboulafia, 2011).

Thus, anything to do with the programme’s post-production graphic elements was carefully designed in light of the sponsorship agreement, so that it would embody and reflect the brand, even if the specific name of the bank was never mentioned. This even went as far as designing the financial reports presented to the families in the spirit of the bank’s branding. While in the first two episodes that were sponsored by Bank Hapo’alim the graphic design of these reports
was chosen by the programme’s editorial team (i.e. graphic designers who worked with the
programme, see Figure 14), as the bank documents demonstrate (Bank Hapo'alim, 2009), from
the third series onwards, these were subject to the commercial agreement and made to reflect the
‘language’ of the brand (Figure 15).

This was then viewed by the sponsor as yet another asset which the bank had managed to
‘colonise’: the presentation by the marketing department included images of the previous graphic
design which were compared to the new, branded one. It was then stated:

… the tables and graphs that are presented to the families in the
programme were designed in the spirit of the graphic language of the
bank (Bank Hapo'alim, 2009).
Figure 14: The graphic design of financial reports presented to the families during the second series (left).

Figure 15: The ‘branded’ graphic design of financial reports presented to the families during third series, based on Bank Hapo’alim’s graphic ‘language’ (right).

Landsman, the bank’s marketing communications manager confirmed that this step had been thought through in advance:

I dealt with different elements of this deal; at first we didn’t manage to solve the problem of how the computer screen presenting the family’s financial reports looked, it looked bad. But later it was already looking like Hapo’alim’s computer screen. It is not a Hapo’alim computer screen really, but it’s all red. So, you learn as you go how to do it properly (Landsman, 2012).
Yet another way to embody the brand in the programme was through the set design in segments with the bank’s representative. In this way, the ‘face’ of the bank and the programme’s visual style became conjoined, even if the sponsor’s name was absent. This happened during the third series, when the bank’s representative was a panel member, as was stated in the bank’s presentation:

… the meeting room in which the professional advisory team meets will be branded with red elements (Bank Hapo'alim, 2009).

This continued during the fourth series, once the bank’s representative became the exclusive advisor on the show:

Nurit’s room was renovated and red elements were added to it, to strengthen the brand’s presence in the frame (Bank Hapo’alim, 2010).

The red branding was also emphasised in cases where the family was the bank’s client and went in for a consultation meeting at their local branch. Landsman explained:

We made the whole room look red, so you realise what it is within seconds. They would tell us, for example, that the family is from Nahariya, so we would prepare the branch in Nahariya accordingly before the team arrived. So we would prepare it, and they would just come and shoot it (Landsman, 2012).

Aboulafia93 has a similar, though less harmonious recollection of Bank Discount’s sponsorship:

You’re not allowed to mention the name Discount because of regulation rules, right? So the viewer needs to feel that it’s Discount without this being said explicitly… So on every shooting day, a lot of energy and attention is devoted to this. Basically, it’s like shooting a

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93 Aboulafia who worked as the programme’s video editor also directed some of the segments during shooting days.
commercial: the people from the bank’s advertising agency come in, their art people look at the monitor, because they want to give the frame a ‘Discount look’, with the right shade of green and all the values which they perceive as the bank’s values. And you need to do this but leave the logos out. So sometimes they would deal with ridiculous details. We would work for hours to cover up the logos in the branch, but then they’d put a green sticker on the end of the pen the banker was holding and add a green cup of coffee next to him. They were highly concerned with getting the right shade of green on the monitor. And later we had to send the rough-cut of this scene for their approval (Aboulafia, 2011).

It is clear from the case of Overdraft Family that regulatory restrictions forbidding direct commercial exposure of brands and products played a significant role in the efforts to embody the brand in the programme in an abstract way. The case of HTLGN however, demonstrates that even in cases where there is no formal obligation to intentionally include the sponsor in the programme, there is a tendency of brands to ‘expand’ through the programme’s design and graphic language. As Moor notes, designers in branding consultancies work to translate ideas and ‘values’ into visual and material form, however this process is likely to be “contingent and unstable” (Moor, 2007, p. 54); while the initial design is tightly controlled and well thought out, it is then echoed and referenced by others in ways that are beyond its creators’ control.

Dove’s messages in the Real Beauty campaign were ‘grasped’ by the creators of HTLGN and once this happened, the brand’s visual embodiment ‘made itself’ present within the space of the programme. Clearly, this issue of whether the brand’s presence is intentional and thoroughly controlled or voluntary and ‘inspirational is of great importance, as will be further discussed in Chapter 7. But at the same time both programmes provide evidence as to the nature of contemporary branding processes, which connect abstract ideas to visual design and tend to claim omnipresence in previously non-commercialised spaces.

I have so far provided evidence of two ways in which brands were embedded in each of the two case studies. The first is through the integration of the brand’s ‘values’ and messages (i.e. the
empowerment of women or smart consumption); the second is through the expansion of the brand’s design and visual language into the space of the programme (e.g. design and colours). These two ‘layers’ of integration do not fall under any current regulatory definitions and are thus formally legitimate (as I further discuss in Chapter 7). In practice, however, they open the way for sponsors’ influence on the programme and its core elements, both conceptually and visually. Thus, the evidence shows that in current commercialisation practices, brands can gain presence in programming without any straightforward ‘product placement’, a practice which I turn to discuss now.

**Product Placement**

In this section I will examine the attempts by sponsors in both case studies to integrate the brand in a straightforward way, that is, by exposing the brand’s name, logo or products in the programme, a practice commonly known as ‘product placement’.

This requires some clarification of the relationship between the concept of sponsorship and that of product placement. Sponsorship is a funding model in which a body that is not the broadcaster or producer contributes fully or partially to cover the costs of the production for the purpose of promoting its name in proximity with the programme. The extent to which sponsorship allows the involvement of the sponsor in the content varies, dependently on regulatory climate, historical period and culture (as discussed in Chapter 2, and later in Chapter 7). Thus, sponsorship is not a single thing and it is appropriate, whenever the term is mentioned, to ask ‘where’ and ‘when’. Sponsorship in American television in the early 1950s, for example, meant that sponsors had practically full control over the programme (Barnouw, 1978), while in the UK in the 1950s and onwards sponsor influence was formally strictly prohibited (Murdock, 1992), as discussed in Chapter 2.

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94 In the case of HTLGN it was argued that sponsorship money does not go directly to the programme’s budget, but to the general pot of the channel, but practically, as the interviews show, there was a constant and direct dialogue between the production and the sponsor, from the stage of the development of the format to actual production, and thus this ‘separation’ remains a formality. In reality, the link between the programme and the sponsor was a direct one.

95 According to the European Audiovisual Media Services Directive, sponsorship is: “… any contribution made by undertaking or natural persons not engaged in the provision or production of audiovisual works, to the financing of audiovisual media services or programmes with a view to promoting their name, trade mark, image, activities or products (European Commission, 2010c).
Product placement, on the other hand, is a specific practice involving the direct commercial exposure of a branded product. It is defined and identified by the presence of products, services or logos in the final outcome – television, film, etc.\textsuperscript{96}.

Thus, product placement can be part of a sponsorship deal (in situations where regulation allows it or regulation is simply ignored). At the same time, not every sponsorship deal will necessarily include product placement. I further discuss the unclear and somewhat confusing landscape of definitions and regulation of sponsorship and product placement in Chapter 7.

In relation to the case studies, product placement was formally prohibited by both UK and Israeli regulation at the time the programmes were made. As I have already shown so far in this chapter, in practice the sponsors gained influence in other ways, through abstract representations, conceptual as well as visual. Against this state of affairs, as I will show now, for branded content agents, product placement has become less significant, compared to their attempts to embody the brand in the programme through ‘values’-based messages and design.

As I will show in the next sections, in the British case study regulatory rules played a significant role in putting a brake on the sponsor’s product placement, while in the Israeli case this was less evident at the time the production took place. Regulation responded only retroactively. In both cases, product placement was a marginal part of the sponsor’s motivation to invest in the programme.

\textit{How to Look Good Naked} and Dove

Discussions about product placement for Dove in \textit{HTLGN} came up once it was decided to include ‘product testing’ in the format (from the second series onwards). This segment, called the ‘consumer strand’ (see Figure 16), presented an independent ranking of four self-care products in

\textsuperscript{96} According to the European Audiovisual Media Services Directive, product placement is: “…any form of audiovisual commercial communication consisting of the inclusion of or reference to a product, a service or the trade mark thereof so that it is featured within a programme, in return for payment or for similar consideration” (European Commission, 2010b).
a certain category that were blind-tested by 100 women each week (for example, 100 women tested four different anti-aging eye creams and rated them). The survey was done by an independent research company for the programme. The commercial benefit for the weekly winning product was, of course, invaluable.

Figure 16: The ‘consumer strand’, a product testing segment on *HTLGN* from the second series onwards.

The commissioning editor Ransford explained the rationale behind this segment:

> We just thought…why am I spending hundreds of pounds on this product… are they actually better, or should I be spending one hundred pounds on this product? I'm just bombarded with all these kinds of messages, buy this, do that…and we just wanted to know what the truth was….so that's where all the product testing came from (Ransford, 2009).

Ransford, therefore, wished to use the editorial voice of the programme to go beyond the images that are created by brands. While she was inspired in her work by Dove’s campaign, as a consumer she wished to resist “all these kinds of messages” by going back to the functionality of the products and revealing the “truth” about them.

From Dove’s perspective, this was an opportunity to further anchor the brand’s presence in the sponsored programme, by trying to find ways to ‘stretch’ the regulatory boundaries on sponsorship. This was evident in the words of Dan Fletcher, who negotiated the deal for the Dove:
Products are allowed to be featured in programmes where there is an editorial role for them, and there's been no influence. Now, we had weeks and weeks and weeks of deliberation with Channel 4’s compliance team, their legal team, and also with Maverick - the production’s legal team and their corporate affairs people - to try and understand how far we could go that did not contravene the Ofcom regulations, the Ofcom guidelines. The problem with the guidelines, as I see it, is they are guidelines. They are not regulations. They are grey. (Fletcher, 2009).

These discussions eventually led to some tension in the relationship between the production team and the sponsor, once it became clear that Dove’s products would not be included in the series at all, as the director of commercial affairs at Maverick, Jo Rosenfelder, described:

… there were questions about whether we should [include them], and in the end they didn't come up. And I said – let's just leave it, don't ask questions, I'll ask the questions when the production team comes to me and says “we want to put Dove, can we?”, and they never did. But after that there was a big debate with Dove, whether we did it on purpose. We said, we genuinely didn't, but there was a big debate (Rosenfelder, 2009).

Vicky Kell, who negotiated the deal for Channel 4, has a similar recollection of tension about Dove's participation in the product testing segment:

Sponsors can't have any influence over the programme at all. That's another Ofcom rule. So the sponsor has to sort of sit back and accept what's going to be in the programme… So with Dove that was quite

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97 This description is obviously not accurate; the Ofcom broadcasting code presents rules, organised under ten different sections. Each section is then accompanied by guidelines that serve as an assisting tool for broadcasters in interpreting and applying the broadcasting code. This can be seen, for example, in Section 9 on sponsorship: http://www.ofcom.org.uk/tv/fifi/codes/bcode/sponsorship/. Last accessed: 31.01.10
interesting because there were quite a lot of other products in the programme. So they had to sort of accept that (Kell, 2009).

Rosenfelder’s decision to follow the regulatory principle of exposing products only if there was editorial justification for it, as a rule of thumb for decisions about putting Dove’s products in *HTLGN*, was eventually accepted by the sponsor, as Fletcher’s words reflected:

…ultimately it's the broadcaster that has to take responsibility, because they are the ones to get fined. So, if Channel 4 interpreted that they could feature Pro-Age products within their product testing elements, and Ofcom interpreted that contravened their regulations, Channel 4 would get fined. But Channel 4 didn’t just shut down and go –no, no, no… which was really good. What they said is, well, editorially there is a valid reason why Dove can be part of this programme. It's not like we're trying to force fit something in there. There was a real women testing feature within the programme every week in which they tested a number of different products, and the hundred women they found gave their point of view on those products… Dove could have featured if it had come up, and there wouldn't have been a massive issue. But, it just didn't happen to feature. So, some Nivea products did, some Garnier, all the different products sort of featured. So we didn't feature in the programme (Fletcher, 2009).

Thus, in the case of *HTLGN* the programme was formatted in a way that was based on the Dove’s values, embodied the visual language of the brand’s campaign to some extent, and even included ‘real women’ testing self-care products as part of becoming more confident with their body, but at the same time - none of these woman were shown using Dove products during the sponsored series. Product placement, therefore, was not part of the deal, despite the sponsor’s demands during the production process. Regulatory rules played a significant role in the programme’s power to reject this pressure. What is more important is that product placement was in any case a relatively marginal consideration in the sponsor’s decision to invest in the
programme to begin with, while the resemblance of the programme’s messages to those of the campaign and the concordance between the target audience of the programme to that of Dove Pro-Age was the ‘deal breaker’ or in fact, ‘deal maker’.

Moreover, Mindshare’s analysis presented to Dove after the sponsorship of the second series suggested that the exposure of a certain product as part of the programme’s editorial voice was less powerful than the exposure of viewers to a media environment that contained brand messages. According to that presentation, in the product review segment in HTLGN there was “no evidence which suggests significant recall of brands or products featured in the programme” and also “no concerns with interfering sponsorship association” (Mindshare, 2007b). From the point of view of the sponsor, therefore, integrating itself into programming in abstract ways offered a stronger commercial benefit than simply placing some products on the screen as part of a consumer test.

Overdraft Family, Bank Hapo’alim and Shufersal-Deal

While in the case of HTLGN regulatory rules served to protect the programme’s editorial independence, it seems that in the Israeli production efforts were oriented towards satisfying both sides – the sponsors’ demands for product placement, but also regulatory restrictions which forbade this practice. In practice, the broadcaster, through the production team, was active in finding ways to bypass, or rather – trample, the prohibition on product placement. Both sponsors, Bank Hapo’alim and Shufersal-Deal, had some direct commercial exposure of their logo and products in the series. In the sponsorship agreement with Bank Hapo’alim for example, it was agreed that an incidental shot of the bank’s signboard would appear each time before the segment with the bank’s adviser began. In the bank’s summary of the sponsorship of the third series it was explicitly indicated that:

… there will be an incidental shot with a partial exposure of Bank Hapo’alim’s logo before each entrance to the conference room (Bank Hapo'alim, 2009).
and a similar instruction was included during the fourth series when this segment turned into a personal meeting with the bank adviser in her office:

… an incidental shot of the branch and the bank’s logo will start every meeting (Bank Hapo’alim, 2010).

Tzipi Rosenblum, the first editor of the programme, confirmed that this was the practice:

We would show something like half a logo at the entrance to the branch, and we would blur all other banks, but then we would actually blur any other brand in general, because we are not allowed to expose them in the programme (Rosenblum, 2011).

When I asked whether Hapo’alim’s exposure was legitimate, she explained that it was falling within regulatory demands, as it was considered an ‘incidental shot’.

In a similar way, in each visit of a family to Shufersal-Deal’s branch, the logo of the chain was exposed in an ‘incidental’ manner. While the family was shopping, shots of the shopping bags with the logo were shot accordingly. This kind of product placement, according to the chain’s marketing manager Dafi Kaminitz (2012), “was part of the negotiation of the deal”. In addition, products of Shufersal-Deal’s private brand were placed in scenes that were shot in the families’ homes, as Kaminitz described:

I would give the producer of the programme nine sets of products of the private brand, one for each family, so when Alon Gal would go and visit a family at home, she would make sure that the products were part of the scene before they started shooting, so they would have, for example cornflakes by Shufersal (Kaminitz, 2012).
The same concerns also reached the editing room, where Aboulafia, had to ‘plant’ the right shot into the plot:

... for example, the kids of the family would eat cornflakes for breakfast, and we had to insert a shot of the cornflakes package with Shufersal’s logo. First they would take these shots, which are very unnatural, during the shooting day, and later we had to ‘stitch’ them in. In many cases it is totally irrelevant to the plot, for example, suddenly the woman is frying something and is using Shufersal’s oil. How is this relevant? This was incredibly hard for us as editors (Aboulafia, 2011).

At the end of this process the relevant segments would be sent to Shufersal-Deal for Kaminitz’s final approval:

I could tell them – there’s not enough exposure here, show me some more shopping bags, or put in an incidental logo when they leave the branch so there will be no doubt where they went shopping. On shooting days when Alon Gal would join the couple, I would come as well (Kaminitz, 2012).

Undoubtedly, the case studies suggest a very different approach towards regulatory rules in each country. While in the British case study it seems that the legal adviser and the production team were oriented towards following the intentions behind the rules, rather than simply the ‘letter of the law’, in the Israeli case study these rules were treated as a weighty formality that could be bypassed in one way or another to suit the sponsor. As a result, it seems that HTLGN managed to keep its editorial control, in spite of the sponsor’s pressure, while in Overdraft Family this was clearly not the case, as many details in the programme became subject to the sponsor’s demands and final approval. But in both cases, product placement was not, from the sponsor’s point of view, the trigger for going into the deal in the first place and was a relatively marginal part of the brand’s overall presence within the programme.
Marketing professionals both in London and Tel-Aviv considered the target audience of the programme, its core messages, and the ways in which the brand could resonate in it in abstract ways to be much more important. In this setting, product placement became just another layer, not the most significant one, which provided a straightforward connection between the programme and the brand.

**Summary**

In this chapter I have shown three levels - ‘layers’ - in which the sponsoring brands are integrated into programming. This aimed to dissect how embedded branding practices are implemented in television programmes in practice.

The first of the levels was through the programme’s messages, the second is based on visual embodiment of the brand in the programme’s space and the third relates to exposure of the brands’ products, services and logos, i.e. product placement.

The first two ‘layers’ are quite abstract but were actually more significant to the sponsors than the third ‘layer’, which was perceived as a complimentary one but not imperative (as well as prohibited by regulation in both countries). As the case of HTLGN showed, the sponsor was willing to invest in the deal even when products of other beauty brands were recommended in the programme and Dove’s products were absent. This provides evidence for my suggestion that brands tend to integrate in programming in a multi-layered, predominantly abstract way, a dimension which I refer to as ‘depth’. It also reflects some of the change in the nature and purpose of branding that I discussed in Chapter 2.

The case studies show how the sponsors drifted from being ‘external’ supporters of the production to being and indistinguishable part of it. This tendency of expanding into new, previously non-commercialised spaces is typical of branding processes. As Moor (2007) notes:
Those working in branding tend to take it for granted that ‘everything is media’; that any site where the brand appears is a potentially communicative medium (p. 46).

This is done by creating an ‘identity’, based on a set of values, which is then represented and replicated through the brand’s messages and its visual ‘language’.

Through a process of deep integration (together with what I call ‘continuous’ integration, which will be discussed in the next chapter) brands aim to become an inseparable and indistinguishable part of the programme. This contributes to their goal of integrating themselves into consumers’ everyday lives in a ‘natural’ way. But from a public sphere and discourse ethics point of view this creates a blurring effect between types of speech acts that should ideally be clearly demarcated (Habermas, 1984, 1989). While the programmes discussed here are part of the cultural public sphere (McGuigan, 2005b) and thus can potentially provide a realm for meaningful public discourse (for example, about women’s self-image and representation in the media, or about personal finance and public policy towards it), the sponsors’ messages were inherently strategic. The sponsoring brands are using ‘values’ in an instrumental way, for the purpose of influencing consumers. The programmes, by contrast, could potentially become a platform for a communicative dialogue on these issues. It is the blurring effect between the two, which occurred through the brand’s deep integration that raises questions as to the ethical implications of embedded branding practices.

At the same time, the data presented here puts into question the efficacy of current regulatory efforts to enforce the separation between advertising and programming under traditional definitions (of ‘sponsorship’ or ‘product placement’) and to limit advertisers’ involvement in content production. The evidence provided here suggests that a direct commercial link between a programme and a sponsor, through a formal sponsorship agreement, opens the way for dialogue between the two and a deep blurring between content and advertising. Contemporary branding promotes sponsor integration, through these deals, in ways that are intangible, not covered by regulation yet and in general difficult to trace and monitor.
Having said that, the data also suggests that regulation, if respected or properly enforced, can have a meaningful role in protecting the programmes’ editorial independence. Embedded branding practices work to change the power balance between the editorial side and that of the sponsor. In the case of the British programme, the brand’s representation began as an ‘inspirational’ one and regulatory rules were helpful in putting a brake on the sponsor’s pressure for further influence, such as product placement. Thus the programme seemed to be successful in keeping its editorial integrity. This was not the case with the Israeli programme in which there was a clear shift in the power balance, to the extent that many details in the programme were subject to the sponsors’ demands. Therefore, I am not suggesting that regulation is entirely inefficient in limiting commercial influence, but rather that its basic definition and understanding of the changing reality of the media and the dynamics of commercialisation practices should be reconsidered. I will discuss these questions further in Chapter 7.

In the next chapter I will consider another aspect of commercial influence, what I call ‘continuous integration’, which relates to the blurring between commercials and the programming (through sponsorship idents or commercial vignettes) and the streaming of the brand, together with the programme, between platforms (mainly television to internet). I will suggest that deep integration of brands in programming, together with continuous integration across platforms provides some evidence for a new phase in the commercialisation of media content.
Chapter 6

Between Television and Online: Continuous Integration

Introduction

The previous chapter analysed the integration of brands into programmes, a dimension which I referred to as ‘deep integration’. I showed how brands integrate into programming in a multi-layered way that heavily relies on abstract representations of the brand, conceptual as well as visual ones.

The present chapter addresses the complementary dimension of ‘continuous integration’: it examines the integration of brands around programming on television and across different platforms, predominantly the Internet. I first refer to the ‘spill over’ of the commercial co-operation on television around the programme through sponsorship credits and ‘commercial vignettes’98. I then turn to dissect its further expansion, beyond television into other platforms, the Internet being the most significant one.

The chapter presents three elements of continuous integration. The first part refers to the blurring between commercials and programming on television through commercial tools set out in sponsorship agreements, i.e. sponsorship credits and ‘commercial vignettes’. Both aim to link the sponsor and the content of the programme on television. Both, I will argue, are hybrid forms between commercials and programming and create an experience of continuity rather than separation for viewers. The second part examines the efforts made both by broadcasters and

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98 Commercial vignettes are short clips, 30 seconds long, that are separate from the programme and appear either in proximity to it (in addition to sponsorship credits) or at other times. Formally, they aim to provide viewers with ‘added value’ to the programme, by presenting ‘tips’ and more information. In practice, they serve as a hybrid between a commercial by the sponsor and a promo by the programme, as I will further explain. They were commonly used on Israeli commercial television at the time of this research and gradually disappeared since 2008, when the regulatory body decided to consider them as commercial time.
sponsors to extend the commercial co-operation to other platforms, e.g. the Internet, radio and press, as well as merchandising and ‘real world’ events. This aspect demonstrates the joint interest of both broadcasters and sponsors in maintaining their presence in a multi-platform environment. The last part puts special focus on the blurring between content and advertising on the Internet. I will demonstrate how the differences between the characteristics of television and the Internet further contribute to blurring the line between content and advertising in new media.

I argue that embedded branding deals create an experience of continuity, as audiences are seamlessly shifted, first, between seemingly non-commercialised spaces (i.e. the programme) and commercialised ones (i.e. commercials) on television, and later between platforms. This transition occurs in a smooth manner that blurs the line between previous existing definitions and categories, mainly programming and advertising. In addition, I show how brand integration on the Internet opens new possibilities for blurring the line, because of the lack of regulation on this new platform and even more importantly, the unique characteristics of the new media.

Continuous integration of brands into media content is part of the ‘elective affinity’ (Goethe, 2008) between broadcasters and sponsors, as both sides have a need to shift audiences from one platform to another. In this process, television is just a starting point and a gate. Ultimately, continuous integration creates an all-encompassing commercial environment around a specific programme. The coupling between the brand and the programme is ‘naturalised’ and indeed becomes ‘real’, as if it has always been that way, rather than an outcome of deliberate and carefully planned strategic efforts.

Television: Between Advertising and Content

Sponsorship agreements, both in the UK and Israel, typically allow the sponsor to promote their brand name by broadcasting sponsorship credits around the programme. These short clips99, which are also known in UK industry jargon as ‘sponsorship bumpers’, announce the name of the sponsor and the programme with video images, voice over, music and other audiovisual

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99 The Israeli regulator has limited their length to 6 seconds. The British regulator does not indicate such a limitation. In practice, sponsorship credits in the British case study of HTLGN were 15 seconds long. Thus, in both cases sponsorship credits are shorter than the traditional 30 seconds spots.
means (for example, animation). Regulators, in the UK as well as in Israel, require that sponsorship announcements are clearly differentiated from both commercials and programming. Formally, these credits are meant to be the main commercial benefit for the sponsor, as they allow an association of the brand name with a popular programme.

I will now turn to demonstrate how, in practice, sponsorship credits are being used to link the programme and the sponsor and emphasise their synergetic relationship. I will argue that by doing so, sponsorship credits become a hybrid entity in-between commercials and programming. Thus, instead of being clearly different from the commercial break or the programme, as regulators may have wished, they actually connect the two and contribute to their blurring. This creates an experience of continuity for viewers, rather than separation, in the shift between commercials and the programme.

**Regulation of Sponsorship Credits and Commercial Vignettes in the UK and Israel**

Regulatory bodies in both the UK and Israel set specific and detailed rules about sponsorship agreements in general and about the way sponsor’s credits will appear on the screen specifically. The details of instructions set by the two regulators – Ofcom in the UK and The Second Authority for Radio and Television in Israel - may be different, but the general goals are the same: the rules are meant to promote transparency of sponsorship agreements and to clearly separate sponsorship credits from both commercials and programming. This for example, is clearly stated in Ofcom’s principles of sponsorship rules, as they are presented in Section 9 of the Broadcasting Code:

- **Transparency** – to ensure sponsorship arrangements are transparent.
- **Separation** – to ensure that sponsorship messages are separate from programmes and to maintain a distinction between advertising and sponsorship. (Ofcom, 2008)

100 The third principle presented in Ofcom sponsorship rules relates to editorial independence: “To ensure that the broadcaster maintains editorial control over sponsored content and that programmes are not distorted for commercial purposes” (Ofcom, 2008), but this relates to the influence of the sponsor on the programme itself, a dimension which was at the heart of the previous chapter.
Ofcom’s instructions regarding sponsorship credits on television (Rules 9.12 - 9.13 in Section 9: Sponsorship) specify that sponsorship credits must be clearly separated from programmes “by temporal or spatial means”. It also obligates a clear separation from advertising in the following manner:

Sponsor credits must not contain advertising messages or calls to action. In particular, credits must not encourage the purchase or rental of the products or services of the sponsor or a third party (Ofcom, 2008)\(^{101}\).

In Israel, the rules for sponsorship credits are in the same spirit. However they are astonishingly detailed, as Section 4 of the sponsorship rules (Israeli Second Authority for Television and Radio, 2009) indicate: the sponsorship credit must start with one of the following sentences: “The programme was produced with the sponsorship of…”, or “The program is broadcasted with the sponsorship of…”, or “The programme is brought to you with the sponsorship of…” and then the sponsor’s name will be mentioned visually or by sound. The credit can last no longer than 6 seconds, it can only contain a general image message and must not indicate the price, marketing channels or comparative information as to the product or the service of the sponsor. It must not encourage purchasing in any way (“calls for action”, in the words of Ofcom) including the words “special offer”, “new”, “gift”, “free” and “free of charge”. Moreover, the credit must not contain more than 12 words (links to websites and telephone numbers are not included). The rules further require the sponsorship credit to be different, both visually and in sound, from a commercial for the same product and that no use is made of the voice of any person who takes part in the sponsored programme or is identified with it.

Thus, both regulators have tried to restrict the commercial influence of sponsorship credits and to keep it separate from both the programme and the commercial break. However, in practice, as I will show below, sponsors use creative ideas to produce short narratives within these limits that are oriented towards linking the sponsor to the programme, both conceptually and visually.

\(^{101}\) Yet another rule (Rule 9.14) relates to the programmes’ promotional clips: “Where a programme trail contains a reference to the sponsor of the programme, the sponsor reference must remain brief and secondary” (Ofcom, 2008).
In the Israeli case, another commercial tool that became popular among sponsors and broadcasters for a while, as a way of bypassing regulatory restrictions, was the so-called ‘commercial vignette’. These short clips, 30 seconds long, are separate from the programme and appear either in proximity to it (in addition to sponsorship credits) or at other times. Broadcasters claim they provide viewers with ‘added value’ by presenting tips and more information. However, their purpose is predominantly commercial: they are used to further the link between the sponsor and the programme and blur the line between the two, and at the same time shift audiences from television to online activity.

Israeli commercial broadcasters initiated the use of this commercial tool in 2002 and it soon became a widespread phenomenon. This was mainly due to the regulator agreeing to treat these segments as part of the general counting of ‘programming time’ rather than ‘commercial time’, as they purport to give ‘added value’ to viewers. It was only in 2008, when the number of these vignettes kept growing and the presence of the sponsors in each one of them became more obvious, that a change in policy was made and the Second Authority for Radio and Television decided to consider commercial vignettes as part of commercial time. This led to their gradual disappearance, but in some cases they are still used in sponsorship agreements as one of the ways to give sponsors more media time and overt exposure (Balint, 2012a).

**How to Look Good Naked and Dove: Sponsorship Credits**

For Dove, the primary motivation to sponsor HTLGN from the outset was the concordance between the debut of the programme and the launch of the brand’s anti-aging line, Dove Pro-Age, in 2006. As I have previously mentioned, it was the fit between the target audience of the new programme (as was presented to Dove by Channel 4) and that of the new line of products that was especially attractive. Dan Fletcher, who was responsible for the sponsorship deal at Mindshare, the marketing communications agency representing Dove, found this to be a significant turning point in his efforts to convince his client to go into the deal (Fletcher, 2009).

From Dove’s perspective, the sponsorship credits carried a multifaceted mission: First, they had to associate the message and visual language of Dove Pro-Age with the mission of the new show; second, they needed to emphasise the target audience of the new line of products; and
finally, they needed to tie these directly to the brand’s name and slogan, as well as its actual products. This all had to be fitted into a 15 second narrative that would tie together all these ends\textsuperscript{102}.

Indeed, in \textit{HTLGN} the sponsorship credits encompass all of these. The series of clips (produced for the first series of \textit{HTLGN}) present a repeated narrative: A middle-aged good-looking woman, wrapped in a deep-red robe with a thin silver line around it, is presented by her name and age (see Figure 17). She is set in a cozy interior where she is being pampered in some way (her hair is being brushed, she is being served a cup of coffee) and looks happy and comfortable with herself (she smiles and laughs). She then gently takes off the robe and poses for an artistic nude photo shot against a white background. The next shot is of a variety of Dove Pro-Age products as Pro-Age’s slogan “Beauty has no age limit” appears on screen and the voiceover says “Dove Pro-Age sponsors \textit{How to Look Good Naked}”.

Each detail in these clips was carefully chosen and designed so that the brand’s messages and commercial goals were woven into the programme’s narrative. To begin with, the clip presents an ‘ordinary’ woman who goes through a process of transformation. This is a shared feature of both the programme, which is all about a personal journey towards empowerment, and the \textit{Real Beauty} campaign which presents ‘real’ women empowered by using Dove’s products. Thus, the clip blurs the line between Dove’s ‘real women’ and the participants in the programme. But while the producers of \textit{HTLGN} chose women of various ages (although most of them were married housewives with children), the sponsorship credits clearly focused on the target audience of the brand – women over 45 years of age.

\textsuperscript{102} It is usually the case that there are a few versions of sponsorship bumpers in the UK – 15 seconds, 10 seconds and a short one of 5 seconds, for the different parts of the programme – beginning (15 seconds), in-between commercial breaks (5 seconds) and a finishing bumper (10 seconds). I will discuss here the full-length version.
Figure 17: Snapshots from different versions of sponsorship credits for Dove’s sponsorship of *HTLGN*, Channel 4, 2006.

Like the visual integration to which I referred in Chapter 5, the robe the women wear is a ‘branded’ one as it carries the colours of Dove’s Pro-Age products (deep red with silver highlights) that are easily identified once the products appear at the end of the clip. The women, thus, are ‘wrapped’ with the brand. Once again, the tendency of brands to adopt an abstract and all-encompassing presence through visual design is being exemplified here (Moor, 2007).
Moreover, it is the branded robe, together with the woman’s apparent experience of ‘indulgence’ (being taken care of by having her hair brushed etc.) that makes her appear comfortable and ‘empowered’ enough to take the robe off and stand naked in front of the camera.

In the next stage the robe is shot as it gently falls down to the floor (see Figure 18) and the woman is then seen as she poses for the camera against a white background (see Figure 19).

Figure 18: Snapshots from different versions of sponsorship credits for Dove’s sponsorship of HTLGN, Channel 4, 2006.

This is a particularly interesting, even ironic, moment, if we refer to the history of the programme. As I previously mentioned, the format was strongly inspired by the original Real Beauty campaign by Dove which presented ordinary women as iconic ones, against a white background. The sponsorship clips now refer back to the programme that was inspired by the brand to begin with. In this circle of co-referencing, the makeover process which the show aims
to lead and the use of Dove Pro-Age products are unified: Gok's journey and the use of Dove Pro-Age products become practically the same act of empowerment and liberation.

The 15 second clips end with a direct commercial exposure of the brand through the presentation of Pro-Age products, the brand’s slogan and the voiceover sponsorship credit (see Figure 20). This last part finally ties together all ends: the brand as an image (its ‘values’ and visual presence), the programme’s narrative (a journey of transformation though self-care towards getting naked in front of the camera) and the overt commercial goal: selling a new line of anti-aging products to a well-defined target audience of middle-aged women. Thus, the sponsorship clip is carefully designed to make use of the programmes content. The result is that the line between the two is blurred. These clips therefore, cannot be seen as simply credits to the sponsor, but as a form of a commercial anchored in programming - a hybrid of the two.
Overdraft Family, Shufersal-Deal and Bank Hapo’alim: Commercial Vignettes

The case of Overdraft Family in Israel provides an insight into another form of brand association through commercial vignettes, which became widely used on Israeli commercial channels from the early 2000s until 2008.

Commercial vignettes- often referred to as ‘fillers’ in the professional jargon - were an important element in the complicated sponsorship agreements that both brands - Bank Hapo’alim and Shufersal-Deal - signed with the broadcaster. For the purpose of understanding their dominance: commercial vignettes for Bank Hapo’alim were broadcast 45 times during the 16 episodes of the fourth series of the programme (Bank Hapo’alim, 2010); commercial vignettes for Shufersal-Deal were broadcast 48 times during the 12 episodes of the fifth series. A presentation of Shufersal-Deal’s sponsorship agreement by Gitam-BBDO’s branded content agency reveals an estimation of the worth of these ‘fillers’ in media buying terms: it was estimated that these 48 exposures of the brand were worth 810,000 shekels (around £135,000 ), out of a total value of 1,602,000 shekels for the whole deal (around £267,000). That is, commercial vignettes constituted around 50% of the total estimated value of the whole sponsorship deal (Gitam-BBDO, 2010).

103 The other sections in the table referred to the value of sponsorship bumpers and the different elements of integration in the programme itself.
From the viewer’s perspective, commercial vignettes seem to be simply a short extension of the programme, since it is usually presented by a character identified with the programme (e.g. the presenter, a regular consultant on the programme or a family that was participating) and relates to the topic of the programme. It usually offers some extra information, such as tips, advice and other ideas, that are presented as a practical tool for viewers. In some cases the ‘filler’ involves a competition based on the programme’s topic.

But in practice, commercial vignettes are carefully constructed to integrate commercial messages into the content of the programme and then encourage viewers to go to the programme’s website, where more editorial information as well as further commercial interaction with the sponsor awaits them. According to Golan Pratzer, the branded content agent behind the Bank Hapo’alim and Shufersal-Deal agreements, the ‘fillers’ are:

… a branded promo for the programme. It is a product that integrates the sponsor with the content (Pratzer, 2011).

Indeed, the commercial vignettes in Overdraft Family, like the sponsorship credits for HTLGN, were tailored to blur the line between the messages of the sponsors and the format of the programme. They typically follow a format which begins by offering advice related to the sponsor’s field (banking advice in the case of Bank Hapo’alim, or smart shopping advice in the case of Shufersal-Deal) and then invites viewers to go to the website to take part in a contest and win a prize from the sponsor. The segment ends with the sponsor’s credit and a slogan that emphasises the brand’s connection to Overdraft Family’s topic.
Bank Hapo’alim

For each sponsor, a variety of such vignettes were produced for every series\textsuperscript{104}. For example, a commercial vignette for Bank Hapo’alim opened with the title “A family in growth” (a slogan used by the bank in other ventures) against a graphic animation of the bank’s logo (see Figure 21).

Figure 21: A snapshot from a commercial vignette for Bank Hapo’alim around *Overdraft Family*: “A family in growth” against the bank’s branding.

Then, the representative of the bank in the programme, Nurit Raz, appeared in full screen and presented advice for better financial management (see Figure 22):

For those of you who own a business: for better financial management, it is recommended to separate the business account from the private account and once a month to withdraw a salary from the business account and transfer it to the private account. This will help you separate business transactions from private ones and gain better control over the family’s budget.

\textsuperscript{104} Commercial Vignettes were provided both by Bank Hapo’alim and Shufersal-Deal for the purpose of this research and were used for the analysis in this section.
Figure 22: A snapshot from a commercial vignette for Bank Hapo’alim around Overdraft Family: the bank’s representative in the programme gives ‘extra tips’ to viewers.

The clip ends with a male authoritative voiceover saying:

Do you want to know more about managing the family budget? Go online to reshet.co.il and you will have the chance of winning a coaching workshop for success in life, a gift by Bank Hapo’alim, that gives you tools and knowledge to manage your family budget.

In the background an animated graphic design using the same colours as the bank’s usual branding was running and it ended with the bank’s familiar logo (see Figure 23) and the words “Bank Hapo’alim – tools and knowledge for managing the family budget”.

Figure 23: A snapshot from a commercial vignette for Bank Hapo’alim around Overdraft Family: the bank’s logo against an animated graphic design in the spirit of the brand.
Other such clips (led by the programme’s presenter, Alon Gal) invited viewers to register during the programme for free coaching workshops given by Bank Hapo’alim (see Figure 24)\textsuperscript{105}.

![Figure 24: A snapshot from a commercial vignette for Bank Hapo’alim around Overdraft Family.](image)

Yet another kind of commercial vignette presented a personal ‘success story’ of a family from the programme. The voiceover emphasised how the family “followed a new path in life” after receiving “personal banking consultancy” (see Figure 25).

\textsuperscript{105} These will be further discussed in the next section, in the context of cross-platform content.
Figure 25: Snapshots from commercial vignettes for Bank Hapo’alim around Overdraft Family: A ‘success story’ of a family that received ‘personal banking consultancy’.

To sum this part up, these different versions of 30 seconds clips for Bank Hapo’alim seem to be simple and straightforward, but they entail more than first meets the eye. First, they are all ‘packaged’ with the graphic language of Bank Hapo’alim: the red colour and an animated logo is present in the background, the titles on the screen are white against a red background, the programme’s icon refers to the bank’s colours (the red bell), and the banker’s shirt is unmistakably red as well. The fonts used for presenting the tips follow the bank’s branding palette as well.

Secondly, the banker who regularly takes part in the programme as a consultant is now overtly connected to the sponsor. She is still presented as ‘just’ a “senior banker”, to keep her seemingly independent expert’s authority, but the connection to the bank leaves no room for doubt. The fact that the presenter Gal also takes part in these clips further blurs the line between him, as the ‘independent’ authority of the programme, and the banker, who is in practice a personification of
the sponsor in and around the programme. Both of them work to boost the bank’s role in the transformation process of the families, as well as sending viewers to the broadcaster’s website. In addition, the ‘tips’ offered to viewers are all oriented toward presenting the bank as an ‘objective’ authority for the benefit of individuals and families (in the same spirit of the programme), rather than as a commercial, profit-oriented body.

Lastly, it is worth noting that in many of the vignettes the bank offers a prize that refers back to the programme and its presenter: coaching workshops for financial management given by Gal’s coaching company, Tut. These workshops were an extended commercial co-operation, this time between the bank and Gal himself, the owner and founder of Tut, who became a well-known authority in the field following the success of the programme. Thus the bank was first ‘riding’ on the programme’s success on screen as a sponsor and then shifted this co-operation from the screen into ‘real life’, reconstructing the televised experience for larger crowds in the bank’s locations (I will further discuss this part of the deal in the next section).

**Shufersal-Deal**

Commercial vignettes in the same spirit were produced for the other sponsor – Shufersal-Deal. For example, an animated clip, packaged with the colours and graphic design of the supermarket chain presented the following ‘tip’ (see Figure 26):

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Came back home from shopping and realised that you forgot to buy half of the items you need?
You should put a shopping list on the fridge, put down everything you need during the week and on shopping day – you’re set!
Want to know how much more your money can buy? Share your tips for smart shopping with us (reshet.co.il) and you may win free shopping for a whole year!
A gift by Shufersal-Deal – Your money buys more. Proven fact.
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Figure 26: Snapshots from a commercial vignette for Shufersal-Deal around Overdraft Family: the tip recommends preparing a shopping list during the week. It ends with referring viewers to an online contest by the sponsor on the broadcaster’s website.

Once again, the sponsor ‘borrows’ the seemingly objective and professional tone of the programme, integrates visual elements from the programme (the red door bell) with the brand’s graphic language and ends the clip with an overt commercial exposure of the brand and an incentive for viewers (winning a prize) to go online to the broadcaster’s website for further interaction with the sponsor.
Commercial ‘Shell’ to Programming

So far I have shown how commercial tools such as sponsorship credits and commercial vignettes constitute an important part of embedded branding deals. They appear as a commercial ‘shell’ to the programme and supply the sponsor with overt commercial exposure next to the programme. What is particularly important in these short clips – 15 seconds long (HTLGN) or 30 seconds long (Overdraft Family) – is that they use a variety of audiovisual elements to blur the line between the programme and the sponsor and create an integrated narrative for the two entities. This is done by borrowing the narrative of the programme (going naked in the case of HTLGN; helping families manage their money in the case of Overdraft Family) and presenting it as part of the brand’s mission (Dove works to empower women; the bank and the supermarket chain work to assist families in debts). The brands’ visual language is used to take over the space of these clips and imbue them with values of the sponsor.

In practice, these tools serve as a hybrid entity that blurs the line between advertising and programming. As they are broadcast between the commercial break and the programme they actually create an experience of continuity, rather than separation, between advertising and content. This is especially true for commercial vignettes, made in the length of a regular advertising spot (30 seconds), but presented as an extra service provided by the programme for the benefit of viewers. In fact, commercial vignettes serve the interest of both the broadcaster and the sponsor, as they promote both of them on television, and then direct audiences online, where they will be exposed to further commercial activity by the sponsor, in a less regulated environment.

The tools presented so far provide a clear example of what Habermas (1984) would call a strategic action by the brand, which is presented to viewers as communicative one, or, in Habermas’ words – a manipulation. While regulatory bodies invest their efforts in creating detailed rules to restrain commercialisation and keep principles such as separation and transparency, I have shown here how in practice these rules are being bent and new creative techniques are being used to dismantle those barriers.
Across Platforms: Shifting Audiences from Television to Other Platforms

In both case studies the commercial co-operation on television, although at the heart of the sponsorship agreements, was seen by the sponsors as a gate into further co-operation between the brand and the programme on other platforms, as well as in the non-mediated ‘real’ world. Both cases, thus, reveal a complicated multi-partite sponsorship agreement in which television serves as a starting point for an elaborate and encompassing synergy between the brand and the programme. This reflects the process of convergence in the media, whose outcomes are commonly referred to as ‘cross-platform’ or ‘multi-platform’ content or even ‘transmedia storytelling’ (Jenkins, 2006).

This fact requires us to look back at Jenkins’ (2006) definition of the notion of convergence:

… the flow of content across multiple media platforms, the cooperation between multiple media industries, the search for new structures of media financing that fall at the interstices between old and new media, and the migratory behavior of media audiences who would go almost anywhere in search of the kind of entrainment experiences they want (p. 282).

In practice, as I argued in Chapter 2, this describes the shift of media bodies from mono-media bodies (e.g. a television channel, news website or radio station) into content providers across multiple platforms (Ytreberg, 2009). I will show in this section how embedded branding deals do indeed provide a solution for both brands and media bodies in their search for a multi-platform presence and new revenue channels. I will argue that it is the convergence of content between platforms that also encourages the ‘convergence’ between sponsors and content providers, which I previously referred to as ‘elective affinity’ (Weber, 1949; Weber & Kalberg, 2011).

106 Also mentioned in Chapter 2.
107 This definition from the book’s glossary includes one element that was not mentioned in Jenkins’ introductory definition that was quoted in Chapter 2: the search for new financial models.
This happens because both sides share the need to create a multi-platform presence in a fragmented environment and by going ‘hand in hand’ from one platform to another, they secure each other’s needs – content producers secure the financing of their production, while sponsors secure their access to the relevant target audience. For both, the model opens the way for accumulating a growing number of audience members across different platforms, instead of the once-guaranteed mass audience on broadcast television. In addition, brands try to further extend those deals by creating experiences in the ‘real’ world, which reproduce the mediated experience (the programme) in reality. This creates an opportunity for the brand to establish direct contact with audiences (i.e. consumers) (Moor, 2003; Ytreberg, 2009).

**How to Look Good Naked and Dove**

When Mindshare, the marketing communications agency which negotiated the deal for Dove, summarised the sponsorship of the second series of *HTLGN* for Dove’s people, the deal was clearly presented to the clients as a ‘360 degree’ one, a term commonly used in the jargon of marketers to refer to a campaign which communicates with consumers at different points and across different platforms, i.e. surrounds them in every possible way. In this clockwise-like diagram, sponsorship credits (discussed in the previous section), as well as credits on the programme’s trailers, were the starting point for the brand’s presence alongside the programme. It then continued with the brand’s presence on the programme’s website (Channel 4’s domain) which was titled “Online sponsorship and integration” and was accompanied by a commercial micro-site\(^{108}\) for Dove on Channel 4’s domain\(^{109}\) (Mindshare, 2007b). In addition, the Video on Demand service from Channel 4 (4oD) was presented to sponsors as yet another platform for the brand to follow the programme\(^{110}\).

These were the formal multi-platform elements presented to the clients (Dove), but beyond that, the branded content agent at Mindshare, Dan Fletcher, was continually striving to extend the cooperation between the Dove Pro-Age line and *HTLGN* in other ways. He sought to deepen their

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\(^{108}\) A micro-site is a website that is associated with a main site for additional activity that is usually short term and targeted around a product, a certain campaign or other focused commercial activity.


\(^{110}\) It is not clear whether sponsorship credits were attached to the programme on the VOD service or not, and if the brand gained other exposure, such as banners on the VOD site. It was not possible to trace this retroactively.
synergy by creating multiple meeting points between the brand and the programme and presenting them as synonymous in the public eye. Although most of these initiatives, for example setting up a common commercial site for the brand and the programme, hiring Wan as a presenter for Dove and more, were not ultimately realised, they reflect the typical mode of thinking by branded content agents and provide evidence of the general trend and its logic.

Fletcher (2009) viewed these initiatives as a shift from ‘sponsorship’, in which a brand pays money for an association with a programme, to ‘partnership’, in which “cash money isn’t necessarily what changes hands. It’s a share of value, a contra deal”. He then described his attempts to create such a ‘partnership’ between Dove Pro-Age and HTLGN:

Sponsorship was a starting point. We had subsequent conversations about partnership. For example, helping launch a website around the programme, Lookgoodnaked.com. The other part of the puzzle was that we looked [into] whether Gok should become more synonymous with Dove and become a spokesperson, to use him in advertising, so we went down this route, but it was decided not [to]. Their advertising was all around real women, and therefore they wanted to stick to that. Also, at that time, Gok was still relatively unknown. He was certainly a phenomenon, but wasn’t an established household name, so there was a bit of a risk. So what we looked at trying to do is more PR led stuff, but it didn’t happen, for reasons around the cost of doing that. In addition, we did some print advertorials in magazines which were about HTLGN and Dove Pro-age’s combined mission. We ran it in a couple of monthly magazines (Fletcher, 2009).

What Fletcher describes here are efforts to create an additional media presence, on top of the commercial co-operation between the brand and the programme, on the basis of direct exchange rather than monetary payment. Once the programme became a brand in its own right, and so did its presenter, the exchange relations between the two seem to change and become less clear – is it now the programme (or its presenter) that has more ‘glory’, and therefore value, than the
sponsoring brand and can help further promote the new line of products? Is it Dove that helps to further promote HTLGN or Gok Wan personally by purchasing media space in other platforms?

On another front, Mindshare was working to use the sponsorship deal to create direct contact with consumers in the ‘real’ world. This was done during the shooting days of the final scenes of the programme in the second series (and onwards) which included the ‘catwalk’. These scenes regularly took place in shopping centres or other big public spaces around the UK. The programme and its presenter, who had become familiar among female TV viewers by then, attracted an audience of hundreds of cheering women on each shooting day, creating a live event around the programme (see Figure 27).

The production agreed that Dove representatives would promote Pro-Age products during these days and would collect the women’s details to further communicate with them online. Fletcher saw this as an opportunity to connect with consumers through what he described as their ‘passion points’:\footnote{This is how Fletcher explained the term: “I used to work in a separate division of Mindshare called Performance, which was a team of people who were specialists in sponsorships, partnerships, and content. So we would look to help brands understand the role of associating with consumers’ passion points, whether that be sport, music, film or TV entertainment. So our philosophy has always been, if you can align your brand and add value to a consumer through their passion, you’ve got more chance of getting cut through in a cluttered, more overly commercial landscape”}:

We had access to all those people there. So we had access to 500 plus women each week to get the product in their hands and to be able to further communicate why we were involved in the show. It was brilliant. This was a way for customer relationship marketing, and we were also signing them up for Dove’s Real Beauty website and getting them involved in that. What Dove wants is a dialogue with their audience. So this was an example of utilising all the activities that are going on around the programme to help achieve the objectives of the brand (Fletcher, 2009).
Figure 27: Audience members at a shooting day for HTLGN in a shopping centre in Birmingham, 07.08.09.
Fletcher’s words clearly reflect how gradually the brand’s ‘feminist agenda’ (developed on the basis of a report by Susie Orbach, described in Chapter 4) turned into a more obviously strategic action, in which the ideological message was utilised for the commercial purpose of collecting personal data of potential consumers in order to contact them online for further marketing purposes and to establish an ongoing ‘relationship’ with the brand.

Yet another potential way of extending the commercial co-operation with the programme was through traditional merchandising. In the case of HTLGN and Dove, this was naturally oriented towards a self-care line of products which was co-branded by Dove and HTLGN.

Fletcher explained:

> We looked at the possibility of doing a Dove-HTLGN product range. We explored it with Unilever and with Maverick to license that, and it got some way down the line, but as you can imagine, working on timescales to get that in reality… so it didn’t happen at the end (Fletcher, 2009).

What did happen was that Maverick, in its own attempts to increase revenues from the programme, finally launched its own line of HTLGN products through licensing a company for that purpose (The Drum, 2009, 23rd of July).

Although both sponsors and producers shared a similar interest in finding ways to expand the revenue channels of each programme, it seems that merchandising still remains a marginal route, as least in this case. As Jo Rosenfelder, the commercial affairs director at Maverick revealed, the main share of revenue still comes from simply producing the programme and being paid for that:

> Our day to day revenue comes from making programmes. So that supports the infrastructure and staff. The bulk of our revenue come from our broadcasters, and then the next is from sales of the finished
programmes, as well as format sales around the world. And then there are books we published, the first one did very very well. There are bits from DVD sales, but this genre doesn’t tend to sell very well on DVD. And then we are also going to launch [the] *HTLGN* range of pamper products, bath oils and other stuff (Rosenfelder, 2009).

*HTLGN*’s sponsorship deal clearly shows how marketers and producers have a shared interest in extending the commercial co-operation to other media platforms, beyond the television screen. This meets the need of producers to secure financing of the production across different platforms, while sponsors gain access to their target audience across multiple platforms. In addition, brands use the synergy with a specific programme to connect with consumers in the ‘real’ world and create an experience that is close to them (Moor, 2003, 2007). Though the initial overt goal of the sponsorship is to promote a certain set of brand values (which it imagines it shares with the TV programme), it is then being used strategically to become close to the relevant audience and establish direct connection with consumers for marketing purposes. Merchandising is yet another way, old and familiar, to further extend the collaboration between the sponsor and the programme. Even if some of the initiatives in this case were not finally realised, they provide evidence for the goals marketers see in such deals and the ways they find to realise them.

**Overdraft Family, Shufersal-Deal and Bank Hapo’alim**

*Overdraft Family*’s sponsorship agreement with Bank Hapo’alim and Shufersal-Deal provides an even more extensive example of the tendency of such deals to expand to other platforms and into non-mediated, ‘real’ world experiences. The commercial co-operation did not only migrate to online websites, the local radio and the print press, but was also deepened through yet another deal signed between the sponsors and the presenter, Alon Gal, who became a household name and synonymous with the programme.

**A News Website**

To begin with, the online presence of both sponsors on the programme’s website was an important part of both deals from the outset. This included the brands’ integration into the
programme’s formal website, but also a micro-site attached to it under the broadcaster’s domain (www.reshset.tv). In addition, the online activity of both sponsors also stretched to Ynet news\footnote{See http://www.ynetnews.com/}, the most popular news website in Israel. This last step provides a clear case of cross-media promotion (Hardy, 2010), as the publisher of Ynet (of the Yedioth group) was in the past the chief owner of the broadcaster Reshet and at the time when Overdraft Family was on the air had a commercial agreement for the distribution of Reshet’s programmes on the Ynet news website. (The overall online presence of the sponsors in collaboration with the programme will be further discussed in the next section).

**Local Radio**

In subsequent series of Overdraft Family, as the programme gained popularity (and once Shufersal-Deal joined as sponsors, from the fourth series onwards), the linkage between the programme and its sponsors extended into additional platforms besides the Internet, such as radio and the press. Eyal Se’ada, the branded content agent at Gitam-BBDO who was responsible for the programme at that stage explained:

What we created is an octopus, a creature with multiple arms. This creature is Alon Gal [the presenter]. So at first we used the existing platforms of Overdraft Family, but when we didn’t have any more platforms, we created new ones. This is what I did, for example, in the case of the 103FM radio station\footnote{A popular local radio station in the greater Tel-Aviv area. See http://www.103.fm/}. I turned to the deputy managing editor and told him: “I can bring Alon Gal along, and you’ll have a programme that is just like Overdraft Family. I can bring a sponsor that will cover the costs of such programme for a whole year”. There were a few nuances that were very important for me in this programme. It’s semantics, but it’s of significance. I insisted that the programme would not be presented as “sponsored by Shufersal”, but “in co-operation with Shufersal”. That was my condition and it worked. It makes a difference, it sounds better (Se’ada, 2011).
Se’ada’s distinction between ‘sponsorship’ on television and ‘co-operation’ in additional platforms, echoes to a similar distinction Fletcher wanted to make in the case of HTLGN: sponsorship on television and ‘partnership’ in additional platforms. In both cases, these branded content agents were looking, once the co-operation extended to more platforms, to present the relationship between the two sides as symmetrical, as if they are involved in the same mission, that of publicly communicating a certain set of values.

Se’ada then went on to explain the details of the deal: Shufersal-Deal was the formal sponsor of the radio programme, but the station negotiated the presenter’s salary independently. However, the conditions for the way Gal presented the sponsors in the programme and around it were part of the deal. It was agreed that a sponsorship credit would be heard 6 times during each weekly programme and in addition, audio commercial vignettes, which combined tips from Alon Gal and credits to the sponsor (15-20 seconds long), would be broadcasted on a daily basis\textsuperscript{114}. On top of that, Gal would include a tip by Shufersal-Deal as an integral part of the programme.

Se’ada further explained:

I would give Gal a sentence, a tip, and he would present it as if it was a personal story he had come across (Se’ada, 2011).

In one such example Gal talked for 2.5 minutes about shopping for presents for ‘the holidays’ (the Jewish new year which is followed by Sukkoth) and recommended that listeners concentrate all their shopping, including presents for the family and electronics, in one big supermarket, instead of specialised shops\textsuperscript{115}.

\textsuperscript{114} Shufersal-Deal provided more than 30 different ‘daily tips’ for this research. One of them, for example, says: Voiceover: “A daily tip for smart consumption, with Alon Gal”, Alon Gal: “Concentrate your shopping into one big weekly round. Urgent or occasional shopping in the nearby grocery or drugstore is expensive and will cost you dearly”. Voiceover: “In co-operation with Shufersal-Deal - Your money buys more”.

\textsuperscript{115} The specific segment can be found here: http://www.103.fm/programs/Media.aspx?ZrqvnVq=FIMMFD&c41t4nzVQ=LE. Broadcasted on 31.08.2012 on 103FM.
Se’ada further explained:

It does not make sense that the whole programme will be about smart shopping, that’s too much. I just need these 3 to 5 minutes on the air, and then I have the sponsorship bumpers to add to it. This gives me nice and subtle exposure, not too heavy. Because after all, I need listeners to come and get tips on other things – mortgage, banking. The important thing is that I have presence on a platform that attracts an audience that wants to know how to save money (Se’ada, 2011).

Se’ada’s words clearly reflect how the blurring effect is at the heart of what marketers wish to achieve through embedded branding deals. Furthermore, it shows their interest in creating a whole ‘environment’, across different platforms, around the values they wish to promote (smart consumption’, in this case) for the purpose of attracting their target audience and establishing a clear image of the brand over time and across media. This is clearly a different mode of thinking than simply placing products in a popular programme.

**Print Media**

In print media, the commercial co-operation gained presence in two channels. First, the branded content agency paid for the production of a special weekly supplement published by the *Ma’ariv* daily newspaper116, which followed the stories of *Overdraft Family* week by week (Pratzer, 2011)117.

More interesting was the co-operation with Shufersal-Deal’s bi-weekly bulletin, which included, alongside the promotion of the current deals and coupons, a promotion for the weekly tips given together by the brand and the programme. These were titled “Weekly tips by Shufersal-Deal,

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116 At that time, *Ma’ariv* was the second biggest daily newspaper in Israel, after Yedioth Ahronoth. It later collapsed and seized to exist as a daily newspaper.

117 Most probably, these were marked as commercial supplements, not editorial ones, but the original publications could not be retrieved.
sponsored by *Overdraft Family*” together with the slogan “Big savings start with a small tip!” (Shufersal-Deal, March 1, 2011).

This half-page announcement (see Figure 28) included a large image of the programme’s logo (a window with a car and a house seen through it) and an underside banner which promoted the channel and time of broadcasting. The ‘tips’ were presented as testimonials of consumers advising readers to join the brand’s membership club, buy the private brand products and prefer large packages in order to save money.

In these examples the relationship seemed to reverse: it was now the sponsor that provided the media platform for promoting the programme, while the programme became the ‘product’ on sale. According to Se’ada, the broadcaster just had to consent to the commercial use of the programme’s name, but did not need to pay for this promotion. As he explained, “It is a co-operation and they are interested in promoting it as much as we are” (Se’ada, 2011).

Figure 28: Shufersal-Deal’s bi-weekly bulletin, 01.03.2011. Weekly tips by Shufersal-Deal, sponsored by *Overdraft Family*. 
Real World Events

Yet another arm of the ‘octopus’ extended into ‘real world’ experiences, which allowed the sponsors to contact potential clients directly, on their own locations, under the premise of the programme. Both sponsors, first Bank Hapo’alim and then also Shufersal-Deal, hired the services of Alon Gal’s coaching company, Tut, for the purpose of instructing specific, brand-tailored workshops in their branches as an extension of the Overdraft Family experience. Bank Hapo’alim paid for workshops on managing the family budget. In this same line, Shufersal-Deal paid for guided tours in the supermarket branches with a coach from Tut who taught how to become a smart and efficient shopper.

Of special interest was the way the other platforms were used to connect the workshops with the programme and then recruit participants to come to the sponsors’ branches. This was clearly reflected in an internal presentation on the second ‘round’ of workshops for Bank Hapo’alim (prepared by the marketing department of the bank). Special commercial vignettes with Alon Gal were broadcast on Channel 2’s prime time during 4 days in January 2009, promoting the episode that was about to be aired on the 28th of January 2009. Viewers were promised in those vignettes that during the next episode of Overdraft Family they would be able to register for “free workshops”, by texting a number that would appear on the screen “exclusively during the programme”.

“This is your number for personal success”, announced Gal enthusiastically in those short videos, which ended with the banks’ credit and slogan (Bank Hapo'alim's Marketing Department, 2009). Five thousand viewers texted back (“FAMILY”) within ten minutes of the number appearing on screen, according to the bank’s internal document. This gimmick was now serving the triangle of interests between the sponsor, the broadcaster and the presenter: It promoted viewing in that specific episode, as the contact number appeared only ‘live’, and at the same time, it served the sponsor’s wish, as well as that of the presenter Alon Gal, (who was now working directly for the sponsor) to be closely related to the format. All three were working to generate ‘hype’ by creating an interactive live event around the televised experience.

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118 Though most interviewees indicated that the broadcaster was not formally part of this deal, its part in it is not entirely certain.
119 The original vignette was provided by Bank Hapo’alim and is part of the empirical materials.
In addition, on the day the specific episode was scheduled, Bank Hapo’alim had published ads in four different daily newspapers, calling readers to watch the episode and register to the workshops for free. The workshops were also promoted online through the bank’s website, as well as Reshet’s website. Out of the five thousand people who texted, 2400 finally registered to the workshops, which took place in Bank Hapo’alim branches all over the country (Bank Hapo'alim's Marketing Department, 2009). What started as a factual entertainment format has now become a real world event, in the territory of the sponsor and under its control: each workshop started with a lecture by a coach from Tut (in most cases Gal was not present himself) and was continued with a lecture by the branch manager.

A similar deal was later signed with Shufersal-Deal, this time offering viewers guided tours in the supermarket’s branches.

Dafi Kaminitz, who signed the deal as the head of marketing for Shufersal-Deal, said:

The workshop was about how to become smart consumers, so it was about comparing prices and so on. In practice, it was a guided tour in the branch (Kaminitz, 2012).

While for Bank Hapo’alim these workshops were considered a success in leveraging the brand’s messages, strengthening loyalty among existing clients and interacting with clients of other banks (Bank Hapo'alim's Marketing Department, 2009), for Shufersal-Deal, according to Kaminitz, this activity ended as a failure:

People registered but then hardly came. I would visit a branch and I saw two participants and a coach. Maybe it was because it was free, so they felt less committed (Kaminitz, 2012).

In both cases, the sponsors offered viewers an opportunity to personally ‘reconstruct’ the televised experience in the ‘real’ world. But this was not done with the editorial team of the
programme, but rather on the sponsors’ locations and under their control, which allowed them to emphasise messages that were significant to them. This once again deepens the blurring between the sponsor and the programme, the commercial messages of the first and communicative messages of the second. At the same time, it blurs the line between the mediated experience on television and that which reality has to offer.

**Multiple Platforms: A Joint Venture**

The complex multipartite nature of both sponsorship deals, as was presented here in the two case studies, supplies clear evidence of the tendency of embedded branding deals to expand into many platforms, in a way that serves the needs of both sides – the producers and the sponsors – in the new media environment\(^{120}\). Cross-platform sponsorship deals secure the need of producers to find a funding model for their content in its different versions (the programme on television, the programme’s website and potentially other applications, such as on mobile devices), while for sponsors they provide an opportunity to reach their target audience at multiple points in an editorial ‘environment’ that promotes values or messages that are similar to those of the brand but enjoy greater credibility.

The joint presence of the brand and the programme across different platforms is oriented towards giving it an all-encompassing presence that blurs the line between the two. The viewers of *Overdraft Family* for example, were introduced to the joint ventures of the programme with the bank and the supermarket chain on television, on the programme’s website, in a popular news site, in a print supplement of a daily newspaper, in the supermarket’s bulletin, on a local radio station and also at the sites of the sponsors, i.e. the bank and supermarket branches.

Both case studies indicate a shift in these collaborations from a financial funding of a programme on television by a brand to a more complex relationship defined as a ‘partnership’ or ‘co-operation’ that continues across other platforms. This signifies the wish of sponsors to be perceived as equal partners to the broadcasters and, more importantly, to be seen as bodies

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\(^{120}\) It should be noted that both programmes debuted in 2006, when the trend of multi-platform content was just budding. Thus it is expected that productions from later years would have shown an even stronger tendency towards carefully pre-planned multi-platform activity, either on the Internet or on special applications for mobile devices.
involved in a similar type of action, that is, a communicative rather than purely strategic one (both wish to empower women, both wish to help families manage their money and so on). It also indicates that the power relations between the producers and sponsors are dynamic and constantly keep evolving. While at first the brand paid the producers for the right to be in proximity to the programme (on television) and promote the brand, later the brand bought media space on other platforms (newspapers, for example) and used its financial power to further promote the programme. When it comes to merchandising, this relationship can change fundamentally, as the two sides become equal partners (and the brand may even have the advantage of distribution channels). Thus, the balance of power between producers and sponsors is dynamic and may change according to the development of the programme and the ventures around it. Lastly, the wish of brands to extend the mediated experience into an experience in the ‘real’ world, which allows direct contact with consumers (including for marketing and data collection processes), is an important novel characteristic of embedded branding deals.

Turow (2006) has already pointed to the re-established connection between product placement and direct marketing in his discussion of the sensation Oprah Winfrey created in September 2004 as she signed a deal with Pontiac in which each one of her 276 live audience members received a new Pontiac for free. In this context Turow emphasises the marketers’ end goal – to create an activity through the media that would encourage viewers to directly contact the marketer and give personal details:

Perhaps more important to marketing and media observers was that the integrated use of product placement and direct-response marketing is indicative of new directions in their business… Marketing strategies increasingly see these two businesses – businesses once sneered at by mainstream advertisers – as vehicles for implementing successful solutions to deep problems besetting their industry. They believe that, in a cluttered, ad-zapping world of computers, gaming consoles, and

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121 As Turow explains, 'Product placement' refers to a marketer's insertion of merchandise into content, entertainment or news. 'Direct response' aims to get the consumer to answer in such a way that he identifies himself to the marketer.
cell phones product placement and direct response can communicate persuasively to fidgety consumers (pp. 46-47).

As I have shown here, this linkage between what Turow sees as product placement and direct response marketing has rapidly developed into sophisticated complex deals which begin with a synergy of ideas and values and end up with collecting personal data of potential consumers (as I will further elaborate) and creating a direct experience with the brand (through product testing, in the case of HTLGN, or visits to the local branch of the bank and the supermarket, in the case of Overdraft Family). The mass audience passive experience of watching a television programme is just a start and it is eventually shifted, through these deals, into a personalised interaction with the brand.

**Internet: Between Advertising and Content**

Of the additional platforms that both broadcasters and marketers seek to occupy, the Internet is undoubtedly the most important and dominant one. I will now turn to discuss the unique characteristics of the Internet, and will show, with reference to both case studies, how the digital space further facilitates the blurring between editorial content and commercial messages, through design as well as content.

The Internet has two unique characteristics that are of particular significance to this discussion. The first is the fact that it is a relatively unregulated medium, free of any externally imposed obligations as to the content presented through it\(^{122}\), and in particular free of any regulation regarding commercialisation in general and specifically the separation between content and advertising. Under these circumstances, ethical standards become an independent choice of each content provider. Indeed, mainstream content providers\(^{123}\) tend to rely on the norms set by ‘old’ media, through its regulatory climate (on television) or codes of ethics (print press), but at the same time these norms are a voluntary reference point in most cases and as I will show, are

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\(^{122}\) I do not consider here legal restrictions on freedom of expression such as defamation or paedophilia, as they are not of relevance to my discussion.

\(^{123}\) By this I mean ‘old’ media bodies such as television channels, newspapers or radio stations which expanded their activity to the Internet.
rapidly eroding, in light of the possibilities that are opened on the Internet as a medium, and due to economic constraints.

This leads to the second characteristic: the fact that the Internet is a non-linear medium; hence it cancels the temporal and spatial (visual and audio) separation that exists in linear media. The experience of the user is thus an active one (often referred to by the media industry as a ‘lean forward’ experience, indicating that the consumer is interacting with the medium), as he or she is involved in constant search and choice making, and content consumption tends to be interactive, as well as simultaneous, as the user can do a number of things on the Internet at the same time. This stands in contrast to the features of traditional television broadcasting, which is linear, presenting visual images and sound which are spatially organised and streamed (edited) one after the other, through time. Although television viewers can ‘zap’ between channels, the overall experience is more passive (‘lean back’) and consumption is usually not interactive and not simultaneous (one can watch only one thing at a time on television).

So, for example, a user can go to a programme’s website, read a text article about one of the participants in the show, and at the same time open a video with a segment from the last episode, click on a link which leads to a competition by the sponsor and in unison read about the presenter’s biography on Wikipedia and search for other websites that are related to the topic (styling, shopping, body-image or anything else). This, of course, is only the beginning. Users can simultaneously upload related materials to a social network such as Facebook, discuss the programme with friends or consume totally unrelated materials such as news websites or anything else. Thus, the user is active, going from one link to another (or searching for websites) as he/she follows his/her curiosity and associations. In addition, he/she can interact with websites (answer questions on the programme’s website, send posts on the social network) and do all of this simultaneously.

Broadcast channels on television, of course, offer a totally different experience: the programme is scheduled to air at a certain date and time, it has a clear beginning, after which a stream of visual images and soundbites is presented in an order that was decided by the editors. It has an end point and is separated, temporally and spatially, from any other content - sponsorship credits,
promotion clips, advertisements or the next programme (Williams, 2003). This creates an experience in which the viewer makes relatively few choices (except, of course, the decision to watch something else or not watch at all). The most important difference that emerges from what I describe here is the constant associative and active journey which a user on the Internet goes through, following links that draw his/her attention, in comparison to the pre-planned experience which broadcast channels offer.

I will now show how these novel features are being used in ‘branded content’ deals to smoothly shift media consumers from what seems to be a ‘content environment’ into a ‘commercial environment’ in a seamless way, and later encourage them to send personal data to the sponsor so they can be contacted directly, in order to maintain an ongoing relationship with them.

How to Look Good Naked and Dove

Viewers of the programme were directed to the programme’s website (hosted by Channel 4) during the television programme or they could search for it independently. They were then introduced to a space in which the programme and the brand have merged in a different way to the one they were familiar with on television.

To begin with, the homepage - and practically the whole HTLGN website (2006-2007) - was designed according to the sponsor’s branding (see Figures 29 and 30). This could be easily recognised by the deep red colour that was used as a background and the bright coloured font that was used for the letters. In addition, the Dove Pro-Age logo which credited the brand as a sponsor clearly appeared on the right side, linking directly to the sponsor’s official site. This is a different mode of integration than the one on television, as the editorial content is ‘packaged’ in the brand’s design. Thus, even if the texts or videos represent an independent editorial choice, the link to the sponsoring brand becomes immediate, almost unconscious, through the graphic language of the whole website. Thus, in contrast to television, spatial separation between design and content does not exist on the Internet124.

124 Of course, HTLGN on television was also, to some extent, ‘packaged’ with Dove’s design, as I discussed earlier in Chapter 4, but this was an outcome of adopting the brand’s ‘real beauty’ agenda and borrowing some elements from that campaign, some of them clearly visual.
Figure 29: HTLGN’s website on Channel 4’s domain, under the sponsorship of Dove Pro-Age, 2006-2007. The website was designed according to sponsor’s branding.

Figure 30: An advertisement for Dove Pro-Age.
But the integration of the sponsor was not only design-based. The programme’s website presented different categories of content, like an online table of contents, on the left hand side of each page (see Figure 29). While some of these categories were editorial (such as the ‘Episode Guide’ or information about the presenter Gok Wan), others (for example ‘Win a Spa Weekend’) were commercial and were linked to Dove’s micro-site that had been specially built for that specific ‘branded content’ deal. These categories were presented to users as equal in hierarchy, as they all appeared consecutively and with the same design. There was no signification of any difference between editorial and commercial categories. Thus, from the users’ point of view, they were quickly transported from the programme’s domain to the sponsor’s domain without actively choosing to do so, and without even being aware of the process. To put it simply, it was enough to click on ‘Win a Spa Weekend’ to find oneself in the world of Dove.

The micro-site for Dove took the integration one step further (see Figure 31). The micro-site was designed in a similar way to the main website (although the silver colour was emphasised here, making the branding of Dove even more apparent). The fonts that were used for the main text on this commercial site were the typical fonts used by Channel 4 on its home page and would be easily recognised by users as ‘belonging’ to Channel 4. The title of the programme at the top of the page was now replaced with the logo of the brand. The main page manifested the combined mission of Dove and HTLGN and presented the two sides as ‘partners’, but there was a slight twist to it: unlike the programme (that deals with body-image in general), the common vision in this domain was all about the issue of aging, which is the focus of the Pro-Age line:

… when it comes to the beauty industry, women are still being let down: by the prevailing belief that getting older is a bad thing.

Until recently, that is. Dove, famous for its thought-provoking-ads, featuring gorgeous, healthy women of all sizes, shapes and skin tones, has turned its attention to promoting beauty in women of all ages. In

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partnership with *How to Look Good Naked*, Dove is fighting the traditional idea that age is an imperfection that needs to be corrected.\(^{126}\)

The micro site then offered users various activities around that shared vision alongside details about Pro-Age products (see Figure 32). These activities were oriented towards interactivity and eventually, at encouraging users to get to know Dove’s Pro-Age products or send personal details to the brand. For example, women were asked to answer an interactive ‘age quiz’\(^{127}\), which included ten questions about self-image in relation to age. The result indicated their self-confidence and body-image and then, at the end of that personal evaluation, they were directed to

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\(^{126}\) This manifesto and most parts of the micro-site are still available online: http://www.channel4.com/life/advertorial/dove/. Last accessed 28.09.12.

\(^{127}\) This can still be found at http://www.channel4.com/life/advertorial/dove/. Last accessed 28.09.12
get to know how Dove’s products can contribute to these. In another category, a competition to win a spa weekend obligated sending personal details online.\footnote{The details of that competition are no longer available online, as the competition was closed.}

![Dove’s Pro-Age micro-site on Channel 4’s HTLGN website presenting Pro-Age products.](image)

Fletcher, who was behind the details of the deal, explained that the shift from television to the Internet marks the shift from “being an audience to being participants”. He further explained:

There’s a role for big programmes on TV. *How to Look Good Naked* was successful because it created media hype, talkability, but it would not continue to survive unless it had whole back-end participation to it. So people watch it on Thursday night and they want to get more involved. Most people, if it’s a passion, want to participate. So people want to go on to the website, they want to find out more about the participants, and want to know how they fit in within the *How To Look Good Naked* idea. They want to have a go at it themselves, so the digital technology is really helping to drive that (Fletcher, 2009).
Indeed, in what I have described above I tried to show how viewers are being transformed from passive audience members of a television programme into active participants in the brand’s experience, with minimum awareness of the process while it is happening. This is done by using spatial features that are typical of digital media (and in the absence of regulation) to further blur the line between editorial content and commercial messages. This unregulated space of digital media is used to present the two sides as equal partners in a common mission and this is then directly linked to consumption of the brand’s products (or services). The blurring process that began with the integration of the brand into the programme on television becomes even deeper here and is eventually used for direct commercial purposes – presenting products and collecting data on potential consumers for future marketing activity. In this gradual shift between the programme’s space and that of the brand it is almost hard to remember the basic facts – that there is no necessary connection between feminist ideas, women’s empowerment, self-acceptance or body-image and the consumption of self-care anti-aging products such as body wash, hand cream or shampoo.

**Overdraft Family, Shufersal-Deal and Bank Hapo’alim**

The case of *Overdraft Family* provides a similar model of integration of sponsors on the Internet, but had some additional activities, such as the use of commercial vignettes on television to encourage viewers to go online, and particularly the integration of the sponsors on Ynet, a popular news website, a step which additionally created blurring between brand messages and journalistic content.

To begin with, the website of *Overdraft Family* (on Reshet’s domain) was designed according to the branding of Bank Hapo’alim, in a similar way to the case of *HTLGN* and Dove. From there, users were referred to a special section on the programme’s website called ‘Smart Family’, which was in effect a micro-site of Bank Hapo’alim (see Figure 33). The bank’s summary of the sponsorship of the third series clearly stated that:

… a salient reference on the programme’s homepage linked users to the ‘Smart Family’ section (Bank Hapo’alim, 2009).
The micro-site then offered a variety of activities, which mixed straightforward advertising (such as banners) and content that was commercial but related to *Overdraft Family* and the topic of family budgeting. For example, the bank’s micro-site presented (as a main item on the page) different video segments from the programme which included its presenter, Nurit Raz. It also encouraged users to take part in the competition (sending tips for better financial management of the family budget) which would reward them with a free workshop for managing their family budget in one of the bank’s branches (as described in the previous section) (see Figure 34). In addition, the micro-site presented some online financial tools which the bank wished to promote as part of its marketing, such as financial calculators and an online programme for budget management.

Figure 33: Bank Hapo’alim’s micro-site on *Overdraft Family*’s website (third series).
The micro-site also hosted the discussion forum around the programme. During the fourth series it was also agreed that Nurit Raz would be hosted twice on the programme’s forum at the end of the episode on television, as was done with the presenter Alon Gal (Bank Hapo’alim, 2010). Thus, in the habitat the Bank wished to create, Raz was a co-presenter of the programme, an equal authority to the one Alon Gal represented to viewers. Hence symbolically, the ‘strategic’ presence becomes equivalent to the ‘communicative’ one.

A similar model was implemented for Shufersal-Deal once the brand became a formal sponsor, during the fourth and fifth series of the programme. A micro-site for the brand was built around the programme’s website (see Figure 35) and it promoted messages about ‘smart shopping’ in the supermarket which mixed content related to the programme (and was, in itself, an outcome of the commercial deal) and the sponsor’s messages, including interactive activity. Users were asked to send their own tips for ‘smart shopping’, including personal details, in order to win a budget for shopping in Shufersal-Deal for a whole year (1000 shekels per month, approximately £160, over 12 months). They could also register online for a workshop by one of the coaches from Alon Gal’s company in a Shufersal-Deal branch. It should be noted that for a

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129 It is not clear whether the main website of the programme was designed according to Shufersal-Deal’s branding in any one of these series. During the fourth series Bank Hapo’alim was still a sponsor and it is most likely that the website was designed according to the bank’s branding, but this is not clearly stated in the documents I have.
period of time, the programme’s website, with its commercial activity, appeared on Ynet’s domain - the leading news website in Israel - as part of an agreement for video content sharing between Reshet and Ynet.

![Figure 35: Shufersal-Deal’s micro-site on the Overdraft Family website (on Ynet’s domain): a page for sending details to participate in a workshop for ‘smart shopping’ in one of the supermarket’s branches (“Workshops for smart shopping in co-operation with Alon Gal”)](image)

The ‘branded content’ activity of both sponsors was then further extended into special sections on Ynet which were now presented as part of the journalistic content that the popular website offered. It should be mentioned that this was not the first time this had happened: the website has adopted this formula of sponsored sections in recent years (i.e. ‘native advertising’) as have other news websites in Israel, a practice that has been criticised for its lack of journalistic ethics (Balint, 2012, 12th of March; Persico, 2012, 12th of March). In the “Family in growth” section on Ynet sponsored by Bank Hapo’alim, a team of bankers advised and followed the stories of a number of families as they were trying to overcome their overdraft, in a similar way to how the

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130 This section has changed with time, but is still active and available: http://www.ynet.co.il/home/0,7340,L-9743,00.html. Last accessed: 01.10.12.
original programme on television did. These stories were presented in videos and articles on the
website. A sponsorship credit appeared on the main page and links to different financial tools by
the bank were offered to users.

A section called “Smart Consumption” offered a blend of articles by Ynet’s reporters (presented
as Ynet reporters in the byline) and advice by Alon Gal, as well as segments from the
programme with Gal giving relevant tips. These appeared alongside banners by the sponsor and
links to various tools and activities offered by Shufersal-Deal, such as an application for
planning shopping in advance, tips by the sponsor, a survey on shopping habits and a map of the
different branches of the brand\textsuperscript{131}. The whole section was designed according to the sponsor’s
branding.

Eyal Se’ada, who was responsible for this activity as part of the wider ‘branded content’ activity
of Shufersal-Deal, explained his interest in Ynet:

\begin{quote}
I was particularly interested in connecting to a news website, and Ynet has this news feel to it. So I suggested to Ynet a section that would be in co-operation with Shufersal. So this website, the articles it offers are written by the Ynet staff as well as by Alon Gal, and it is in my interest to be in this environment. It offers a blend of Ynet articles and tips by Alon Gal (Se’ada, 2011).
\end{quote}

The case of Overdraft Family demonstrates the fluid nature of embedded branding activity on the
Internet, its power to expand into digital space and to rapidly change long-standing ethical
norms. What started as a formal sponsorship deal of a reality-based programme in a strictly
regulated environment (television) quickly became a space for innovative techniques and
gimmicks (on the Internet) that broke the previously existing separation between content and
advertising and created an environment in which blurring occurs through both design and
content. Users are being shifted smoothly and unknowingly between the two. These practices

\textsuperscript{131} This section has also changed with time and presently is still active on Ynet, but now carries the title “Branded Content” at the top of the page. It is not clear at what stage Ynet decided to clearly disclose the nature of this section. The section is available at: http://www.ynet.co.il/home/0,7340,L-9087,00.html. Last accessed: 01.10.12.
then extended to a leading news website, which seemed to abandon the normative ‘church’ and ‘state’ separation of the print media in favour of the commercial opportunities the online environment has to offer.

**Summary**

I have outlined in this chapter the ways in which sponsorship agreements stretch beyond sponsorship on television. I have suggested that this extension creates for viewers an experience of continuous exposure to an environment in which the brand and the programme are conjoined and become effectively inseparable. By ‘continuous integration’ I refer first and foremost, to the experience constructed for audiences (jointly by marketers and broadcasters) aimed at shifting them between advertising and content and at the same time, between different platforms (television to other platforms, e.g. the Internet, radio, print, mobile devices and so on) in a smooth way that erodes previously accepted distinctions between editorial content and commercial messages. The final outcome is an embracing, all-encompassing environment, created intentionally through multiple meeting points, in which the brand and the programme are presented as sharing a ‘common mission’, a shared set of values. In this environment previous distinction between the two sides seem to blur. Along this journey, audiences are gradually moved from an environment that is chiefly editorial (i.e. the programme) to an environment that is largely commercial (for example a brand’s micro-site on the Internet or an event by the sponsor under the premise of the programme). At the same time, they are often shifted from a mediated experience (television) to a personalised experience (interaction with the sponsor online) and ultimately to a ‘real’ interaction with the brand and the programme in a ‘real world’ event.

To illustrate this argument I have shown, first, how on television, formal commercial tools such as sponsorship credits and commercial vignettes are used to blur the line between the brand’s messages and the programme, which results in short clips that are effectively commercials but rely on the programme’s premise or ‘values’ - a hybrid form somewhere between advertising and programming. Although regulators in the UK and Israel invest serious efforts in creating rules to separate advertising and programming, marketers use various audiovisual means to overcome
these limitations. The end result is that viewers are exposed to a continuous stream of messages that are commercialised to a lesser or greater extent – from advertisements (that are easily recognised as purely commercial) through sponsorship credits or commercial vignettes (that are advertisements anchored in programming) to programming (which can also, as I have shown in the previous chapter, become saturated with commercial influence).

I have then shown how integration on television serves as a starting point for extending these commercial co-operation agreements to other platforms, thus creating a joint presence of the brand and the programme across multiple meeting points, either through the media, or in the ‘real’ world. For example, the co-operation between Dove and HTLGN was extended to the programme’s website, advertorials by Dove in print magazines and also to live events. The case of Overdraft Family provides an even richer example for the cross-platform orientation of embedded branding deals: the joint presence of the format and its sponsors was extended to the programme’s website, a radio programme, print supplements, one sponsor’s bulletin, special sections on a popular news website and finally – non-mediated events at the sponsor’s own locations (the bank’s branches and the supermarket’s branches). In this case, the presenter of the programme played a significant role, as he became a personification of the format and the values it represented, and at the same time turned himself into an independent entrepreneur, a third side to what then became a business triangle of sponsors-broadcaster-presenter.

The ethical implications of this emerging model will be further discussed in the next chapter, but from a practical point of view, it is clear that embedded branding deals aim to serve the needs of both producers and marketers in a fragmented, multiple-platform environment. Producers can secure a funding model for content that is produced for different platforms and therefore do not need to rely only on their success in attracting advertising in each platform independently. Marketers, on their part, guarantee themselves access to a relevant target audience, across different platforms, as well as a proximity to an environment which matches the brand’s values and promotes messages that are in concordance to those the brand wishes to promote. Furthermore, the multi-platform model creates an embracing presence to which audiences are exposed, which helps ‘naturalise’ the commercial co-operation in the public eye, as if HTLGN
and Dove could not be anything else but synonymous, and *Overdraft Family* was a ‘natural match’ with that specific bank or supermarket chain.

Among the different platforms, the Internet is the most important and interesting one, as it opens the way for further blurring between communicative messages and strategic ones (Habermas, 1984). By relying on the Internet as a relatively unregulated space, as well as on its characteristics as a non-linear medium, marketers (together with broadcasters) dismantle the categorisations used in old media regulation based on time and space (mainly the familiar advertising/programming categorisation), and use the new media environment to further blur the line between editorial content and commercial messages.

In this environment, not only are users smoothly shifted between editorial content into direct and personal interaction with the brand, but marketers can also encourage users to send personal data for the purpose of establishing an ongoing relationship with the relevant target audience. Thus ‘continuous integration’ opens up avenues for ongoing commercial relationships with, and exploitation of, the audience as market.

Furthermore, the two case studies demonstrate how brands wish to extend the matching with the programme into non-mediated events in the ‘real’ world, in which they can contact consumers and provide them with direct experience of the brand (such as “Try our anti-aging products”, “Come to our branch” and so forth).

As the process I described reveals, in the shift from television to other platforms brands push for a change in the perceived relationship with the programme. This was expressed for example, in the move from the title ‘sponsors’ to the title ‘partners’, as branded content agents emphasised in both case studies, a title which signifies symmetrical relations between content producers and their commercial sponsors, in which both sides are invested in a common mission to promote a joint set of values.

But in practice, the process that audiences go through is very different. The extension of these commercial agreements beyond television contributes to the creation of an intensively
commercialised environment in which what seems to be a communicative action actually becomes more and more strategic, personalised and closely controlled by the brand. And so, viewers of a popular and likeable television programme quickly find themselves in a commercial micro-site by the sponsor or, if they follow the track, as participants in a branded event that was carefully designed for direct marketing purposes.
Chapter 7
Challenges to Regulation, Harms to the Public Sphere

Introduction

The previous empirical chapters (Chapters 4, 5 and 6) addressed the first two research questions. First, they showed how the ‘branded content’ market works: they uncovered the interactions between the different players, the conditions which support the successful resolution of commercial negotiations, the details of the commercial agreements signed between producers and sponsors and the implementation of embedded branding through different practices. Second, they suggested that embedded branding should be considered as a new phase of content commercialisation, typically characterised by the ‘deep integration’ of brands into programming, i.e. multi-layered and abstract integration rather than a focus on products, and ‘continuous integration’, i.e. across multiple platforms.

The current chapter is centred on the third research question, which deals with the potential harms caused by embedded branding to the functioning of the media as a platform for public debate and the implications for policy making. I therefore begin by taking a step back to look at this market and its characteristics, beyond the specific case studies, and then proceed to analyse regulatory attempts to deal with this phenomenon. I then turn to discuss the negative implications of embedded branding to the cultural public sphere.

Background interviews and interviews from the case studies shed light on a market that is typically saturated with tensions and conflicts between sponsors and producers. There seems to be a low rate of successful negotiations, and when negotiations are successful, once the phase of ‘falling in love’ (i.e. signing an agreement) is followed by the process of production, the different orientations of the two sides are exposed and conflicts arise. ‘Married life’ emerges as far from
being synergetic or harmonious, as one side is involved in communicative action, while the other is devoted to fulfilling its own strategic goals.

I then turn to look at regulatory attempts in the USA, the EU, the UK and Israel to cope with this complicated landscape and strike a balance between ethical principles and immense economic pressures. I conclude by pointing out five weaknesses in current regulatory attempts which result in inefficient regulation of the content/commerce axis.

I conclude this chapter by analysing the main potential harms caused by the rise of the ‘branded content’ market to the cultural public sphere. Predominantly, these are the saturation of public debate with manipulative messages, threats to freedom of expression and most importantly - loss of trust by audiences in the functioning of the media as a platform for public debate.

**A Conflict Zone**

While trade journals portray a thriving market which shows constant growth, and constantly report about new ‘content’ departments in marketing and communications agencies, interviews with branded content agents conducted as background research for the project reveal a more complex reality and indicate a territory that is rife with conflicts and contradictions.

To begin with, some agents emphasised that only a small number of deals were actually being signed, predominantly because of conflicts that arise during these discussions and which fundamentally cannot be resolved, but also because of regulatory limitations.

For example Simon Willis, the head of the branded content division at Mindshare, said:

> I’ve had many shouting matches with broadcasters who basically say to me, “We’ve got a programme - can you find a brand to fund half of it?” And I say, “Well - why would we? We won’t do it unless it’s really right for a brand,” and the chances of it being really right for a brand are, I would say, one in a hundred (Willis, 2008).
Another agent, Phil Cresswell, head of branded content activity at Universal McCann in London, was more generous: he estimated that “Out of a hundred percent of the work generated on advertiser-funded television, less than ten percent actually gets through to a television programme which goes out on air” (Cresswell, 2009).

He described a process in which young creative television makers are enthusiastic to co-operate with leading brands but then get put off once they realise the heavy demands these brands make in their brand guidelines. Moreover, one of the main problems is that both brands and television producers are not fully aware of the limitations set by the British regulatory body, Ofcom:

I will sit with a production company and I will say, “Right, here are Coca-Cola’s brand guidelines of what they want to get out of any involvement in your show.” It’s a massive document, a hundred pages long. The production company will then say, “Well, in order for us to incorporate all of these brand guidelines from Coca-Cola, a. it takes away from the original concept of the show, b. we don’t know whether creatively we want to do that,” and then I will sit there and say, “And c. you’re not allowed to, because of regulation. So the production company will take the guidelines, they’ll go away (Cresswell, 2009).

Then, once any agreements are reached and signed, agents describe a work process that is also contested and full of tensions and mistrust, as content producers tend to see advertisers as rivals rather than partners.

Uri Goldberg for example, a branded content agent who in the past represented the broadcaster (Reshet) in Overdraft Family’s deal, described his occupation as:

… a conflictual job by definition, as it stands against the basic ethics of journalism and media in general (Goldberg, 2011).

In his view, this obligates him to become a sort of an ‘auto-gatekeeper’—a person who promotes commercial integration on the one hand whilst trying to guard it from breach of ethics on the other. In the past, he explained, this tension existed between separate entities – the editorial and commercial departments in different media bodies, but
Nowadays, you have to show self-responsibility for what you do. It’s not a simple question and I’m preoccupied with it in everything I do (Goldberg, 2011).

Eyal Se’ada, a branded content agent at Gitam-BBDO, also described his relationship with programme makers as an “unbearable situation, really tough”. He then explained:

I basically ruin their content. It’s not the broadcaster’s concern, as they are interested in my money, but more that of the content people within the broadcasting body. Many of them perceive this as ‘dirtying’ the content they do. There are quarrels, yes, always (Se'ada, 2011).

Chantal Rutherford, head of the branded content arm at MEC (part of WPP), confirmed this description of a heated emotional relationship:

Editorial people hate advertising people and advertising people hate editorial people. That’s how it’s grown up in every medium. It’s the same in TV, or radio, or press. No editorial people in television trust anybody from the advertising world! Quite simple, they don’t. They never have done (Rutherford, 2008b).

Yuval Lev, former head of the branded content division at McCann Erickson in Israel, believes the problem lies with programme makers, who simply refuse to accept the reality of commercial media:

There are conflicts most of the time. It’s a basic conflict between a sponsor who wants to make himself and his brand salient, while the content person would want him to drop dead, if possible, as long as he pays the money. But it is a problem of the content people; they seem to forget who sponsors them. It’s always the advertisers. Always (Lev, 2008).

As the stories they tell reveal, the conflicts that emerge between producers and sponsors most often relate to issues that seem to threaten the integrity of the programme, i.e. its ability to approach its core topic in a fair and unbiased manner, as well as its freedom. These can be
disputes around small details in the production as much as conflicts that embrace the whole topic and perspective of the programme, but they all seem to have the same effect: they turn the two sides, which seemed, at the outset, to be unified around a joint mission, into two opponents, split in their interests and goals. Their resolution, however, differs in each case and depends on many different variables: the funding model of the broadcaster, the general economic situation, the regulatory climate of the specific market, the local media culture as well as the personal beliefs and values of those involved on both sides. In these situations, branded content agents find themselves in the middle of the conflict and often serve as mediators who try to find a compromise. This happens even though these agents are, in most cases, being paid by the sponsors and formally represent their commercial interests.

The following story, about a dispute around the use of soy sauce in the Israeli version of Master Chef (the British cooking game show), provides an example of a case where the commercial sponsor got the exposure they wanted for their brand, despite the participants’ objections. The solution to the content/commerce conflict in this case was simple - commerce won and viewers were manipulated. The sponsor of Master Chef in Israel was leading food corporation, Osem\textsuperscript{132}. As part of the deal, participants in the show were obligated to exclusively use this brand’s products. In that specific conflict, participants in the show demanded to be provided with Kikkoman soy sauce for their cooking, and not the Osem soy sauce, as Kikkoman is known for its superior quality. Se’ada, the branded content agent behind the deal with Osem, further explained:

\begin{quote}
Osem were partners who believed in the programme from the outset, when many other people didn’t, simply because they were not familiar with the format. On the other hand, you cannot say that their products are for gourmet cooking really. They are commercial products. If you take their soy sauce and that of Kikkoman - Kikkoman is obviously better. The participants naturally wanted to use the best ingredients during the competition, and here we come and push Osem onto them. But from Osem’s side– they won’t pay unless we use their products on the show. So what we did was distort reality in a way. In this case,
\end{quote}

\textsuperscript{132} See the corporation’s main website: \url{http://www.osem.co.il/en} Last accessed: 09.11.12.
participants on the set did use Kikkoman, but the viewers were not aware of that. So, we put a bottle of Osem’s soy sauce nearby and we solved things in the editing process. So for Osem, one of the advantages of such a co-operation with the programme was that not only were participants using their products on screen, but that any other competitor was denied access\textsuperscript{133}. Even if participants were using it, none of the viewers knew it even existed (Se’ada, 2011).

Thus, while initially the co-operation between a leading food brand and a cooking programme could seem like a synergetic one, in reality, during the making of the programme, the brand’s strategic goals (e.g. exposing its products and presenting itself as a fine cooking brand and ultimately as an exclusive brand for cooking) clashed with the programme’s mission in regards to gourmet cooking (generating discourse around fine cooking and preparing exquisite food based on personal talent and quality ingredients).

Another such conflict, about the placement of Sprite bottles in the reality show \textit{Survivor} in Israel, ended up with material compensation to the sponsor. As one interviewee explained\textsuperscript{134}, the representatives of one of the sponsors of \textit{Survivor}, the Israeli franchise holder of Coca-Cola, became furious once they realised that the bottles of Sprite (a brand owned by Coca-Cola) given as a prize to the contestants on the island\textsuperscript{135}, were marginal in the scene. The interviewee explained:

First you could see a fridge full of Sprite bottles and the group members were drinking them enthusiastically, but then they had a scene where they won a Caribbean dinner and the bottles became marginal, not really a main source of pleasure. The sponsors were outraged and the channel had to compensate them financially for that, as they were

\textsuperscript{133} This example touches upon another problematic aspect of embedded branding deals – their influence on fair competition between brands, but this is beyond the scope of the thesis, which focuses on the influence of such deals on the functioning of the public sphere.

\textsuperscript{134} The interviewee, a branded content agent in Israel, asked to remain anonymous in the context of this story.

\textsuperscript{135} A similar integration of Coca-Cola into \textit{Survivor} appeared in the American version of the format. The Israeli deal, in this case, was a kind of replication.
major advertisers. Conflicts such as this one come up all the time.

There’s a great deal of uncertainty in those deals.

Once again, the different orientation of the two sides was quickly exposed: while the sponsor was preoccupied with exposing Sprite bottles in the episode, the programme’s editors were focused on the plot and the overall structure of the episode.

Yet another such conflict, this time concerning Nokia’s involvement in a music programme on the British Channel 4, resulted in a rejection of the sponsor’s demands once they seemed to threaten the programme’s integrity. This music television show, Nokia Green Room, broadcasted on Channel 4 during 2008, was fully sponsored by Nokia. It presented live music performances and offered a backstage view of the artists and bands in the ‘green room’, which was monitored by cameras. Nokia’s commercial goal was to promote its online music store (music that can be downloaded to mobiles), to shift audiences to Nokia’s website and to position the brand as one with strong ties to the music industry. The branded content agent who was willing to describe this example was cautious in describing the tension that came up:

There were a couple of instances where it absolutely didn’t serve Nokia’s interest if certain bands appear on the show… because they could not sell those bands’ music on the Nokia Music Store.

To put it simply, Nokia’s representatives wanted the programme to introduce only those artists who had given the company the rights to sell their music through the Nokia online store. He then said:

They [Nokia’s people] went into it knowing that that might happen. And as it did happen they were realistic that they were powerless to do anything about it, although they would have loved to have been able to stipulate.

According to this agent, the production company kept a strong position, from the outset, about the editorial independence of the programme:

136 Like the interviewee in the previous example, he asked to remain anonymous.
The production company was very clear that they couldn’t let that [Nokia’s interests] dictate the choice of bands, and that they needed to choose a good selection of bands… everyone knew what the rules were. Yes, on occasions we were able to... as their brand guardian, remind them of what the rules are, but they didn’t need telling. We sort of reminded them and talked about what could be said and what couldn’t be said. But they knew that the most important thing was what worked for the show in the end and not what was most important for the Nokia Music store.

While these examples differ in the way conflicts were finally resolved, they all demonstrate the reality of ‘branded content’ deals in which the two partners quickly find themselves opposing each other, realising that their orientation and ultimate goals may not be as synergetic as the formal commercial deal suggested. In due course, the fundamental difference between the orientation of content producers towards what Habermas calls communicative action, and that of marketers towards using communication for their strategic action emerges, in one way or another.

**Regulation of Product Placement, Sponsorship and Native Advertising**

Regulatory codes in the USA, EU, UK and Israel explicitly recognise the difference between the work of advertisers and that of content producers. Regulators set out specific rules that are meant to provide tools to cope with this complicated commercial environment, either by guarding the separation between content and advertising, or by limiting the involvement of advertisers in content and obligating transparency in places where it exists. In other words, regulators tacitly acknowledge and anticipate these clashes between the editorial side of programming and the commercial side and expect there will be pressure on broadcasters to comply with commercial demands. But do regulators in different markets manage to cope with the complexity of the new reality resulting from embedded branding deals such as those seen in the case studies I have presented here? I will provide here an overview of the regulatory approach in the USA,
European Union, The UK and Israel. I chose to include American regulation in this overview even when the empirical material does not include an American case study. This is mainly because the US government took an interesting route in recent years, by regulating this emerging phenomenon through the Federal Trade Commission (FTC), based on consumer protection legislation, rather than through its media regulatory body, the Federal Communication Committee (FCC). I expect this approach will become influential for policy making and regulation in other countries in the coming years.

**American Regulation**

The USA maintains an ongoing legal debate about the difference between commercial speech and non-commercial speech and the extent to which commercial speech should be protected by the first amendment (Amit, 2006; Schauer, 2004; Schejter, 2006; Stern, 1999). In practice, product placement was never prohibited in the USA, either by the Federal Communication Committee (FCC) which regulate media, or by the Federal Trade Commission (FTC) which deals with consumer protection (Goodman, 2006; Schejter, 2006). Section 317 of the American Communications Act of 1934 obligates broadcasters to disclose the identity of sponsors. It sets a broad and general principle which is based on material return, as the FCC’s website clearly explains:

> [Section 317] requires broadcasters to disclose to their listeners or viewers if matter has been aired in exchange for money, services or other valuable consideration. The announcement must be aired when the subject matter is broadcast\(^{137}\) (FCC, 1934a).

In addition, Section 508 of the Communications Act imposes criminal penalties on broadcast employees, program suppliers, and sponsors for failure to disclose sponsorship (FCC, 1934b). This section was an outcome of the Payola scandal which revealed, in the 1950s, that radio station disc jockeys were paid by record companies to promote certain rock & roll and R&B songs (Goodman, 2006; Turow, 2006).

In practice, however, the obligation of disclosure is hardly enforced (Goodman, 2006; Schejter, 2006) as recent data presented by the FCC itself clearly shows: there was only a single enforcement action taken by the FCC in 2013, another one in 2012, four actions in 2011 and three in 2010\textsuperscript{138}.

Thus American regulation of audiovisual media did not exactly support the principle of clear separation between content and advertising to begin with. Instead, it supports the idea of transparency through disclosure, but this principle is hardly enforced in practice. The accepted separation between programmes and commercials happened as a result of the development of the market, not due to regulatory obligations (Leiss et al., 2005).

This situation reflects the historical and cultural circumstances in which the American commercial media has developed, as presented in Chapter 2. Moreover, it is important to note that American regulation does not recognise the difference between product placement and sponsorship, but rather refers to product placement as the visible outcome of commercial deals with sponsors. The distinction between these two notions is actually a European creation (later adopted in Israel), as I will discuss now.

In recent years, it was the FTC which became the leading body in the USA in managing the policy towards embedded branding. This is an interesting development, as the FTC's main concern is in consumers' protection rather than issues such as ethics of public discourse or media content. However, particularly because it is not concerned with media regulation, it provides tools for cross-media regulation, that is – such that apply to any platform, be it television, print or digital media, and it that sense may prove to be more efficient than previous efforts made by the FCC. The FTC held a special workshop on native advertising in December 2013\textsuperscript{139}. Following this public discussion, it released in December 2015 an enforcement statement (FTC, 2015a) and a guide for businesses (FTC, 2015b), oriented at setting clear rules for disclosure and


\textsuperscript{139} For details on this events agenda, speakers, transcripts and other material, see: \url{https://www.ftc.gov/news-events/events-calendar/2013/12/blurred-lines-advertising-or-content-ftc-workshop-native} Last accessed: 18.02.16.
identification of native advertising in order to prevent deceptively formatted advertising. In many ways, the FTC's orientation is aligned with the findings of this research, recognizing the abstract, intangible, expanding and image-focused rather than product-focused nature of embedded branding. So, for example, the statement (FTC, 2015a) specifies that:

Thus, in evaluating whether an ad’s format is misleading, the Commission will scrutinize the entire ad, examining such factors as its overall appearance, the similarity of its written, spoken, or visual style to non-advertising content offered on a publisher’s site, and the degree to which it is distinguishable from such other content (p. 11).

It may well be the case that the American regulation, the same place which was the seedbed of commercial media in general and the concept of sponsorship in particular, will prove to offer the most efficient and sober set of tools to cope with the negative consequences of heightened commercialization of the media.

**European and British Regulation**

*European Regulation*

Unlike the USA, Europe has a long standing philosophy of regulation, together with a constitutional structure that supports, in some cases, the superiority of the public interest over freedom of expression (Barendt, 2007; Humphreys, 1996). At the same time, the fundamental resistance to commercialisation in general and product placement and sponsorship in particular, was greatly influenced by the tradition of public broadcasting which developed in most European countries before the entry of commercial broadcasting (Scheijter, 2006).

In practice, European policy concerning sponsorship and product placement in audiovisual media shifted in 2007, while the current research was in progress. It changed from banning any commercial influence of sponsors on programming towards a more ‘liberalised’ policy which
allows product placement under certain restrictions. The liberalisation of regulations concerning sponsorship and product placement in the UK followed in December 2010 (and was practically implemented from February 2011) (Ofcom, 2010).

The early regulatory European code, the Television without Frontiers Directive (TVwF) of 1989, banned in practice, through several different articles, the practice of product placement and prohibited any influence by sponsors. The code did not refer directly to the practice of product placement, but rather set general rules as to the separation of commercial content from editorial content and the identification of advertising, what Angelopoulos (2010) calls “implied prohibition”.

And so, Article 10 (1) of the directive provided that:

… television advertising and teleshopping shall be readily recognisable as such and kept quite separate from other parts of the programme service by optical and/or acoustic means (European Union, 1989).

This was the basis for the directive ban on any form of surreptitious advertising, defined by Article 1(d) as:

… the representation in words or pictures of goods, services, the name, the trade mark or the activities of a producer of goods or a provider of services in programmes when such representation is intended by the broadcaster to serve advertising and might mislead the public as to its nature (European Union, 1989).

In addition, any influence of sponsors was also strictly prohibited as Article 17(1) provided:

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140 The change took place as part of the transition from the Television without Frontiers Directive (TVwF) to the Audiovisual Media Directive (AVSMD). In general, the AVMSD is oriented towards standardization of media regulation across the EU while “guaranteeing the independence of national media regulators” (European Commission, 2007). This is the last of seven goals of the directive, as can be found here: http://ec.europa.eu/avpolicy/reg/tvwf/index_en.htm Last accessed 25.12.13
… the content and scheduling of sponsored programmes may in no circumstances be influenced by the sponsor in such a way as to affect the responsibility and editorial independence of the broadcaster in respect of programmes (European Union, 1989).

Article 17(1) (c) then specified that any encouragement for purchase or rental of products and services and in particular promotional references is prohibited.

In 2010, the new regulatory European code, the Audiovisual Media Directive (AVMSD), introduced a number of significant changes in relation to the regulation of product placement and sponsorship. To begin with, the directive introduced a new term, ‘audiovisual commercial communication’, which embraced various promotional practices – television advertising, teleshopping, sponsorship and product placement.

Article 1(h) defines commercial communications as:

… images with or without sound which are designed to promote, directly or indirectly, the goods, services or image of a natural or legal entity pursuing an economic activity. Such images accompany or are included in a programme in return for payment or for similar consideration or for self-promotional purposes (European Commission, 2010a).

This novel term suggests a broader concept of commercialisation, which includes advertising alongside other forms of promotional activity, and implies that these different practices should be perceived as a continuum rather than as completely separate terrains. This goes in the same line as suggested in this research, based on the analysis of the case studies.
The second novelty relates to the decision to leave behind the TVwF principle of *separation* and instead use *identification* as the main principle governing what is allowed in commercial communications. Article 9(1) (a) directs as follows:

Audiovisual commercial communications shall be readily *recognisable* as such. Surreptitious audiovisual commercial communication shall be prohibited (European Commission, 2010a, emphasis added).

By doing this, the AVMSD has opened the way, despite its numerous rules and multiple prohibitions, to the permissibility of product placement, while relying on transparency as a safeguard for viewers’ interests (Angelopoulos, 2010).

Product placement is defined in Article 1(1) (m) of the AVMSD as follows:

… any form of audiovisual commercial communication consisting of the inclusion of or reference to a product, a service or the trade mark thereof so that it is featured within a programme, in return for payment or for similar consideration (European Commission, 2010a).

The efforts that were then put in the directives’ wording as to the conditions under which product placement would be allowed and the differences between this practice and sponsorship as well as surreptitious advertising, render it a complicated legal terrain. It reflects the contradictory efforts to liberalise product placement rules on the one hand, while restricting commercial influence on content on the other, and thus raises grave questions as to its applicability to the reality of commercial media markets as reflected in this thesis.

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141 My discussion will focus on the notions of product placement and sponsorship, as well as surreptitious advertising. The directive includes specific restrictions which are less relevant to my analysis. It relates to specific genres in which product placement is allowed (films, series, sports programming and light entertainment, as specified in Article 11(3)(a)), but as I explained in Chapter 1, genre distinctions are not relevant to the cultural public sphere, and I therefore deliberately refer to media content in general. The directive also bans any placement of cigarettes and tobacco products (Article 11[4] [a]), as well as prescription medical products and treatments (Article 11[4] [b]). This is also not relevant to my analysis, as I focus on the ethics of public discourse in general and not on the need to control the representation of one topic or another.
The directive, to begin with, presents in Article 11(2) the rule by which “Product Placement shall be prohibited” (European Commission, 2010a), but then presents many exceptions to this rule, which actually open the way to allowing this practice. They are followed in Article 11(3) by four accumulating requirements for legitimate product placement. Rule 11(3)(a) relates to the obligation to maintain the responsibility and editorial independence of the media service provider; Rule 11(3)(b) prohibits promotional references that may directly encourage purchase or rental of goods or services; Rule 11(3)(c) bans undue prominence of products and Rule 11(3)(d) obligates identification of product placement at the beginning and end of a programme, as well as when the programme resumes after an advertising break “in order to avoid any confusion on the part of the viewer” (European Commission, 2010a). Legal analysts put great efforts into interpreting each article and specific rule and explain how they settle with one another (Angelopoulos’s [2010] examination is in particular a comprehensive one), but then it seems hard to settle the fundamental tension between the natural promotional essence of product placement and the AVMSD’s efforts to neutralise it.

The AVMSD’s territory becomes even more complicated once other similar notions - sponsorship and surreptitious advertising - are taken into consideration. The directive’s definitions are oriented towards creating clear distinctions between these two practices and product placement, but what emerges from the case studies challenges the assumption that such a distinction is possible in practice, as I will further discuss.

The directive’s Article 1(k) defines sponsorship as follows:

… any contribution made by public or private undertakings or natural persons not engaged in providing audiovisual media services or in the production of audiovisual works, to the financing of audiovisual media services or programmes with a view to promoting their name, trade mark, image, activities or products (European Commission, 2010a).

Angelopoulos (2010) admits that “The lines between product placement and sponsorship are fluid” (p. 19), but finds two important points of divergence between the two. The first is that
while in product placement the payment is made so as to secure the inclusion of a product, service or trade mark in a programme, in sponsorship the payment is directed towards financing an entire programme. The second is that while the meaning of product placement is that the promotional reference is built into the programme, in sponsorship, the promotional references to the sponsor can be made during the programme, but they still keep the principle of separation between content and advertising. This last observation is not entirely clear and more importantly, as the case studies show, product placement is still just one practice of many relatively covert practices through which sponsors gain influence and embody their brand in content.

Understanding when product placement does not fall under the directive’s definition and prohibition of surreptitious advertising is an even more complicated intellectual task.

Surreptitious advertising is defined in Article 1(j) as follows:

… the representation in words or pictures of goods, services, the name, the trade mark or the activities of a producer of goods or a provider of services in programmes when such representation is intended by the media service provider to serve as advertising and might mislead the public as to its nature. Such representation shall, in particular, be considered as intentional if it is done in return for payment or for similar consideration (European Commission, 2010a).

As it is clear that product placement is done in return for payment, it seems that the only clear line distinguishing this last notion from surreptitious advertising is that of identification, in order to promote transparency and avoid misleading the public. Although Angelopoulos (2010) argues that there might be cases of surreptitious advertising that is not product placement and also prohibited product placement that is not surreptitious advertising, this seems to be no more than a logical game in the legal field that is not applicable to the reality of the media industry, in which identification is the practical distinction between the two.
**British Regulation**

In the same spirit, as part of its obligation to the EU rules, the UK has undergone a major regulatory transition in recent years which left the principle of strict separation between content and advertising behind and put an end to the historical ban on product placement. These changes marked the demise of its determined resistance to the commercialisation of content.

Initially, the Ofcom Broadcasting Code of 2005 followed in the footsteps of the European TVwF, which flagged the principle of separation and therefore banned product placement and prohibited any influence of sponsors on content. I discuss it here because it is the relevant code for the analysis of the case of HTLGN, which debuted in 2006.

Article 10.3 presents a general ban on promoting products or services in programming. Article 10.5 of the code clearly states that “product placement is prohibited” (Ofcom, 2005). Unlike the European directive of that time, it does provide a clear definition of product placement:

> Product placement is the inclusion of, or a reference to, a product or service within a programme in return for payment or other valuable consideration to the programme maker or broadcaster (or any representative or associate of either) (Ofcom, 2005).

In addition, Ofcom’s 2005 code presents, in Article 10.4, the principle of the prohibition of “undue prominence” in including products or services in programmes in general. There are two criteria for deciding what may be considered as undue prominence: the inclusion of a product or service when it is not editorially justified and the somewhat vague notion of the “manner in which a product or service (including company names, brand names, logos) appears or is referred to in a programme” (Ofcom, 2005).

Sponsorship is also clearly defined and regulated. Sponsorship is defined in Section 9 of the code as follows:

> A sponsored programme, which includes an advertiser-funded programme, is a programme that has had some or all of its costs met
by a sponsor with a view to promoting its own or another's name, trademark, image, activities, services, products or any other direct or indirect interest. Costs include any part of the costs connected to the production or broadcast of the programme (Ofcom, 2005).

This definition is somewhat different from that of the TVwF, as it specifies that a sponsor can be someone who covers only part of the costs of the production. It highlights the difficulty of regulators in drawing the line between product placement and sponsorship and raises a question regarding whether such a line exists at all.

Subsequently, Section 9 presents three principles for the regulation of sponsorship: transparency, separation and editorial independence. The rules of the broadcasting code are lengthy and detailed; they include content that cannot be sponsored (news), prohibited sponsors (mainly betting and gaming companies) and specific rules for sponsorship credits, and are all oriented towards maintaining these three principles. In the context of this discussion, two rules, which relate to sponsors’ influence, are of particular significance. Rule 9.5 restricts any influence of sponsors on content as follows:

A sponsor must not influence the content and/or scheduling of a programme in such a way as to impair the responsibility and editorial independence of the broadcaster (Ofcom, 2005).

Rule 9.6 then further elaborates, in relation to promotional references of the sponsor in the programme, that:

There must be no promotional reference\(^\text{142}\) to the sponsor, its name, trademark, image, activities, services or products and no promotional generic references. The sponsor must also not have any other direct or indirect interest in the editorial content of the sponsored programme.

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\(^{142}\) Promotional reference is then defined in the code (Ofcom, 2005) as follows: “This includes, but is not limited to, references that encourage, or are intended to encourage, the purchase or rental of a product or service”. 

Non-promotional references are permitted only where they are editorially justified and incidental (Ofcom, 2005).

Though the language of the code is well thought out and designed to cope with a complex reality, it is still questionable whether it is tailored to cope with a reality in which commercial entities, i.e. sponsors, go far beyond being just a product or a service or even a simple trade mark, but also include messages that relate to attitudes and lifestyle (‘real beauty’ in the case of Dove or ‘smart consumption’ in the case of Shufersal-Deal) or a design that follows the look and feel of a sponsoring brand, as the case studies show.

In any case, from February 2011, following the change in the European directive and despite the declaration by the British culture secretary, Andy Burnham, in March 2009 that the UK will keep its ban on product placement (Dowell, 2009), Ofcom introduced new rules which opened the way for product placement in British audiovisual media.\footnote{143 The change in Ofcom’s regulation was preceded by changes in UK legislation.}

Although the Ofcom rules are quite similar to those set by the European directive, the definitions of terms and principles in the British broadcasting code are somewhat different. This reflects the British effort to maintain its tradition of separation between content and advertising and the integrity of its programming. So, for example, while the AVMSD adopted the broad notion of ‘commercial communications’ which puts advertising, sponsorship and product placement in the same basket, as mentioned earlier, the Ofcom code presents a narrower and more specific term – ‘commercial reference’ - which relates only to commercial integration into programming, as follows:

Meaning of “commercial reference”: Any visual or audio reference within programming to a product, service or trade mark (whether related to a commercial or non-commercial organisation) (Ofcom, 2011).
In addition, the general principles presented in Section 9 of the code (Commercial References in Television Programming) maintain the principle of separation between content and advertising, despite the decision to allow product placement. The code presents five principles which guide the regulation of commercial references in programming: editorial independence, distinction (between content and advertising), transparency, consumer protection and the prevention of unsuitable sponsorship. They are then followed by a specific rule, Rule 9.2, which clearly stipulates that “broadcasters must ensure that editorial content is distinct from advertising” (Ofcom, 2011).

Product placement is then defined in Section 9 as follows:

… the inclusion in a programme of, or of a reference to, a product, service or trade mark where the inclusion is for a commercial purpose, and is in return for the making of any payment, or the giving of other valuable consideration, to any relevant provider or any person connected with a relevant provider, and is not prop placement\(^{144}\) (Ofcom, 2011).

This definition is close to the European one and is followed by similar rules as to legitimate genres for product placement: films, series, sports programs and light entertainment. Product placement is prohibited in news and current affairs programmes, children programmes, religious programmes and consumer advice programmes\(^{145}\).

However, while the European directive presents four cumulative requirements for legitimate product placement, the British code emphasises in Rule 9.14 the obligation to clearly identify product placement in programming at the beginning, end and when the programme recommences after commercial breaks.

\(^{144}\)‘Prop placement’ refers to giveaways that serve the production needs and are defined as follows: “The inclusion in a programme of, or of a reference to, a product, service or trade mark where the provision of the product, service or trade mark has no significant value, and no relevant provider, or person connected with a relevant provider, has received any payment or other valuable consideration in relation to its inclusion in, or the reference to it in, the programme, disregarding the costs saved by including the product, service or trade mark, or a reference to it, in the programme” (Ofcom, 2011).

\(^{145}\)The British code presents more restrictions on products that cannot be integrated, such as alcoholic drinks; foods or drinks high in fat, salt or sugar (‘HFSS’), gambling, infant formula, medicinal products and tobacco products.
Yet another significant difference between the European directive and the British code relates to the link between product placement and sponsorship. While the AVSMD clearly distinguishes between these two practices (and therefore bans sponsors from placing products in programmes), the British code prohibits any influence by sponsors on one hand, but allows product placement as part of sponsorship agreements on the other. The rules in Section 9 of the British code clearly state that:

A sponsor must not influence the content and/or scheduling of a channel or programming in such a way as to impair the responsibility and editorial independence of the broadcaster (Ofcom, 2011).

However, the rule is followed by a note stating that:

There are limited circumstances in which a sponsor (or its products, services or trademarks) may be referred to during a programme it is sponsoring as a result of a commercial arrangement with the broadcaster or programme-maker. For example, in the case of a product placement arrangement… (Ofcom, 2011)

Surreptitious advertising is prohibited by the British code, in the same way as it is in the European directive, but in the British code the language clearly emphasises the significance of identification, as the line separating this practice from product placement:

Surreptitious advertising involves a reference to a product, service or trade mark within a programme, where such a reference is intended by the broadcaster to serve as advertising and this is not made clear to the audience. Such advertising is likely to be considered intentional if it occurs in return for payment or other valuable consideration to the broadcaster or producer (Ofcom, 2011).

What clearly emerges from the analysis of both the European and British regulatory codes and the changes they have undergone in recent years, are the efforts made by regulators to restrict
any commercial influence on audiovisual content, while not completely prohibiting commercial funding. This is done mainly by the attempts to create clear definitions of modes of influence or models of funding and to present detailed rules as to what is permissible and what is prohibited. Regulators dedicate special attention to drawing a line between practical expressions of commercial integration on screen (such as product placement and surreptitious advertising) and funding models of content, such as sponsorship. By doing this, they aim to establish a regulatory climate in which it is possible to fund a programme by commercial sponsors, but still maintain values of editorial independence and freedom that are typical of public broadcasting or of a model of strict separation between content and advertising in commercial broadcasting.

The convoluted language of the codes, the multiplicity of rules and the overlap between them, beyond being typical of legal language, reflect the difficulty regulators face in achieving their desired objective. Investigation of the codes in relation to the reality of commercial audiovisual media and the climate in which commercial deals are negotiated raises fundamental questions regarding policy making: what is the meaning of sponsorship in the age of brand dominance? Is it really possible to draw a line between the practice of sponsorship and that of product placement? Do regulators manage to correctly understand the meaning of product placement in the context of ‘brand integration’? Is it correct to define product placement and surreptitious advertising as two fundamentally different practices?

I will turn in the next section to look at the Israeli regulation, and thereafter will address these questions, first through the case studies and then in relation to the regulation of embedded branding in general. Finally I will discuss the potential harms of ‘branded content’ to the public sphere, which is at the heart of my third research question.

**Israeli Regulation**

In the absence of a constitution, Israel’s freedom of speech is rooted in the Declaration of the Establishment of the State of Israel of 1948\(^{146}\) and later in Basic Law: Human Dignity and Liberty, enacted in 1992. Both were the basis for subsequent rulings of the courts, mainly the

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\(^{146}\) Freedom of speech is not directly mentioned in the declaration. The declaration relates to freedom as a general principle of the democratic state and specifically refers to “freedom of consciousness”.
Supreme Court, which anchored freedom of speech in Israel. The courts’ rulings gave similar protection to commercial speech as it did for other forms of speech, although they have shown some reservation as to its scope in some cases (Schejter, 2006).

The issue of the integration of advertising into media content is enforced in Israel both by the Consumer Protection Act ("Consumer Protection Act in Israel," 1981) and various acts which relate to media regulation. The Consumer Protection Act clearly states in Section 7(Gimel)(1) that “any advertising that may lead a reasonable person to assume it is not advertising will be considered as misleading, even if its content is not false” (emphasis added). Therefore this practice is prohibited, but due to a long standing inherent weakness of the Consumer Protection Authority in Israel, and in the absence of a united media regulatory body such as Ofcom in the UK or the FCC in the USA, the issue of embedded branding is in practice regulated separately for each medium, by the relevant regulating body and according to the specific historical legislation for that medium. In the context of the current discussion, the most relevant legislation is the Second Authority for Television and Radio Act of 1990, together with the policy derived from it by the regulating body for commercial television and radio in Israel– the Second Authority for Television and Radio.

Israeli regulation of commercial audiovisual media, which was historically strongly influenced by the British model, clearly leans towards the principle of a strict separation between content and advertising and complete prohibition of advertisers’ integration into media content. However unlike the European and British codes, it has not undergone a process of change in recent years and the issue has become a topic of much heated public debate (Balint, 2004, 2012a, 2012b; Persico, 2012).

The Second Authority Act (Israeli Parliament, 1990), and the Authority’s rules derived from it, do not specifically mention the term ‘product placement’, but they do refer to the notion of sponsorship and prohibit any influence of advertisers on television and radio content. Section 83 of The Second Authority Act (1990) clearly prohibits the inclusion of advertising in programming, overt or surreptitious, and also prohibits the inclusion of any segment in return for payment, even if does not fall under the definition of advertising. Subsequently, the rules set by
the Public Committee of the Second Authority elaborate and specify the act’s general prohibition.

First, Section 9 of the rules which relate to Ethics of Advertising on Television (1994) clearly states that it is forbidden to broadcast advertising outside the time dedicated to commercial slots. It then specifically prohibits the inclusion of incidental advertising, surreptitious advertising and subliminal advertising. Incidental advertising is such that supposedly appears as if by the way, while surreptitious advertising is defined as follows:

An advertisement which the reasonable viewer may not recognise as such that promotes a product or a service (Israeli Second Authority for Television and Radio, 1994).

The rules in Section 9 leave space for incidental advertising in programming under the following restrictions: that it was not done for material return; the decision to include it was not influenced by regular commercials along the programme; it is not central to the programme; the programme itself is not a commercial and that the incidental advertising is not illegal in general. Thus, the regulator created rules which leave broadcasters some space to include commercial references in programming, as long as they do not fall under the definition of surreptitious advertising, which is strictly prohibited.

Second, Section 3 of the Second Authority’s (2009) rules in relation to sponsorship ban any influence of a sponsor on content, and as part of it, ban the inclusion of products or services, which is virtually a prohibition of product placement.

Thus, Israel provides a somewhat different regulatory climate in which the case study of Overdraft Family took place. On the one hand, it preserves the traditional values which support the separation principle in the spirit of public broadcasting and the European-British heritage, but

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147 This relates to commercial messages that fall under the sensory threshold for conscious perception. This practice is extremely rare, practically non-existent in commercial use, and is thus not relevant to the discussion here.
on the other, it has so far avoided any change towards liberalisation of these rules while failing in the enforcement of the existing ones, as I will further elaborate in the next section.

The Case Studies and Regulation of Product Placement and Sponsorship

How do the two case studies, HTLGN and Overdraft Family, provide evidence of tensions between producers and sponsors, and reflect the impact of the different regulatory requirements in each country? Prima facie, the cases differ in significant ways. HTLGN’s format was inspired by Dove’s campaign and its overall aesthetic, but the sponsorship agreement did not allow for any direct influence of Dove’s people on the programme (on television) and thus the regulatory structure seems to have worked quite well. In the case of Overdraft Family on the other hand, sponsors were woven into the programme from its conception and throughout the production process as part of the broadcaster’s formal commercial obligations (as told in detail in Chapters 4 and 5). Thus, while the story of HTLGN on television demonstrates a case of a sponsorship agreement in which regulatory guidelines were carefully met and actually helped to protect editorial independence when the sponsor’s demands to be included in the product testing segment came up (as relayed in Chapter 5), the case of Overdraft Family exposes a totally different reality in which regulatory rules were blatantly trampled in many different ways.

Indeed, the Israeli regulator, The Second Authority for Radio and Television, has subsequently fined the broadcaster Reshet over Overdraft Family’s inclusion of prohibited commercial references. In 2011 Reshet was fined (by the withdrawal of 17 minutes of commercial airtime) for breach of rules in six different episodes of Overdraft Family. This was done following repeated prohibited commercial references to Shufersal-Deal, Bank Discount and the big Israeli food brand Osem (The Second Authority for Television and Radio, 2011). In 2012 Reshet was fined again, this time with six minutes of commercial airtime withdrawal, following prohibited commercial references to the services of Bezeq, a leading telecommunications company (The Second Authority for Television and Radio, 2012a). At the end of 2012 the regulator published a press release announcing a hearing involving Reshet, following repeated breach of rules in Overdraft Family, which could end up in excluding the programme from the broadcasters’
annual quota for local production. The general manager of The Second Authority for Radio and Television said:

> It is totally unacceptable that a broadcaster repeatedly breaches rules of ethics in the same programme, in the face of recurring warnings by the authority and despite sanctions that were already taken by us in the past (The Second Authority for Television and Radio, 2012b).

Nevertheless, earlier series of *Overdraft Family*, including those analysed here, were no less saturated with commercial references, and were broadcast with no intervention by the regulator. Thus, the enforcement policy of The Second Authority for Radio and Television in this case was inconsistent and unpredictable. This indeed reflects the general situation in Israel in which the regulator has been hesitant in taking action when embedded branding deals started to thrive in the early 2000s, and when it later did react, the enforcement tended to be inconsistent. This led to a growing gap between the reality of the market and the rules of the regulator (Balint, 2012a).

Clearly, the case studies reflect two quite different regulatory climates and media cultures, even if the values that regulators both in the UK and in Israel seek to protect are fundamentally similar. The Israeli case provides evidence for a disempowered regulatory body and a general attitude and culture which is ‘flexible’, or rather - corrupted, and favours commercial interests over strict enforcement of the rules and the law.

The British case of *HTLGN* provides an illustration of a different state of affairs, as interviewees referred back to the rules set by the regulators as things that should be respected, even if they did not agree with them (Fletcher, 2009; Rosenfelder, 2009). The weakness of Israeli regulation and infirmity of the editorial side in this case study can be explained in a number of ways: these include the decline and corruption of the public broadcasting service in Israel, which indirectly influences commercial media and media culture in general; the absence of a unified regulatory body for Israeli media, which leads regulators to compete with each and therefore promote different policies; the small size of the Israeli media market which significantly limits advertising budgets and therefore also production budgets; and finally, the wider context of Israel’s political situation, particularly the state of occupation and ongoing conflict with the Palestinians and the government’s supportive policy towards settlers in the occupied territories, which nurtures a culture of law breaking in the occupied territories as well as within Israel. Nevertheless, this
question is beyond the scope of this research, and should be dealt with in future research which focuses on comparing the overall economic and political structure of these local markets and the media culture in each one of them.

What is relevant to the current research, which focuses on the cross-cultural impact of embedded branding deals, is actually the manner in which both case studies challenge existing regulatory guidelines and question the relevance of long standing notions such as ‘content’ and ‘commercials’. While a lot can be inferred about the Israeli market from the case of *Overdraft Family*, the changes that the European regulation has undergone in recent years, together with the heated debate taking place in the USA on the regulation of ‘native advertising’ (Federal Trade Commission, 2013)\(^\text{148}\), clearly suggest that the Israeli case is more likely to be indicative of global future developments than the success of the British case study in its ability to follow Ofcom’s rules from 2005. Also, it is questionable whether *HTLGN* was indeed successfully following sponsorship rules, as Rule 9.6 of the Ofcom code from 2005 clearly stated that:

> The sponsor must also not have any other direct or indirect interest in the editorial content of the sponsored programme (Ofcom, 2005).

This clearly was not the case of *HTLGN* and Dove, as Dove’s strategic interest in the editorial content was its main motivation for sponsoring the programme. Furthermore, both case studies demonstrate the challenge that digital media presents to regulators, by offering a competing unregulated space, as presented in Chapter 6.

Therefore, despite the significant differences between the case studies and their local markets, both provide strong evidence of the novel ways in which brands integrate into media content. In both case studies sponsors were embedded in programming in multiple ways that tended towards abstract representations (‘deep integration’). They then attempted to migrate the programme to other platforms, mainly the Internet, where blurring became even more sophisticated and hard to understand (‘continuous integration’). In the next part of this chapter I will discuss the challenges regulation faces in dealing with embedded branding, in light of what the case studies show.

\(^{148}\) The FTC’s special workshop on native advertising which took place in December 2013 can be viewed online here: http://www.ftc.gov/news-events/events-calendar/2013/12/blurred-lines-advertising-or-content-ftc-workshop-native (Last accessed 23.01.14).
Challenges to Regulation

Clearly, regulators are struggling to find ways to cope with the rapidly changing reality of the media in the digital age and the ways that marketers think about promotional activities. This is reflected in forms of liberalisation that replace the separation principle with the identification principle. However, what emerges from the analysis of the case studies is a clear gap between the tools used to regulate the commercialisation of content and the actual changes taking place in media markets.

This gap is evident in two fronts: First, there is a discrepancy between the concepts and definitions currently used by regulatory bodies in Europe, the UK and Israel and the way brands actually integrate themselves into media content, as described in Chapter 5. Second, regulators remain powerless in the face of the growing tendency of media bodies to produce cross-platform content in which embedded branding deals extend into unregulated spaces, predominantly the Internet, as described in Chapter 6. Thus, both novel features of embedded branding deals, deep integration and continuous integration, place serious obstacles in the way of attempts by regulators to intervene in the blurring between advertising and content.

To begin with, attempts to draw a clear line between sponsorship and product placement emerge as fundamentally problematic and do not seem to be sustainable in the long term. While sponsorship relates to a funding model in which an external entity covers some or all of the production costs, product placement refers to the visible outcome of such external funding on screen. To put it simply, sponsors are intrinsically interested in integrating, in one way or another, into the content they help fund. The distinction between sponsorship and product placement is therefore somewhat artificial and is rooted in the historical attempts made by European and British regulation to restrict commercialisation, as described in Chapter 2149. The enforcement of these regulatory rules and guidelines has always been problematic (Murdock, 1992), and as the power of regulators to control media outlets declines, the fragility of this distinctions becomes more evident.

149 Israeli regulation does not explicitly use the term ‘product placement’, but it does ban, as mentioned earlier in this chapter, any influence of sponsors on content, which is in practice a prohibition on product placement. Therefore, this criticism is equally relevant to Israeli regulation.
As both case studies show, sponsors chose to fund the programmes because they could see the format would fit with their target audience and brand messages, and so a sponsorship agreement would enable them to gain proximity to the content and its ‘values’ in a way that goes beyond just attaching their brand name to it. In the Israeli case, the notion of ‘sponsorship’ was bluntly used as a ‘legitimate’ shield for advertisers to gain influence over content, as the sponsors of the programme practically bought ‘pieces’ of air time in the show and negotiated their presence in it from the conception of the format, all through the production process and up until the final cuts in the editing room (Aboulafia, 2011). But even in the British case, where producers maintained Ofcom’s guidelines and regulation was relatively successful in guarding the editorial side, the words of the branded content agent for Dove (Fletcher, 2009) clearly indicated that Dove’s representatives were looking for ways to integrate their brand into the programme. Soon after, when the opportunity came up, they wished to stretch regulatory rules so that product placement would become possible. To put it simply, sponsorship is most often just another way for money to gain influence over content. Regulatory attempts to separate sponsorship from product placement do not seem to be successful in changing this very basic understanding.

Second, there seems to be a fundamental problem with the way product placement is understood and defined in regulatory codes. Both the AVMSD and Ofcom definitions focus on concrete representations such as products, services and trade marks (European Commission, 2010a; Ofcom, 2011), but as the sponsorship agreements analysed here clearly show, brands tend to be embodied in media content in multiple ways that are abstract rather than concrete, focusing on the brand as an image (e.g. colours, fonts, ‘values’ and messages) and much less on the exposure of products, services or logos in a straightforward way. This is also true for Israeli regulation in its definition of surreptitious advertising (the Israeli code does not directly relate to product placement), which focuses on products and services (Israeli Second Authority for Television and Radio, 1994).

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150 As quoted in Chapter 5: “…we had weeks and weeks and weeks of deliberation with Channel 4’s compliance team, their legal team, and also with Maverick - the production’s legal team and their corporate affairs people - to try and understand how far we could go that did not contravene the Ofcom regulations, the Ofcom guidelines. The problem with the guidelines, as I see it, is they are guidelines. They are not regulations. They are grey. They are not black and white” (Fletcher, 2009).
So for example, does the regular presence of Bank Hapo'alm’s representative as a consultant to families in *Overdraft Family* fall under the definition of ‘product placement’? And the ‘incidental’ references by Alon Gal to the slogan of Shufersal-Deal during coaching sessions? And what about tips for ‘smart shopping’ which encourage consumers to do their weekly shopping in food chains? And the design of the set according to Bank Hapo'alm branding that ‘pops up’ in every scene in which a family appears for a ‘bank consultation’, even if the logo of the bank is completely absent? In a similar way, does the fact that the ‘line up’ segment in *HTLGN* was clearly designed in the spirit of – if not an outright copying of – the sponsor’s campaign, fall within the current definition of product placement? And what about the overall agenda of the programme, which is astonishingly similar to that of the sponsoring brand?

Thus there seems to be a lack of understanding, from the regulators’ side, of branding processes and the way in which their dominance in the marketing world influences sponsor integration into media content in recent years. In the new reality it would be more appropriate to adopt a new term which embraces a wider range of practices for brand integration - embedded branding - or simply to realise that product placement is now just one practice among many for brands to be integrated into content, and in fact is often even considered a marginal one. Conceptualising brand integration as an increasingly abstract phenomenon with multiple expressions rather than a concrete one involving the placement of ‘products’ is central in understanding the shift which commercialisation has undergone since the 2000s.

Third, following the previous point, the distinction between product placement and surreptitious advertising, as currently defined in the European and British codes, should also be reconsidered. In all the codes analysed here (Israeli Second Authority for Television and Radio, 1994; European Commission, 2010a; Ofcom, 2011), the main definitive feature of surreptitious advertising is the lack of identification. This indicates, falsely, that surreptitious advertising refers to those cases in which product placement is not properly marked and disclosed. However, as shown in Chapter 5, embedded branding is not about products anymore, but rather about the multi-faceted and intangible integration of brands as images. Therefore, the understanding of proper disclosure in this new landscape that would turn the ‘surreptitious’ to overt and easily recognisable to viewers, should also be reconsidered.
Some would say that it is enough for viewers to learn that Dove sponsored HTLGN to understand the connection between the two. It is often argued that viewers are now more literate and can easily understand that families in *Overdraft Family* walk into Bank Hapo’alim branches because the bank is a sponsor. But can viewers really infer all the details that were agreed behind the scenes, as presented in Chapters 4, 5 and 6? Can they understand all the interconnections between the sponsor and the production, from targeting a certain audience, through the choice of the topic, the development of the format, the choice of participants (in *Overdraft Family* a certain quota of families had to have ‘issues’ with food consumption at some stage, in HTLGN it was mainly middle aged women appearing on the show), the design of the set and post production graphics and later - online activity? In a reality in which brands find so many ways to influence sponsored content, the question as to what make disclosure sufficient becomes a fundamental one for regulators.

Fourth, regulatory codes try to restrict the ways in which sponsors may integrate in programming, but they do not cover commercial censorship, i.e., attempts to exclude some messages from the screen. The notion of product placement relates to what was included in the final product, but anything that happened behind the scenes between the sponsors and producers remains unknown to audiences and out of the reach of regulation. So, for example, in *Overdraft Family* there was an ongoing debate with the representative of Bank Hapo’alim because credit cards were cut to pieces by Alon Gal, as an ‘educational’ step\(^\text{151}\). The head of marketing communications at the bank, Sharon Landsman, openly described this conflict:

\[\text{We had a very long dialogue on whether I’m willing to have credit cards being cut to pieces on the show. I don’t have a problem if the families are told they need only one credit card, even if I personally think one is better off having two of them and even if in practice the bank is the one selling them these cards. My problem with this act is that the credit card belongs to the bank; this is how it most often works in Israel. So, you connect this act of cutting the card, which is an act of}\]

\(^{151}\text{In the current situation in Israel, the banks are the owners of credit card companies.}\)
deep distrust, to the bank. I don’t think I want my brand to be connected to feelings of distrust, on the contrary (Landsman, 2012).

According to Landsman, it was finally agreed that the act of cutting a credit card to pieces would not be presented “too often”, or that:

… it would be balanced with a banker who explains how to use cards responsibly (Landsman, 2012).

In other words, the sponsor successfully exerted its influence in order to reduce the frequency at which certain kinds of advice were given, or certain kinds of action were taken.

In another example from this programme, Shufersal-Deal’s representative said she would object to including any messages that might damage Shufersal-Deal’s strategic goals:

I wouldn't mind if Alon Gal advised families to buy less. People don’t really stop buying. But I would mind if he told them to go shop somewhere else that is not a marketing chain like us. For example, if he recommended doing their shopping in the market or he directed them to do their shopping on Friday at noon, the time of the big weekend discounts in the market. I represent a supermarket, so even if they are told to buy less, I want them to do that ‘less’ in the supermarket. For me, when he talks about food and groceries, there’s only one destination the families can be sent to – Shufersal-Deal (Kaminitz, 2012).

Fifth and probably most significant is the incapacity of current regulation to cope with the competition posed by the unregulated arena of digital media. Although mentioned last, this is probably the most significant factor in the disempowerment of regulation in this area. Television, as the case studies show, is often used as a ‘gateway’ to encourage viewers to go online, where further blurring between content and advertising takes place. This occurs alongside forms of interactivity that are oriented towards collecting personal data and connecting with potential consumers directly.
Thus, the digital arena emerges as a competing platform which accelerates the collapse of the traditional distinctions between advertising and content and at the same time leaves regulation of television behind, in a somewhat helpless position. As advertising budgets are increasingly directed towards new media that is not only unregulated, but also offers novel ways for blurring the line because it is non-linear and interactive, the current guidelines quickly come across as anachronistic.

Although the two case studies differ in terms of their appearance on television, the resemblance of the way sponsorship was implemented in the online environment is striking. Both *HTLGN* and *Overdraft Family* encouraged television viewers to follow the programme online and then introduced them to an environment in which the distinction between the programme and the sponsor was entirely blurred and the shift between content and commerce was confusing and hard to notice. Both encouraged users, through activities such as competitions, quizzes and user-generated content, to provide personal data that would enable further contact with the sponsoring brand. Therefore, the digital element of the sponsorship agreements that has been dissected here presents a landscape of unrestrained and intangible commercialisation which leaves regulatory efforts far behind.

**Harms to the Cultural Public Sphere**

The principal theoretical framework in this thesis has been Habermas’ (1984) discourse ethics and McGuigan’s (2005b) concept of the cultural public sphere, as presented in Chapter 1. The main empirical project has been to understand how the traditional distinction between content and advertising is being challenged and what its implications are for the functioning of the cultural public sphere. Indeed, the empirical chapters (Chapters 4, 5 and 6) showed how embedded branding works to blur the line between these two notions, on television, the Internet and other platforms, in ways that are novel and carefully controlled through formal commercial agreements.

At the start of this chapter I suggested that there was evidence of a constant and inherent conflict between content creators and commercial sponsors, in which the capacity of regulation to protect
the programmes’ editorial integrity from their commercial partners’ demands then becomes the key issue. Moreover, the dominance of the digital media puts the overall effectiveness of regulation, as we currently know it, under question. Thus, I describe a media environment that is marked by a strong tension between the normative ideal of editorial independence and integrity, market forces which increasingly trample it, and regulation which seems to be gradually disempowered when facing unregulated platforms such as the Internet.

What are the possible consequences of this complicated state of affairs? There are a number of ways of approaching the negative implications of embedded branding. One of them relates to consumer protection and the obligation to clearly identify advertising, something that is anchored in formal laws in many countries. This is a significant aspect in any discussion on the topic, and indeed has become a topic of heated debate for fair trade and consumer protection regulators in recent years. The British Office of Fair Trading (OFT) paid attention to this issue for the first time in 2010, when it opened an investigation into the case of a PR company which was found to have been paying celebrities and bloggers to endorse its clients on social networks such as Twitter (Topping, 2011); Israel’s Consumer Protection and Fair Trade Authority decided to dedicate its 2014 event for the World Consumer Rights Day (the 15th of March) to a special discussion on the issue of surreptitious advertising; and, as mentioned earlier, the American FTC conducted a special workshop on ‘native advertising’ and the blurring between advertising and content (Federal Trade Commission, 2013).

However, the current research is focused on the potential harm to the cultural public sphere and to its ability to hold an ethical and meaningful public discourse. This is the other side of the problem which focuses on the identity of audience members as citizens, rather than consumers. It is at the heart of the third research question. Harms in this area are less obvious and harder to understand. Moreover, their negative influence may be more far reaching and I therefore believe it is crucial for regulators and policy makers to clearly understand them before taking any action.

One possible form of damage may be caused simply by the saturation of the public sphere with manipulative messages, and the viewers’ inability to identify them as such. This means that media consumers may not be able to tell if the topic of a television programme (or any other media output for that matter), the characters it presents, the lifestyle it reflects, the environment it shows, the questions it raises, its guests, host, the design of the set and so on, are a result of an
editorial choice or the outcome of a commercial deal. Moreover, most of them are not even aware of the possibility that some of the messages are strategic. The result is that many people may assume they are watching communicative messages, while some of them are falsely presented as such and are inherently manipulative messages, according to Habermas (1984). This also takes from audience members the freedom to choose to avoid such messages.

Furthermore, this rise of embedded branding could result in a constant bias in public discourse that may pose a serious threat to freedom of expression. Commercial funding of certain ‘values’, ideas, agendas or a general lifestyle may bring forward some ideas to public discussion while marginalising, or even completely eliminating, others. Indeed, the Internet has freed content creators from the traditional barriers of distribution, but it is still essential to have significant funding to get a voice, even in the digital arena. So for example, a drama series that promotes a consumerist lifestyle (e.g. young successful professionals leading an urban lifestyle) will have better chances of being funded and produced than a series that deals with issues such as social inequality, poverty, illness or politically controversial issues. By these examples, I do not mean to point at specific ideas that may become more dominant than others in public discourse. As I have shown in the case of HTLGN, brands can decide to adopt values that are non-consensual or controversial (such as women’s body image) and push them to the forefront, as a commercial tactic. What is significant is that the amplification of certain values becomes an outcome of strategic considerations (e.g. does being identified with a certain set of values serve our specific commercial goal?) rather than communicative ones (whether these issues are politically, socially or culturally important and worthy of debate). It is the instrumental use of brands in the concept of public discourse that is at the heart of the problem here. Consequently, the proliferation of embedded branding deals may lead to a general commercial bias in public discourse, but it is impossible to point out its direction, as it is basically arbitrary. Ultimately, this poses a threat to the principle of free public debate which is at the heart of democratic life.

Finally, the other significant harm relates to a situation in which media consumers may become more savvy and aware of the possibility that some messages within media content are there simply because they were paid for by a brand. In this case, the main harm is in the possibility of growing distrust towards mediated communication. Goodman (2006), in her piece on ‘stealth marketing’ (a parallel label for embedded branding), concludes that Habermas’ social theory
provides the best theoretical path to understanding why such practices are damaging for public discourse. She does so after examining different legal aspects of damage caused by integrating commercial messages within media content, such as reduced media competition, the over-commercialisation of content and deception of audiences, and found Habermas’ discourse ethics theory to be the strongest justification for sponsorship disclosure legislation in the context of American media. In her opinion, the harm is caused not only by the manipulative presentation of a strategic action as a communicative one, but also in the process that follows. Once audiences are aware that some of the messages presented to them in the media are actually inauthentic, i.e. commercial and strategic despite appearing not to be, this may make them suspicious of other messages, even if the latter are the outcome of a sincere and independent editorial choice. In that sense, a sponsorship deal for the integration of a brand in a reality show broadcasted at 7:30 pm is not only deceptive for the duration of that hour-long programme, but may also be damaging to the credibility or trustworthiness of an investigative report shown at 9 pm the same evening. Goodman (2006) concludes that:

… stealth marketing harms by sowing skepticism as to the authenticity and truth of mediated communication. The result is damage to public discourse, which the media play such a large part in shaping. Of concern here are not only the false negatives, but also the false positives – the widespread belief that messages are promotional when they are not. Of concern is the suspicion that falls on the editor who makes an expressive choice of a commercial symbol or political position but whose communication is systematically misunderstood (pp. 112-113).

Goodman expresses concern regarding the degradation of the media as a public sphere not just because of its saturation with manipulative messages, but rather because of the loss of trust by audiences in all mediated messages, be it authentic (i.e. communicative) or manipulative (i.e. strategic that is presented as communicative). Surely, audience trust in the media is a complicated topic, as mistrust can grow for different reasons, some of which are already known and their influence is present. It is enough to be reminded of the complex net of corrupt connections between politicians, journalists, policemen and a business magnate that was exposed
during the phone hacking affair in Britain to understand why some polls show growing scepticism towards newspapers and the outputs of other media bodies.

Mistrust that originates in the commercial funding of content, I would like to suggest, is yet another damaging phenomenon in regards to audience trust in mediated communication. In light of what I have portrayed in this thesis, it should be considered as a central one in the contemporary media landscape and treated with grave concern as the phenomenon keeps thriving. The audience’s trust is an essential component in the functioning of the cultural public sphere and its absence may lead to the gradual paralysis of this sphere. Without audience trust in mediated communication it is not only that the cultural public sphere cannot function, but the existence of media outlets may also become unsustainable with time, as audience trust is their first and main resource. Therefore, maintaining ethical discourse and keeping editorial content free from advertiser’s influence and in any way transparent, is not only of interest to regulators and scholars who take a critical approach or media watchdogs, but should be of primary concern for owners of media bodies as well as their executives, in their search for future funding models.

Summary

This chapter presented the market of ‘branded content’ as much less harmonious and ‘synergetic’ than that which the first stages of the case studies, as presented in Chapter 4, seemed to promise. According to branded content agents, it is a market in which just a small percentage of negotiations end up in commercial agreements, and when they do, their implementation is typically rife with tensions and conflicts between content producers and their sponsors throughout the production process. Often, these conflicts end in compromising editorial independence to meet commercial demands. However, conflict resolution in this field is dependent on many different factors, such as market size, the funding model of the production (or the broadcaster), the regulatory climate and general media culture, which are beyond the scope of this project.
My analysis of regulatory codes for audiovisual media shows how in recent years regulators have tended to liberalise their policy regarding commercialisation. Predominantly, they are trying to set rules which would allow commercial funding of content, while restricting commercial influence on content, or at least obligating proper disclosure of such influence. This is done by regulatory efforts to distinguish between funding (i.e. sponsorship) and influence on content (i.e. product placement), create clear definitions which separate between the two and obligate identification of product placement to audiences where it exists. To put it simply, the general orientation in countries which previously supported a clear separation between advertising and content is to move from the climate of separation to that of identification. But the question is – what is it that should be identified to audiences?

The data presented in this research as to the ways in which embedded branding is implemented suggest that such a clear distinction – between funding and its influence – is hardly possible. Commercialisation in the digital age carries a fluid, abstract and multi-layered presence (i.e. ‘deep integration’) in content, such that is no longer product-focused but rather brand-focused. Consequently, any efforts to draw a clear line between sponsors’ money and their influence on the content they support seem to be futile. This is evident in the regulatory codes themselves: their language tends to be convoluted, there are numerous detailed rules, frequently with an overlap between them, as well as some contradiction between the EU code and that of the UK. Furthermore, regulatory codes do not offer ways to cope with commercial censorship. Most importantly, ’branded content’ deals are not restricted to one medium, but are carefully planned to gain multi-platform presence (i.e. ‘continuous integration’). Consequently, regulators are in a disempowered position when confronted with the unregulated, highly commercialised territory of the Internet.

We are therefore confronted with a most erratic media landscape in which technological and economic changes seem to trample ethical principles for public discourse, while regulatory bodies, which ideally should function as a buffer between commercial interests and the public interest, do not seem to be successful in fully understanding the new reality nor in setting sustainable rules for coping with it. This state of affairs poses a number of significant threats to...

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152 I refer mainly to the EU and the UK, as the Israeli regulatory bodies have not managed to lead any significant change in their policy in recent years, nor have they been successful in enforcing their existing rules.
the functioning of the media as a platform for public debate. The first is the saturation of the cultural public sphere with manipulative messages that are an outcome of commercial obligations rather than of editorial choice, without audiences being aware of their manipulative nature. This seems to pose a threat to audience members’ freedom of choice to avoid such messages.

Second, the proliferation of embedded branding may create an (even greater) commercial bias in the media, as topics that for one reason or another, are successful in gaining direct financial support by leading corporations will be amplified, while other topics, that are less successful in being ‘synergetic’ with one brand or another’s ‘values’, will be marginalised. The influence leading corporations may gradually gain over the editorial voice of content creators poses a significant threat to freedom of expression.

Third and most importantly, as audience members may become aware of this phenomenon and its manipulative nature and growing dominance in the media, they may gradually lose trust in mediated content and in the ability of the media to fulfil its function as a cultural public sphere. Going back to the third research question, loss of audience trust is probably the gravest threat posed by the rise of embedded branding, as trust is at the heart the relationship between the cultural industries and their audience members. This is not just a threat to editorial integrity, but also raises serious questions as to the sustainability of embedded branding in the long term. Therefore, this potential threat should worry not only those who are concerned with an ethical discourse in democracy, but also the owners and executives of media outlets that may find themselves sawing off the branch on which they are sitting.
Conclusions

Research Topic and Research Questions

The objective of this thesis has been to understand how the commercial funding of content influences the public role of the media, i.e. its implications for the creation and maintenance of a public sphere (Habermas, 1989). The research focused on a funding model which professionals in the media and marketing fields call ‘branded content’ and also, in the last couple of years, ‘native advertising’. These general labels refer to the model of commercial funding which is oriented towards integrating sponsors within content. I refer to it as ‘embedded branding’ and define it as follows: the integration of a commercial entity, or any other entity which is not the producer, broadcaster or distributor, into media content, on the basis of material return, and without identifying it as advertising.

Since the early 2000s, embedded branding, or - ‘branded content’, has become a rising trend and a thriving market in the field of commercial media in many countries (Quinn & Kivijarv, 2005, 2006, 2008, 2010, 2012, 2015)

My choice of the term embedded branding throughout this thesis is not incidental. The term deliberately distances itself from the industry’s own terminology and suggests a more critical point of view to this funding model. By preferring this name over the one commonly used in the industry, I wished to emphasise that from a normative perspective, the two notions of ‘content’ and ‘brand’/’branding’ are not only qualitatively different but, in fact, are in inherent conflict. While the label ‘branded content’ is oriented towards blurring this difference in the public eye, normalising their conjunction and masking any tension or contradiction between the two words, the term embedded branding is oriented towards emphasising the surreptitious nature of these commercial deals as well as the central role that brands play in this field. To put it simply, I argue that media content, as traditionally understood, should not be ‘branded’. It is a contradiction in terms.
Three questions were set at the centre of my examination of ‘branded content’ and its influence on public discourse:

To begin with, I wished to explore how this market, which tends to be hidden from the public eye and often operates in the grey zone of legality and ethics, actually operates. This was a challenging mission as the actors in this market have little interest in making their actions transparent. This field, in general, is difficult to penetrate and investigate and I therefore set myself a significant methodological challenge by asking this question.

Second, I asked, in light of the new data I presented, whether the market of ‘branded content’ should be considered as a new phase in the commercialisation of media content. Is embedded branding just a continuation of a long and familiar tradition of product placement and sponsorship, or is it essentially different from what we have known before? And if the latter is true, what are the characteristics of this novel phase?

My third question was a normative one and was actually my incentive for starting this exploration in the first place. I wished to dissect the influence of these practices of commercialisation on the functioning of the public sphere and consequently point at possible guidelines for regulators and policy makers.

**The ‘Branded Content’ Market**

My research is a preliminary exploration into the market of ‘branded content’. I was looking for answers to basic questions: can we talk at all of ‘a market’ and if so, who are its actors, how are they organised and what do they do?

The data I have collected from background interviews with branded content agents in London and Tel Aviv, together with the detailed look into the case studies of the British *HTLGN* and the Israeli *Overdraft Family*, confirms the emergence of a market in which professional middlemen work to facilitate formal deals of commercial co-operation between sponsors and broadcasters or independent producers of media content. Branded content agents thus serve as a link between sponsors and broadcasters or content producers, and their work is therefore central for
understanding this field. What is exchanged in this market is ‘media space’ inside programming, i.e. the integration of sponsors into media content in various ways, in return for funding, i.e. material return (either money or barter).

These agents can be found on both sides - in marketing and communications agencies (representing brands) as well as in broadcasting and production companies (representing content producers). They may also work as independent agents. What the background interviews suggest is that the most common model is that of a branded content agent representing the sponsors’ side, i.e., working in a marketing and communications agency which offers a variety of services, ‘branded content’ being one of them. This was indeed the case of the branded content agents in both the cases that were studied here: Dan Fletcher from Mindshare (WPP) was responsible for the sponsorship agreement for HTLG with Golan Pratzer from Gitam-BBDO (together with Eyal Se’ada) managed the sponsorship agreements for Overdraft Family.

Evidence shows that this market emerged from the early 2000s both in the UK and Israel. This comes from market research reports, news reports and scholarly articles (Carter, 2001 January 28, 2003 January 25; Jenkins, 2006; Magder, 2004; Quinn & Kivijarv, 2005, 2006, 2008, 2010, 2012, 2015). It is also supported by the simple fact that most branded content agents interviewed for this research were actually the first ones to take this role in the companies that hired them. They carried different titles – ‘head of programming’, ‘head of brand partnerships’, ‘head of broadcast, sponsorships and production’ or ‘head of branded content’, but where practically all involved in the same practice - getting brands and content producers to work together.

Branded content agents are those who usually establish the first contact between the two sides, they confirm the initial willingness of both sides to co-operate and then negotiate the details of

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153 This was, for example, the case of Yuval Lev (McCann Erickson) and Golan Pratzer (Gitam-BBDO) in Israel, or Chantal Rutherford (Mediaedge:CIA), Simon Willis (Mindshare), Tony Mouldsdale (MediaCom) or Phil Cresswell (Universal McCann) in the UK.

154 This was, for example, the case of Ori Goldberg (who worked in the past for the broadcaster Reshet) in Israel, or the case of Vicky Kell (sponsorship department at Channel 4) in the UK.

155 Ori Goldberg, for example, later became an independent agent. This was also the case of Erez Bergbaum who opened his own agency, C, in Tel-Aviv.

156 Unfortunately it was practically impossible to obtain any systematic data on the financial aspects of the market of ‘branded content’ because it is loosely defined and includes formal sponsorship agreements as well as informal barter deals and other commercial co-operations, and also because there are hardly any independent bodies that monitor this activity in the markets I was studying.
the deal, as demonstrated in Chapter 4. Typically, the mutual understandings, if indeed agreed upon, are then anchored in formal agreements which clearly describe obligations by both sides – content makers and sponsors.

An important element in the negotiation phase is the belief, held by both sides, that they are involved in a joint mission to promote a shared worldview through public debate. For example, a feminist agenda which works to debunk stereotypes of female beauty and therefore empower women, as was the case with Dove and HTLGN. In the initial dialogue phase, the belief that both sides are, equally, ‘actors’ in the cultural public sphere (McGuigan, 2005b) assists them in reaching agreements on what is essentially the purchase of ‘media space’ in programming. It helps the brand’s representatives to see themselves as those who are working for the ‘public interest’ and on the other hand, it helps content producers to maintain their image as those who do not simply give in to commercial interests for funding reasons.

However, in practice, sponsorship agreements tend to be carefully and strategically planned so they serve the pre-existing comprehensive strategic goals of the sponsors, as Chapters 5 and 6 demonstrate through a close look into both sponsorship agreements. That is, it is not about the two sides ‘coming closer together’ for a joint mission in the name of the public interest, but rather more about examining whether a certain production is, to begin with, a potential vehicle for the sponsor’s strategic goals (that obviously cannot be changed or challenged).

So, for example, I showed in Chapter 4 that Dove showed interest in sponsoring HTLGN because the programme voiced the same message as the Real Beauty campaign (‘Female beauty can come in many shapes and sizes’) and aimed to attract a target audience of middle-aged women, which Dove was looking for at that time, for the purpose of marketing its Pro-Age line of products. Similarly, Bank Hapo’alim decided to sponsor Overdraft Family because it was looking to provide viewers with tools for better financial management, which was also a strategic and financial goal for the bank, as well as part of its general vision and positioning as a brand157.

The dialogue between producers and sponsors does not end once formal agreements are signed. Rather, signing an agreement is just the beginning. As both case studies suggest, it is an ongoing

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157 As the head of marketing in the bank emphasised, this idea, which was defined as ‘financial freedom’, was strongly promoted by the bank’s owner, Shari Arison, as part of her personal vision (Landsman, 2012).
process of monitoring and negotiation which continues throughout the formation of the format, the production process and the post-production stage. It relates to the tiniest details which emerge along the way. This was true in both cases, but indeed was more evident in the Israeli case study in which sponsors got access to almost complete versions of episodes during the editing process and could ask for ‘corrections’, for example including better shots of Shufersal-Deal branches, to their complete satisfaction.

Indeed, one of the predominant characteristics of embedded branding deals is their detailed nature. The evidence for this comes from various internal presentations which reflect those agreements (Bank Hapo’alim, 2009, 2010; Bank Hapo’alim’s Marketing Department, 2009, Gitam-BBDO, 2010, Gitam-BBDO Content, 2009; Mindshare, 2007) as well as interviews. The detailing of embedded branding deals, as Chapters 4, 5 and 6 clearly reveal, is often striking: it relates to the setting of the room where the banker meets the participants of Overdraft Family, so that the colour of the brand (red) will clearly come across to viewers through different elements (the banker’s red shirt, a red lamp, red cups, the red in the bank’s posters on the wall and on the bank’s signage) (Bank Hapo’alim, 2009, 2010; Landsman, 2012). It is about how the presenter will refer in a ‘natural’ way to the sponsor’s slogan (“Your money buys more”, in the case of Shufersal-Deal) while talking to participants, or will mention the brand name so that it will not be exactly the same, but will sound similar, for example “Storage-Deal” (Kaminitz, 2012). It is also about, as was in the British case, whether the sponsor’s products would be included in the product testing segment in the show, an issue that was debated for “weeks and weeks and weeks” (Fletcher, 2009) between Dove and the production of HTLGN.

The other noteworthy characteristic is the encompassing nature of these deals. Evidence shows that embedded branding deals are carefully designed to give the ‘coupling’ of the sponsor and the programme presence across a range of media platforms beyond programming on television, including for example radio, press, sponsorship bumpers, marketing channels of the sponsor (for example, advertising) and later - special events in the real world along which the ‘symbiosis’ between the sponsor and the programme is finalised and ultimately render the two sides indistinguishable.

Consequently, my analysis, based on thematic coding, suggests two dimensions that are typical of ‘branded content’ deals: ‘deep integration’, which relates to the presence of sponsors in
programming and was presented in Chapter 5, and ‘continuous integration’, which relates to the ways in which the commercial co-operation is further extended to the entire media environment and then back to the real world, as presented in Chapter 6. I will further explore these dimensions in the next section.

I described the beginning of these commercial co-operations as the stage of ‘falling in love’; the two sides enthusiastically fall into each other's arms, believing they found a perfect ‘match’. However, as described in Chapter 7, it is often during the production process that conflicts and disputes emerge, revealing the different positions the two sides hold. Indeed, branded content agents described their field as being loaded with conflicts and tensions (Cresswell, 2009; Goldberg, 2011; Johnson, 2009; Lev, 2008; Moulsdale, 2008; Rosenfelder, 2009; Rutherford, 2008b; Se'ada, 2011; Willis, 2008).

These conflicts, or debates, expose and emphasise the different nature of the actions taken by the two sides, despite their attempts to find a common ground. While content producers are, broadly speaking, oriented towards generating discourse around the specific topic, sponsors focus on using discourse in an instrumental way, for their own purposes. This difference is best understood through Habermas’ (1984) theory of discourse ethics and specifically his notions of ‘communicative action’ and ‘strategic action’, as I have presented in Chapter 1, which introduced the theoretical foundations of my analysis.

In communicative action, the actor is oriented towards reaching understanding with another actor (or many actors) and is using the speech act for this purpose. In strategic action on the other hand, the actor is oriented towards reaching a certain goal and is using the speech act for the purpose of influencing another actor (or actors). Thus, while in communicative action, the actors can influence each other through speech and an exchange of views, once one of the actors is involved in strategic action, his or her intention is to gain influence over others, not to engage in open debate, and he or she in fact cannot be moved from his or her basic position.

This fundamental difference, which the agreements try to bridge, or rather blur, explains the difficulty of reaching agreements for ‘branded content’ and, consequently, the small percentage of deals that are finally signed out of those that are negotiated, as a number of interviewees
reported (Cresswell, 2009; Willis, 2008). Regulatory restrictions on commercial influence are another reason for the small amount of successful deals for commercial co-operation.

Despite this fretful reality, what clearly emerges from the empirical data is that both sides are eager to get involved in these commercial co-operations; they actively search for such partnerships and are happy to ‘get married’, i.e., sign formal deals, once they find enough similarities in each other. Therefore, the field of embedded branding should not be understood as a case of commercial pressures being imposed on content producers, but rather as a mutual attraction between the two sides. This requires scholarly inquiry into the powers that push them into each other’s arms, and indeed this was my mission in Chapter 2.

Thus, from a theoretical point of view, I chose to describe this mutual attraction as ‘elective affinity’ (Wahlverwandtschaft) - Weber’s notion, which explains the choice of one action over many possible others, based on the inner similarities, i.e. affinities, of the two parties involved (Howe, 1978; Weber, 1949; Weber & Kalberg, 2011). But what are these ‘inner affinities’ between media bodies and marketers which bring them, in the spirit of Goethe’s 1809 novel Elective Affinities (2008) (Die Wahlverwandtschaften), to ‘fall in love’ (i.e. discover their similarities) and finally ‘marry’ (i.e. commit to formal ‘branded content’ agreements)?

These should be understood by looking at the changes that both marketing and media fields have undergone. The successful penetration of new technologies, from cable television, personal computers and VCRs in the 1980s, to the Internet and various digital technologies (VOD and DVRs) in the 1990s and 2000s, had a twofold effect on commercial media. First, it marked the end of the ‘big’ media platforms era and pushed for an intensified fragmentation of audiences. Secondly, these technologies opened the way for viewers to skip commercials entirely (Turow, 2006). Consequently, they put the classic model of advertising-funded media under question. The anxiety around the death of the ‘30-second spot’ became the code name for this broad and multifaceted process.

In the marketing world, audience fragmentation was a dominant factor in the growing dominance of branding processes. Marketers needed to think of ways to gain commercial presence across

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158 Books such as The End of Advertising as We know It (Zyman & Brott, 2002) or Life After the 30-Second Spot (Jaffe, 2005) clearly reflect this discourse among marketing professionals.
many spaces, not just advertising, through a number of main ‘pipes’. Therefore, the contemporary orientation of branding processes is focused on consumers’ perceptions of the brand as an image, which goes beyond the material and functional value of the product or the service (Arvidsson, 2006; Lury, 2004; Moor, 2007). This led to what Moor (2007) describes as the ‘spatial turn’; brand presence across a range of spaces, either in the physical world or the mediated one. Among other things, it led marketing and communications agencies to offer their clients a range of services, beyond advertising, and expand into spaces that were previously non-commercialised. Sponsoring media content is part of this general tendency to expand into new spaces. ‘Branded content’, consequently, became an emerging niche activity in the quickly adapting marketing world.

At the same time, the media world also had to react to audience fragmentation. It led to the trend of content convergence - the flow of content across multiple media platforms (Jenkins, 2006). Content convergence has had a twofold effect on the operation of media outlets: first, it transformed them from being mono-media bodies into content providers across multiple platforms. This shift broke the traditional link between the production of content and a specific medium. Second, it forced them to search for alternative funding models, beyond traditional advertising, that could fit to the reality of multiple platforms. Advertising that is integrated into content and ‘flows’ with it from one platform to another seemed, prima facie, like a promising solution for both content producers and advertisers in this new, complex environment.

Thus, the rise of embedded branding as a funding model for media content is an outcome of changes that happened almost simultaneously, in the marketing world and in media bodies, as a reaction to the growing fragmentation of audiences and various digital technologies which allow the avoidance of commercials. The ‘attraction’ is therefore mutual: both brands and content producers wish to gain multi-platform presence (television, the Internet, mobiles) and to encourage the flow of audiences from one platform to another; they both aim to target clearly defined audiences; they both put their efforts in ‘collecting’ these relatively small audiences across various platforms; they are both interested in overcoming technologies that allow users to skip commercials. This is why the term ‘elective affinity’ is most suitable to describe the growing closeness between marketers and media bodies, between commerce and content.
The Age of Hyper-Hyper Commercialisation

Following my exploration of the market of ‘branded content’, my second question was: is there anything significantly new about embedded branding? Is it just a better-organised version of previous commercial activity, or are there new features in it that merit the attention of media scholars and the public? Following the analysis of the case studies in the empirical Chapters 4, 5 and 6, my answer is that embedded branding can and should be seen as marking a new phase of media commercialisation, as I will now elaborate.

The historical account I provided in Chapter 2 suggests that the tension between the editorial side and the commercial one has always existed in the arena of commercial media and it should be understood as one of its inherent characteristics. The extent of separation between the two was, historically, an outcome of local media culture, its ethics and regulation, as much as it was dependent on the existence of a sustainable economic model. Thus, it is an area in which ethics and money constantly interact under the particular circumstances of the time.

Sponsorship is a funding model in which the sponsor (or sponsors) funds a specific production for the purpose of promoting their brand name159. It began in the first days of American radio and later television, and meant that in practice, advertisers were the producers: they had full ownership and control over the sponsored production (Barnouw, 1978). However, the understanding and application of this model changed significantly with time and place. British regulation, for example, puts great efforts into distancing sponsors from any influence on programming (Ofcom, 2005, 2011) and so does the Israeli regulation (Israeli Second Authority for Television and Radio, 2009).

Product placement is the inclusion of commercial reference within a programme or a film by mentioning a brand or a product in sound or image in return for payment or other consideration160. It is rooted in the history of the film industry, mainly Hollywood, but was most

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159 The current European directive defines sponsorship as follows: “Any contribution made by public or private undertakings or natural persons not engaged in providing audiovisual media services or in the production of audiovisual works, to the financing of audiovisual media services or programmes with a view to promoting their name, trade mark, image, activities or products” (European Commission, 2010c, Article 1[k]).

160 The current European directive defines product placement as follows: “Any form of audiovisual commercial communication consisting of the inclusion of or reference to a product, a service or the trade mark thereof so that it is featured within a programme, in return for payment or for similar consideration” (European Commission, 2010b, Article 1[1][m]).
of the time a relatively marginal phenomenon, as the major studios held a solid funding model that was based on tickets sales.

As I have shown in Chapter 7, regulatory bodies in countries that wish to guard the separation between content and advertising (such as the UK and other European countries\textsuperscript{161}) have struggled to keep formal distinctions between these two practices, but my analysis is sceptical as to the relevance of these efforts and the definitions they are based on, when faced with the rapidly changing reality of media markets. Product placement, as the case studies show, is rarely a practice on its own, but actually one of the more visible expressions of commercial funding and therefore is best understood as a practice that falls under the notion of sponsorship. Thus, the fact that some advertisers pay for their products or logo to be seen in a programme or a film is a form of sponsorship (even if it does not fully cover the costs of the production).

Therefore, it would be more accurate to ask – is there anything new in sponsorship since the beginning of the 2000s? The data from the case studies suggests that there is. We have been witnessing, for almost two decades now, the rise of a new market, that of ‘branded content’/‘native advertising’ and the professional activity of middlemen, i.e. branded content agents, that are at its core activity. Market research data suggest that the field of embedded branding is on a constant economic rise and is still expected to grow significantly (PQ-Media, 2005, 2006, 2008, 2010, 2012; Quinn & Kivijarv, 2015). The findings of this thesis suggest that we should look carefully at two characteristics of this funding model that turn it into something completely different from what it was before: deep integration and continuous integration. I will now turn to discuss their meaning.

By ‘deep integration’, as presented in Chapter 5, I refer to the tendency to integrate sponsors into programming in a multi-layered way that creates a media space which is saturated with the brand’s presence in ways that are hard to notice or to clearly scrutinise. I identified three such layers: the first - diffusion of messages - relates to the integration of messages and ‘values’ by the sponsor into the programme’s format or specific content; the second - visual diffusion - relates to the various ways in which sponsoring brands are visually embodied in programming, by referring to various elements in their branding such as colours, fonts, general look and feel.

\textsuperscript{161} Israel as well, but in the case of the Israeli regulation there is no specific reference to product placement.
and so forth; the third – product placement - relates to the ‘classic’ practice, i.e. the straightforward exposure of products, services and logos in the programme. What is particularly noteworthy is that my data suggests that abstract forms of integration (messages and design), which promote the brand as an image, are more significant to sponsoring brands than simply pushing their products and services forward through ‘product placement’. Deep integration works to blur the line between content and advertising, as by being ‘in the air’ and ‘everywhere’, but not specifically somewhere as in a concrete product or service, brands become an inseparable and indistinguishable part of the programme.

I have shown how this multi-layered model works in both case studies. In Overdraft Family, for example, visits of participants to Bank Hapo’alim branches and Shufersal-Deal branches became part of the format, as well as ‘tips’ by the sponsors that were incorporated in the programme (either by the representative of the bank or by the presenter). This does not only allow the sponsor’s messages to come across in the programme, but establishes a neoliberal narrative (Coudry, 2008, 2010; Coudry & Littler, 2011) in which individuals carry the responsibility for their financial situation and the bank is presented as a professional authority that works for the benefit of its clients, one which ‘responsible families’ must turn to for help. Therefore, it was not so much the particular messages by the bank which promoted the sponsor, but the positioning of the bank as a guardian of families. In Overdraft Family there was no sign of the harsh and critical discourse that was taking place during that period in Israel162 in relation to the leading banks (for example, outrageously high commissions, excessive salaries to senior executives and most importantly, the unprecedented loans given to a number of rising business magnates that promoted concentration within the Israel economy and severely damaged middle class families such as the ones receiving ‘coaching’ in the ‘reality’ programme). Bank Hapo’alim is not just a sponsor of an entertaining television programme, but one of the most influential privately owned corporations in Israel, and part of the highly harmful Po’alim-Leumi duopoly.

Visual diffusion was a dominant element in the case of HTLGN, as the programme incorporated the visual ‘language’ of the Real Beauty campaign, for example through the ‘line up’ segment, which presented women in plain underwear standing in a row, an element that was highly

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162 In some media outlets, the most notable one was the financial newspaper The Marker. Part of the problem in Israeli media is that many of its media outlets are submerged in various financial interests which sterilise their critical position.
identified with the commercial campaign. By doing so, the programme promoted the identification of Dove with the feminist agenda of ‘You are beautiful as you are’, and even more importantly, presented the beauty brand as an ‘actor’ in public debate rather than a commercial entity whose interest in public discourse is merely strategic. Visual diffusion was more intentional and blunt in the case of Overdraft Family, in which, as the interviews revealed, brand representatives supervised the most minute details, so as to make sure that the brand’s presence would ‘pop up’ to viewers in a surreptitious way. Product placement proved to be a rather marginal element in both sponsorship deals, to the extent that Dove were willing to accept the presence of products by other beauty brands, as long as their branding was embedded all over the programme.

By ‘continuous integration’, as presented in Chapter 6, I refer to the cross-platform orientation of embedded branding deals. The notion of ‘continuity’ refers to the flow, or migration, of the commercial co-operation. This is a flow from a non-commercialised space (programming) to a commercialised one (e.g. sponsorship credits or commercial vignettes), as much as a flow across different platforms (from television to the Internet, press, radio and so forth) and then back to real life. This happens gradually, so viewers are ‘shifted’ from the space of the programme to commercial terrain in a smooth manner that can hardly be noticed.

My analysis identified three ‘stages’ of this flow: the first is the blurring between the programme and commercial time on television, through sponsorship credits or commercial vignettes (both are practically short commercials); the second is the cross-platform presence of the coupling between the brand and the programme, in which the Internet plays a particularly significant role; the third is the embodiment of this coupling in ‘real world’ events, which works to reconstruct and personalise the mediated experience and at the same time, naturalise the sponsor-programme commercial symbiosis in the public eye.

After the line between the programme and sponsorship credits was blurred on television, as happened in both case studies, the commercial matching was extended from television to other platforms and then into ‘real world’ events. In the case of HTLGN, Dove was embedded in the programme’s website on Channel 4’s online platform, and in its VOD service. Dove’s representatives were then allowed to access the live audience of the show during shooting days. They offered women the chance to try Dove Pro-Age products and collected their personal
details. In the case of *Overdraft Family*, the branded content agents, as they put it in their own words, created an “octopus” (Se'ada, 2011), i.e. a multipartite ‘creature’: the programme and its two sponsors marched hand in hand across the programmes’ website, a popular news site, a local radio station and the national press. Later, the presenter joined the sponsors to create coaching events in both sponsors’ locations (Bank Hapo’alim branches and Shufersal-Deal branches). My findings in Chapter 6 showed that the embedding of the sponsors’ content and imagery on the Internet was particularly important and novel. It is one of the characteristics of digital media that allows a further blurring between editorial content and commercial messages and seems to change power relations between the two sides to the deal. The Internet is a largely unregulated medium and more importantly, it offers a very different experience compared to broadcast television. It is non-linear and allows both simultaneity and interactivity. These features cancel the temporal and spatial (visual and audio) separation that exists on linear media, and open the way for novel practices of sponsor embedding. Brand integration on the Internet opens the way to personal interaction with consumers, the collection of personal data in a way that is hardly noticeable by users (by ‘tempting’ them to take part is quizzes and competitions, for example) and thereafter, the establishment of recurring contact with consumers.

So, for example, both programmes’ websites offered editorial content which was ‘wrapped’ in the brands’ graphic design. Both websites linked users to a commercial micro-site in a way that created a feeling of continuation rather than separation. In the transition to the Internet, both sponsors wished to become ‘partners’ rather than ‘sponsors’ (Fletcher, 2009; Se'ada, 2011) and indeed, Dove was presented as such on the commercial micro-site that was a satellite to *HTLGN*’s website (“In partnership with *How To Look Good Naked*, Dove is fighting the traditional idea that age is an imperfection that needs to be corrected”163).

Thus my findings suggest that the phenomena of ‘continuous integration’ and ‘deep integration’ are novel features of contemporary media production, and that together they indicate that embedded branding should be seen as a new phase of commercialisation. In this new phase, the blurring of content and commerce goes far deeper and further than before. Commercial co-operations are first anchored into the depth of content, but then tend to spill over around the

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programme and beyond it. This creates a media environment that is saturated with representations of this coupling - the sponsor and the programme - and the messages they wish to convey, so they become inseparable and ‘natural’ to viewers. In this new scene, the digital arena plays an especially important role, as its characteristics and lack of regulation push for further blurring between content and advertising.

These new characteristics are best understood in light of the recent literature on branding, as presented in Chapter 2. There are two points that are noteworthy in the way brands ‘work’: they are oriented towards integrating themselves into the consumers’ everyday life in an ‘authentic’ and natural way (Arvidsson, 2006; Lury, 2004; Moor, 2007) and they wish to become an integral part of consumers’ identities, to guide their perceptions, values, life style and ultimately behaviour. Arvidsson (2006) thus refers to brands as ‘building blocks’ for consumers to create meaning and identity. Sponsoring media content, i.e. ‘branded content’, therefore, is part of brands’ general tendency to expand into previously non-commercialised spaces.

The second point is that branding uses design to embody brand values and identity in a way that is, on one hand, quickly and easily recognisable by consumers across different spaces, like a ‘pop out’ effect, and on the other, is flexible and can change to fit into the context of the specific space. This happens through the use of logos, clearly defined colours, fonts and other visual signs which give the brands’ identity and core values a visual and material form (Moor, 2007). These features help us to understand the rise of these novel characteristics I described – deep integration and continuous integration - in which the brand is embodied through abstract representations that ‘flow’ across multiple platforms. Thus, it is the ‘spatial turn’ of brands that best supports my claim for a new phase of commercialisation, that goes even further than the McChesney’s (2004) ‘hyper-commercialisation’ argument to what should, perhaps, be considered as ‘hyper-hyper’ commercialisation.

Harms to the Cultural Public Sphere

There is more than one way to approach the question of harm being caused by the rise of ‘branded content’. It raises questions as to fair competition (as some brands ‘buy’ access to
programming and leave their competitors outside)\textsuperscript{164} and, more importantly, it touches on questions regarding consumer rights protection (as audiences are exposed to surreptitious advertising). Goodman (2006), for example, has explored in detail the different theories of harm in relation to what she calls ‘stealth marketing’. However, my interest in this research was a specific one: I wanted to look at the implications of this model of commercial funding on public discourse. For this purpose, I have relied on Habermas’ notion of the public sphere (1989) and his theory of communicative action (1984) and tried to understand if it is possible to point out one harmful effect (or a number of them) caused by the ongoing involvement of brands in the production of media content.

The empirical data presented in this thesis shows how ‘branded content’ works to blur the line between editorial content and advertising. Habermas’ theory of discourse ethics, on the other hand - based on his notions of ‘communicative action’ and ‘strategic action’ - suggests these acts are inherently different. It is the tension between the reality of media markets - that ‘elective affinity’ between sponsors and producers - and the ethics of discourse, which is the basis for my discussion on the third research question regarding the potential harms to public discourse and, consequently, the appropriate regulatory steps (which will be discussed in the last section).

However, as I have indicated in Chapter 1, it is appropriate to be cautious in suggesting that any programme on television is necessarily ‘communicative’, i.e. generating a meaningful contribution to public discourse. But all programmes have the potential to do so. Ideally, the public sphere should provide its actors with the conditions to engage in communicative action and the ability to differentiate it from strategic action. It should be a sphere which allows its actors to produce meaningful acts of speech. When a strategic action is consciously presented as a communicative one, as is the case with embedded branding, this is, in Habermas’ (1984) view, a ‘conscious deception’ or simply, a manipulation. In these situations:

\begin{quote}
… at least one of the parties behaves with an orientation to success, but leaves others to believe that all the presuppositions of communicative action are satisfied (p. 332).
\end{quote}

\textsuperscript{164} More than often ‘branded content’ agreements specifically include a strict ban on the inclusion of other brands from the same category.
It is the manipulative nature of ‘branded content’ that is the key to understanding its harmful effect.

However, I found Habermas’ notion of the public sphere to be too limited in the context of my discussion, as it is mainly concerned with political debate, the work of journalists and the ideal norms the press should uphold\textsuperscript{165}. Embedded branding actually emerged and flourished in genres that are viewed as ‘entertainment’ and therefore considered to be less significant to the maintenance of public debate. But this understanding seems to be detached from the reality of the contemporary media landscape, in which ‘light’ programming often touches on social and political issues and becomes nonetheless significant. The case studies clearly suggest this is the situation. They discuss issues that are public as much as private: the financial situation of individuals and families or women’s self-esteem as an outcome of society’s perception of their bodies.

I therefore preferred McGuigan’s (2005) more elaborated notion of the cultural public sphere, as presented in Chapter 1. Public discourse, according to McGuigan, is not limited to news and current affairs programming, but rather has a fluid nature; it ‘flows’ across many genres and echoes through many different modes of mediation. What may start as a simple news report (e.g. phone hacking of a member of the royal family) or as an ongoing issue that occupies the press (e.g. concentration of ownership in the media and corruption) can then be discussed and processed again and again in satire, comedy, reality TV shows, drama and so on. McGuigan's cultural public sphere includes various genres that can be nonetheless meaningful to public discourse. Basically, it can include any form and genre of mediated communication.

What are the potential harms caused by the abundance of manipulative messages in the cultural public sphere? The first potential for harm is that of saturation of the public sphere with manipulative messages and the viewers’ inability to identify them as such. This means that media consumers may not be able to tell if the different elements of a television programme (or any other media output for that matter) are the result of an editorial choice or an outcome of a commercial deal. Thus, they assume what they watch is a communicative message, without

\textsuperscript{165} Indeed, the limitations of the public sphere to political issues and to rational debate were at the heart of the critique of Habermas (Dahlgren, 1995; Garnham, 2007; McGuigan, 2000, 2005; Negt & Kluge, 1993)
being aware of the possibility that some of its elements are strategic. The harm in this situation does not end with the deceit of audiences and the abuse of their trust. The merging of communicative actions with strategic ones distorts the editorial process as a whole. It opens a ‘gate’ for commercial interests to enter the cultural public sphere and allows brands to amplify what they see as significant, through sponsoring, while these topics, or their framing, do not necessarily align with the public interest. On the other hand, it marginalises other topics that are unappealing to sponsors, by impairing their chances of finding financial backing, being produced and consequently voiced in public, for example the problematic role of the two leading banks, Bank Hapo’alim being one of them, within the Israeli economy, or the role of giant corporations such as Unilever itself in promoting a narrow and unrealistic image of female beauty. This ultimately distorts the editorial process as a whole and threatens to paralyze its most important role, that of agenda setting, in the name of the public interest.

The problem is not whether one topic or another was presented correctly or fairly, but the fundamental instrumental approach that is at the basis of promoting one brand’s ‘agenda’ over another’s. It was no coincidence that I chose to look, in the British case, at a commercial campaign that was actually ‘easy’ to like and sympathise with, such as the *Real Beauty* campaign. More than once I was asked “But what’s wrong with it? It works to empower women!” . The problem, to put it simply, is that Unilever, the corporation behind the campaign, does not really care about feminist issues and needless to say, is not a feminist organisation. Like any other corporation, it is practically ‘blind’ or indifferent to the public meaning of its marketing messages and approaches them instrumentally: the corporation produced the *Real Beauty* campaign on one hand, while on the other - the sexist line of advertising for Axe deodorants for men, which presented young and thin women with bikinis as wild animals, running ferociously, stepping over each other, in their chase after the smell of a man. There was nothing ‘real’ about the Axe women. The two campaigns voiced very different messages, contradicting ones, because they were targeted at different audiences, but both served the strategic goals of a single source, that of Unilever.

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166 The video of the Axe commercial can be found here: [https://www.youtube.com/watch?v=I9tWZB7OUSU](https://www.youtube.com/watch?v=I9tWZB7OUSU) . Last accessed: 01.02.15.
The second potential harm stems from the first one: once manipulation is revealed there may be a gradual loss of trust in media discourse/content. In this situation, once audiences become more aware that some of the messages presented to them in the media are actually inauthentic, they may become suspicious not only towards messages that were manufactured by branded content agents, but also toward sincere and independent editorial choices, simply because they cannot tell the former from the latter. In that sense, ‘branded content’ in a reality show at 7 pm may damage the trust in an independent documentary broadcast at 9 pm. It is the threat of a gradual loss of trust towards mediated communication that is the gravest harm caused by embedded branding.

Of course, mistrust in the media can grow for different reasons; many of them already present, such as unethical influence because of concentration in the media, cross-promotion (Hardy, 2010) or corruptive connections between private ownership and the political arena. However, in light of the findings of this thesis, mistrust that originates in commercial funding of content should be considered a serious and evident threat to audiences’ general trust in media and treated with grave concern as the phenomenon keeps thriving, especially in the digital arena.

Contribution to Knowledge, Policy Recommendations, Limitations of the Research and a Look Forward

My findings contribute to debates about media commercialisation by pushing them beyond the traditional focus on product placement discussed in the past by prominent media scholars (Jenkins, 2006; McChesney, 2004; Turow, 2006). They put more weight on this phenomenon as a funding model, i.e. sponsorship, and uncover its nature in the digital era as a multi-layered, intangible and encompassing process in which brands influence public discourse in ways that are harder to notice and dissect.

I have shown how the rise of branding has shifted marketers’ focus from pushing forward their products or services in programming, to promoting their brand through ‘values’ and design. By that, I meant to emphasise the significance of branding rather than the more conventional perspective which mainly looks at technological changes and the alleged ‘death of the 30-second
spot’. The new phase in the commercialisation of media content that I describe suggests an intangible and more alarming influence sponsors wish to have over public discourse than the conventional perception of product placement, as it is oriented towards ‘ideas’ rather than objects. I argue this poses significant threats to the functioning of the cultural public sphere.

Second, the findings I have presented emphasise the tendency of ‘branded content’ deals to flow across platforms and surround media consumers with an artificial environment in which the matching between the production and its sponsors is ‘naturalised’, until it is finally re-embodied in non-mediated events and becomes ‘real’. This adds more layers to the critical discourse on the harmful influence of brands and, more generally, the immense power of corporations.

Third, in my analysis I gave special attention to the role of the digital arena in further blurring the line between content and advertising in comparison with linear media (such as television). This is a contribution to the greater effort made by scholars to portray and understand the changes resulting from the shift between ‘old media’ and the ‘new’ one and their implications.

Fourth, I have presented theoretical tools, based on the ongoing debate around the Habermasian public sphere concept and its theory of discourse ethics (Habermas, 1984) to draw the line between production of media content and advertising. This question - the fundamental difference between content and advertising - is at the heart of any debate on commercialisation in the digital age and will become, I believe, more and more relevant as the blurring between the two deepens.

Furthermore, my findings and analysis elaborate the discussion of commercialisation beyond the narrow terrain of journalism and present public debate as a fluid process that happens in various genres and modes of creation, reality television being one of them. I believe that my use of McGuigan's (2005) notion of the ‘cultural public sphere’ would be useful to other scholars, as the conventional hierarchies of genres erode and the need to discuss standards of media content in general, rather than just ethics of journalism, becomes a necessity.

Lastly, taken together, the findings of the study offer some important new ways of thinking about ‘branded content’. I believe that the two dimensions presented along the thesis– deep integration (with its triple-layered model) and continuous integration – offer a new perspective on this field and supply useful tools for the understanding and analysis of commercialisation. They could be most helpful in further assessing and measuring this phenomenon in future research.
As to policy making, my research suggests a need for a new perspective on this field by regulators and legislators, one that is better synchronised with the reality of media markets and the novel characteristics of commercialization, as presented in this body of work. As I have shown in Chapter 7, regulatory bodies in many countries find themselves in the middle of this contested arena, trying to find the middle ground between the immense forces that push media bodies to co-operate with sponsors, and the need to set standards for ethical media. Regulators vary in their success in implementing their policy: The Israeli case is an example of failing regulation, while in the British case, regulation seems to be more influential in maintaining editorial integrity.

The Israeli case reveals a worrying landscape of a local market that underwent ruthless commercialisation and change of ethical standards, while the relevant regulatory bodies (mainly the Second Authority for Television and Radio in this case) fail to stand against it and enforce their existing rules or lead any significant policy change. While the thesis discusses a single production of a reality show from 2006, in the time that has passed, embedded branding has become one of the most dominant and damaging phenomena in the Israeli media and, unsurprisingly, has expanded and penetrated into new territories, such as the main news websites in Hebrew, which in the past were considered to be guarded from commercial influence. A special research project, a joint effort by journalists and media scholars (myself included) for the media watchdog, the Seventh Eye, rated the extent by which journalistic content in digital news platforms in Hebrew were affected by this funding model (Balint, Ben Zaquen & Persico, 2015).

The results were most alarming: the research showed that all the leading digital news outlets in Hebrew that are not behind a pay-wall are heavily laden with embedded branding, work to blur the line between editorial content and advertising in ways that are hard to dissect and which in most cases are not properly disclosed, and that this phenomenon is thriving in the strongest and most popular platforms for news in Hebrew: YNET, Globes, Mako and Walla. What the research showed is that in Israel the model of embedded branding has in effect become a serious threat for the quality of news and information audiences receive, while the relevant gatekeepers, such as the press council, seem to be incompetent in dealing with the problem. Analysing this weakness of the regulatory bodies in Israel is beyond the scope of this research, however several possible factors should be considered. The first is the strong ties between the public sector (politicians and civil servants) and business magnets which lead to an overall weakness and ultimately corruption
of the regulatory bodies in Israel. The second is Israel’s ongoing state of conflict with the Palestinians, its undefined borders and dual legal system (that of the occupied territories and that of Israel) which nurture a culture of law breaking and a lack of authority of the state.

The British case presents a media culture which holds higher ethical standards and greater effectiveness of regulatory rules, which helps content producers stand against commercial demands by sponsors. However, it should be mentioned that the research presents a single case and does not provide a comprehensive overview of the UK market.

Looking beyond the local context of both markets, my analysis suggests that one of the weaknesses of the current regulation is its lack of understanding of the contemporary meaning of commercialisation. Regulators work to maintain the separation between content and commerce, while ignoring the fluid and encompassing nature of ‘branded content’ that is ‘everywhere’ but at the same time ‘nowhere’, as it becomes less orientated towards concrete representations of products or services. Also, they invest serious efforts in drawing the line between ‘sponsorship’ and ‘product placement’ in the ‘old media’ such as television, but have not even begun to cope with the immense commercialisation thriving on the Internet, an unregulated terrain that offers new, more pervasive ways of blurring the line between advertising and editorial content. The rise of advertising start-ups such as Taboola and Outbrain\textsuperscript{167} in recent years further blurs the line between advertising and content and challenges the very basic perceptions which the regulation of old media is based on.

In light of my empirical data, I suggest a number of principles that should lead any future policy making and regulation in relation to embedded branding:

First, the principle of content-commerce separation should be replaced with the obligation of full and proper disclosure of any sponsorship. By suggesting this, I certainly do not mean to legitimise the practice or justify it, but simply to recognise the new reality of the media, which cannot be reversed. ‘Branded content’ is severely damaging to the maintenance of public discourse and poses a threat to the editorial voice of media outlets. However, it cannot be completely eliminated, and also probably should not be, if one believes that commercial speech

\textsuperscript{167} Both companies offer digital publishers a system for content recommendations for ‘further reading’, which offer a blend of editorial content and advertising. These ventures seem to be thriving in recent years and have signed contracts with leading publishers worldwide, such as Gant and The Washington Post in the USA and The Guardian in the UK.
deserves to be protected under the general notion of freedom of expression. Therefore, the obligation of disclosure is the best path for coping with its harmful effects.

Second, looking for signs of commercialisation ‘on screen’ as evidence of commercial influence (i.e. product placement – products, logos) alone is no longer an adequate approach to regulating this field. Commercialisation goes deeper and further than that. Rather, the most significant criterion for assessing the commercialisation of any media content and regulating it, is by looking at its funding model and financial resources. To put it simply, the ‘screen test’ should be replaced with the ‘material return test’. The relevant questions are: were there any external sponsors to the production? If so, who were they? What are their interests in the specific production? This follows a simple idea that is at the heart of this thesis: where there is money, there is influence.

Third, the format of the disclosure is probably one of the most important aspects in any attempt of regulating the problem efficiently. Although many of the actors in the field, including branded content agents themselves, agree on the need for disclosure and greater transparency, the details of such obligation may reveal the differences between those who wish to eliminate the phenomenon and those who wish to legitimise it in the public eye.

A recent study published in the *Journal of Advertising* (Wojdynski & Evans, 2015) clearly showed that audiences can hardly distinguish between editorial content and native advertising even when the latter is disclosed. However, clear and straightforward disclosure, indicating that the content is paid for, can make a significant difference for them. The two researchers showed their subjects two stories, one editorial and one that was native advertising, with 12 different types of disclosure (for example: ‘advertising’, ‘sponsored by’ ‘brand voice’ and ‘presented by’). They found that less than 8% of the subjects (17 subjects out of 242) were able to distinguish between the editorial piece and native advertising. However, their ability to make such a distinction was significantly improved once the term that was used for disclosure clearly indicated that the content was paid for: those who were exposed to the terms ‘advertising’ or ‘sponsored content’ were seven times more likely to recognise it as paid content compared to those who were exposed to neologisms such as ‘brand voice’ or ‘presented by’.
Positioning of the disclosure on the page also turned out to be a significant factor in the subjects' ability to understand the nature of the story they were reading. Surprisingly, the researchers found that placement in the middle of the page was more than twice as visible as placement at the top of the page, as 90% of subjects saw the former compared to just 40% who saw the latter. Some 60% noticed the label at the bottom of the page.

Such indication is immensely important for policy makers, as the details in regulating this field can make a big difference. Disclosure should clearly and noticeably indicate that the content is advertising of sponsored content, together with identification of the specific sponsors. The disclosure, ultimately, should serve media consumers, not advertisers or their partners in the content platforms.

Fourth, any regulation of embedded branding should be oriented towards standardisation of disclosure signs (a logo and a certain label, for example), so it would be easily recognized, and more importantly, the labeling system should be present across platforms: digital media, television, radio, print and so forth. In that context it seems that the best regulatory path involves consumer protection laws and regulation, rather than media regulation that currently tends to be medium specific in most countries. It seems that the USA is taking the lead in this way: the Federal Trade Commission released a detailed enforcement policy statement (FTC, 2015a) in relation to deceptively formatted advertisement (and a detailed guide for businesses for implementing the new regulation [FTC, 2015b]) with the purpose of creating a climate of clear disclosure of any content that appears as advertising, on any platform.

Finally, I see great importance in taking a normative position towards embedded branding, from the side of legislators and regulators. It is necessary to provide audiences with tools that would help them understand the nature of the content they are exposed to, but it is nonetheless important to brand such manipulative attempts as deceiving by nature and damaging to audiences, as citizens as well as consumers.

It is only by providing tools to identify embedded branding that regulators (and civil society bodies) would then be able to take a step further – promoting media literacy and critical consumption of media content. I believe that the role of regulation in a digital, fragmented media environment is quickly changing. In this new scene, regulation may become more like a mediator
between media bodies and consumers, by setting basic rules and empowering consumers. By obligating media outlets to clearly inform viewers and users of the presence of commercial funding and to indicate who these sponsors are, across various platforms including the Internet, consumers would be offered a different view on the content they choose to pay attention to. This would allow them to react accordingly, by publicly criticising ‘branded content’ or simply resisting it, by preferring content that relies on other funding models (subscription or payment on demand). Of course, it is not improbable that many consumers may just not care, but the obligation to keep them informed and aware is still imperative.

This research clearly has a number of limitations that should be considered at this point. To begin with, I chose to look at only two case studies. Is it possible to reach any valid conclusion about a rising global market by looking at two television shows? Second, the markets I was looking at are different in more than one aspect. The British market is the second largest in the world and plays a significant role in the global market, while the Israeli one is not only significantly smaller, but limited by its language (though rising in recent years as a promising global player due to the worldwide success of a number of Israeli formats). The structure of these markets, their regulation, culture and politics, the volume of advertising budgets, all these are totally different and hard to compare. Third, the two broadcasters rely on a somewhat different funding model. They are both commercial and under public regulation, but Channel 4 is not privately owned and is not oriented towards maximising profits for its owners, while Channel 2 is privately owned and profit-oriented, and in that sense has a stronger commercial orientation.

This leads to the fourth point: the case studies themselves differ to a great extent. The degree to which sponsors managed to gain a foothold in the production of Overdraft Family is significantly greater in comparison to the serious efforts that were made in the case of HTLGN to maintain the programme’s editorial independence. Lastly, I have tried to uncover the ‘rules’ of this market and present the typical format and characteristics of embedded branding deals, but is it possible to put any ‘order’ in a market that seems to follow the rules of the jungle? There is no real ‘order’ or any known ‘rules’ in this market that practically operates by the art of the possible and constantly ‘invents’ new forms of commercial influence.

However, I do believe that these weaknesses of the research are at the same time the source of its strength, its validity and reliability. It is only by deciding to focus on two case studies that I
could invest myself in triangulation, tracking the specific interviewees and receiving their cooperation, collecting invaluable internal documents which uncover this field for the first time and then diving into the tiniest details of these commercial agreements, which are usually implemented in a rather secretive way. It is that very close look which I decided to take into the market of ‘branded content’ which finally enabled me to then step back and portray the patterns and characteristics of contemporary commercialisation, across different countries, different markets and two different reality programmes. Still, it is important to remember that I have portrayed a general landscape and therefore not every deal of embedded branding would fully follow my scheme. I wished to show how money, like water, ‘runs’ everywhere and goes into the tiniest cracks, but, to follow this metaphor, just like water, its routes can never be clearly predicted.

Yet another flaw of this project is the relatively small attention I have given to commercialisation in the digital arena, while it is clear that this is where most of the innovative developments in this field are currently happening. This, however, leaves an exciting space for further research. I have no doubt that the commercialisation of media content on the Internet deserves considerable attention by media scholars and that new developments and current initiatives raise serious and very interesting questions about the interaction between commerce and content, between the rule-free market in the digital space and the public role of the media. So, for example, a number of quickly rising companies, which were already mentioned here, work to promote commercial content through the platforms of main media outlets, by recommending items for ‘further reading’ (or: ‘more stories from around the web’). By doing so, they further work to blur the line between media content and messages that are purely commercial, while relying on algorithms that are not transparent and seem to replace the traditional role of editors as agenda setters. Companies such as Taboola, that promise to ‘drive traffic’ and ‘monetise content’, or Outbrain, that carry the promise of ‘getting your content discovered’, have become a dominant and most interesting phenomenon in the commercialisation of content online. Furthermore, the social networks, such as Facebook, Twitter or Instagram seem to replace the role of the ‘old’ publishers. The ‘rules’ they decide to set for separation between content and commerce (as well as the motivation behind these rules) deserve significant attention. Is it okay for users to receive commercially funded posts? And if this is not allowed, what is the difference between a paid post and say, posts by an actor who is also a presenter of a brand and praises their products on his
wall? This leads to yet another phenomenon that is worthy of scholarly attention: commercialisation of the ‘self’ online, in which individuals (independent bloggers or through social networks) willingly promote certain brands in an ‘authentic’ way, as part of their daily lives, for material return.

I find all these topics most exciting to look at, and I do hope that my research, which focuses on the transition from ‘old media’ to a multi-platform environment, has managed, by taking this topic beyond product placement and presenting the notions of ‘deep integration’ and ‘continuous integration’, to set the foundations for further discussion on the commercialisation of content in the age of branding and digital media.

I have tried in this thesis to tell a story of two popular reality shows and their sponsorship agreements. But beyond that, I wished to uncover the lesser known reality of commercialisation in the digital age, the hidden territory of ‘branded content’ and ‘native advertising’. I explored a market that is relatively marginal in the marketing world in terms of budgeting, but its influence on media outlets and public debate far exceeds its financial share. Most importantly, I aimed to draw attention to the gradual erosion of the ability to raise an independent editorial voice by content creators and media outlets, in face of the tantalising commercialisation process of the cultural public sphere. My thesis is therefore not about product placement, but about anything beyond it, mainly the lesser known ways in which corporations transform their commercial goals into images and find ways to become present ‘everywhere’ and ‘nowhere’ and ultimately gain influence over public debate in the oldest and simplest way - with money. This form of influence is particularly alarming as it is not only limited to the encouragement of consumption, which is the focus of advertising from its very first days. It touches on agenda setting, on the ability of sponsors to push some topics forward and marginalise others due to lack of commercial support. It is about which stories get to be told and how they are framed. It is also about how leading corporations are positioned in the public eye and the ability to understand their immense role in our daily lives, to criticise it and resist it. The cultural public sphere is ideally the space in which such critical debate should take place. But as this sphere is gradually becoming saturated with manipulative messages, it is worth considering if such resistance is possible at all.
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Appendix 1: Background Interviews, UK

1. **Arino, Monica**, Senior Associate, International Policy, Ofcom; interview conducted on 24.04.09.

2. **Bantvala, Chris**, Head of Standards for Ofcom; interview conducted on 06.02.09 in London.

3. **Cresswell, Phil**, Head of Broadcast, Sponsorships and Production at Universal McCann; interview conducted on 15.04.09 in London.

4. **Edgar-Jones, Phillip**, Creative Director for *Big Brother* at Endemol UK; interview conducted on 25.02.09 in London.

5. **Holt, Morgan**, Head of Branded Content at the Engine Group and Chairman of the British Branded Content and Marketing Association; interviews conducted on 23.02.09 and 07.04.09 in London.

6. **Johnson, Paul**, Global Head of Marketing and Brand Partnership at the Endemol Group; interview conducted on 23.10.09 in London.

7. **Moulsdale, Tony**, Head of Programming at MediaCom; interview conducted on 21.11.08 in London.

8. **Regev, Udi**, Creative Director at the ETV Media Group; interview conducted on 24.10.08 in London.

9. **Rutherford, Chantal**, Head of Programming at Mediaedge:CIA; interviews conducted on 06.11.08 and 17.11.08 in London.

10. **Saunders, Cameron**, UK Marketing Director, Theatrical Division at 20th Century Fox and Former Head of Marketing at Channel 4; interview conducted on 06.03.09 in London.

11. **Willis, Simon**, Head of Programming at Mindshare; interview conducted on 20.11.08 in London.

The list does not include background interviews that were informal or with sources that asked to remain anonymous.
Appendix 2: Background Interviews, Israel

1. **Bergbaum, Erez**, Founder and CEO of the C Branded Content Agency, Tel-Aviv; interview conducted on 24.08.08 in Tel-Aviv.

2. **Elman, Uri**, Founder and CEO of Effect TV – a company that measures marketing content; interview conducted on 18.09.08.


4. **Hameiri, Guy**, Producer on the Israeli *Survivor* for Channel 10; interview conducted on 10.09.08 in Tel-Aviv.

5. **Lev, Yuval**, Head of the Branded Content Division at MacCann Erickson, Tel-Aviv; interviews conducted on 11.08.08 and 14.08.08 in Tel-Aviv.

6. **Mano, Dan**, contestant on the first series of the Israeli *Survivor*; interview conducted on 10.06.09 in London.

7. **Metsger, Ayelet**, Deputy CEO for Television at the Second Authority for Television and Radio; interview conducted on 03.02.11 in Tel-Aviv.

8. **Samira, Menashe**, CEO of the Second Authority for Television and Radio; interview conducted on 03.02.11 in Tel-Aviv.

9. **Shtruzman, Alon**, Former Program Manager for the HOT cable broadcasting company; interview conducted on 09.12.08 in London.

This list does not include background interviews that were informal or with sources who asked to remain anonymous.
Appendix 3: Interviews for the British Case Study

1. **Fletcher, Dan**, a member of the innovation team at the Mindshare marketing and communications agency (owned by WPP). Fletcher was responsible for the sponsorship agreement with Channel 4 for *How to Look Good Naked*; interview conducted on 26.02.09 in London.

2. **Foster, Colette**, former Executive Producer at the Maverick production company and the Executive Producer of *How to Look Good Naked* in its first two series; interview conducted on 01.10, 09 in London.

3. **Jackson, Andrew**, Commissioning Editor at Channel 4’s Features Department and at the time of the interview was the commissioning editor for *How to Look Good Naked*; interview conducted on 06.08.09 in London.

4. **Jones, Dan**, Head of New Media at Maverick. Jones was responsible for setting up the website for *How to Look Good Naked*, in co-operation with Channel 4; interview conducted on 02.06.09 in London.

5. **Kell, Vicky**, Senior Account Manager at Channel 4’s Sponsorship Department. Kell was responsible for representing the channel vis-à-vis Mindshare in the sponsorship agreement for *How to Look Good Naked* by Dove; interview conducted on 27.08.09 in London.

6. **Orbach, Susie**, Psychoanalyst, Author and Consultant for Dove’s *Real Beauty* campaign; interview conducted on 27.04.09 in London.

7. **Ransford, Philippa**, former Commissioning Editor at Channel 4’s Features Department and the original commissioner and developer of *How to Look Good Naked*; interview conducted on 11.08.09 in London.

8. **Rosenfelder, Jo**, Commercial Affairs Director at Maverick, the production company that produced *How to Look Good Naked*; interview conducted on 01.10, 09 in London.

9. **White, Mel**, Brand Partner at Ogilvy London (owned by WPP), had a leading role in creating Dove’s *Real Beauty* campaign; interview conducted on 02.09.09 in London.
Appendix 4: Interviews for the Israeli Case Study

1. **Aboulafia, Roni**, Video Editor on *Overdraft Family* in its fifth series; interview conducted on 14.06.11 in Tel-Aviv.

2. **Goldberg, Ori**, Former Head of Reshet’s Commercial Co-operation Arm; interview conducted on 13.12.11 at the NMC offices in Cinema City.

3. **Kaminitz, Dafi**, Head of Marketing at Shufersal-Deal at the time *Overdraft Family* was being produced; interview conducted on 01.01.12 in Rishon Lezion.

4. **Koren, Orit**, Commissioning Editor for *Overdraft Family* on behalf of Reshet; interview conducted on 06.12.11.

5. **Landsman, Sharon**, Head of Marketing Communications at Bank Hapo’alim; interview conducted on 01.01.12 in Tel-Aviv.

6. **Pratzer, Golan**, Head of BBDO Content, Gitam-BBDO; interviews conducted on 06.04.11 and 11.05.11 in Tel-Aviv.

7. **Rosenblum, Tzipi**, Format Developer of *Overdraft Family* and Editor in its first two seasons; interview conducted on 21.11.11.

8. **Se’ada, Eyal**, Partner at BBDO Content, Gitam-BBDO, responsible for the *Overdraft Family* deal; interview conducted on 11.05.11 in Tel-Aviv.
Appendix 5: Internal Documents, British Case Study

3. Mindshare, Dove Pro-Age Sponsorship of How to Look Good Naked on Channel 4 - Post Campaign Analysis, 2nd Series, August 2007.
Appendix 6: Internal Documents, Israeli Case Study


