



Response to consultation on Product Placement on Television by the Branded Content Marketing Association (BCMA)

About the Branded Content Marketing Association:

The BCMA encompasses members spanning world leading brands, broadcasters, film-makers, studios, producers, advertising agencies, media planners, publishers, games and music producers.

The BCMA strives to promote and grow the branded content market to the wider audience. Launched in the UK in October 2003, the BCMA is an international body based in London with members throughout Europe, Australasia and the US.

The BCMA is intended to bring together and benefit a broad spectrum of content creators and owners including organisations from the advertising, brand development, sponsorship, media, broadcasting, programming and entertainment industries.

General Comments:

The BCMA welcomes the proposed relaxation of regulation with regard to Product Placement bringing the UK into line with the position proposed in the AVMS Directive and believes that the AVMS Directive provides sufficient safeguards and guidelines for practitioners.

We suggest that the viewing public are sufficiently media-literate to understand that in order for new programmes to be produced there must be an overt relationship with the advertisers who provide the funding for those programmes. Advertisers paying directly for original production require a return on investment. In some cases it would be beneficial to the relationship for the programme to feature their products or services. Where this relationship is over-stated we believe that viewers would reject both the programme and the product and therefore both programme-makers and advertisers are incentivised to ensure that there is an acceptable balance.

In general, the AVMS Directive provides sufficient safeguards and these safeguards should be administered by OfCom as the regulatory body. The underlying principle is that *'users should benefit from general requirements that make advertising and commercial messages readily recognisable, protect human dignity, and abstain from using surreptitious and subliminal techniques'* *

The BCMA supports this principle and proposes that this allows for a beneficial relationship between broadcaster, programme-maker and advertiser. Whilst the BCMA is generally positive about the proposals for introducing Product Placement it does not believe it will generate a significant amount of additional revenue for broadcasters.

The BCMA also urges the interested parties to thoroughly research the impact and affects of paid for Product Placement on viewers. It should also measure the effectiveness of brands using Product Placement as a key part of their marketing strategy.

Specifically:

Commercial advantages:

Estimates for the potential value of product placement taken in isolation from the broader estimates of the Branded Content market seem specious. As a contributory factor to the growing Branded Content sector the facility to feature a funder's product in shot where editorially justified could be highly beneficial.

Programme Genres:

The BCMA is comfortable with the definition of allowable programming of cinematographic works, films and series, sports programmes and light entertainment programmes.

However, we agree that further definition would be helpful if viewed as guidelines with the final decision being left with the broadcaster. In principle, allowing commercial interests to fund a serious documentary programme could be detrimental to viewer interest but it equally could be unhelpful to make a blanket ruling. For example – an Advertiser’s corporate social responsibility campaign might make educational TV programming which otherwise would not be commissioned, or a serious programme maker may only be able to get funding for a documentary through direct advertiser relationships. Allowing the broadcaster room to make editorial judgement would seem to be more in keeping with the AVMS intention to *‘reduce regulatory red tape and promote industry self and co regulation’** A clear understanding on ‘signalling’ would therefore be key to the acceptability or otherwise of such a relationship

In principle the BCMA would support guidelines as to how to manage a relationship between advertiser, programme-maker and broadcaster rather than a blanket ban on certain genres – specifically those under contention: News; Current affairs; Consumer; and religious programmes.

Children’s Programmes:

The BCMA has no contention with the ban on Product Placement in programmes aimed directly at children.

The key question seems to be the definition of a ‘disproportionately high child audience’ and where the responsibility for that statistic sits. If a programme is scheduled in adult viewing hours then we would suggest that responsibility for child protection sits with the parents.

Restrictions currently in place for scheduling of spot advertising are sufficient as applied to product placement.

Placement of specific types of Product or Service:

Alcohol: current advertising guidelines are sufficient with broadcasters responsible for ensuring that any proposed product placement of alcohol products is not aimed at minors and does not encourage immoderate consumption. In fact, the alcohol industry is unlikely to want to be seen to be doing this as it is also keen to maintain self-regulation and is more likely to want to discourage excess consumption through a relationship with programming than to encourage it.

Monitoring possible effects on health:

The BCMA does not wish to comment on this at this time without further consideration.

Terms of trade:

There are a number of models that could develop over time.

The Product Placement ‘rights’ could effectively form part of the terms of trade with agreement at the point of commissioning or acquisition

Content producers need to be free to make arrangements with third party funders through product placement – and other commercial co-production models – to allow the development and production of diverse programming but equally broadcasters need to have the opportunity to approve the commercial relationships



Realistically, the benefit of individual product placement negotiations is likely to be felt more by smaller production companies than by large broadcasters where relatively low projected revenues may not impact materially on broadcaster income.

A model whereby third party funding secured in a programme is reflected in the price paid by the broadcaster for the programme may more effectively support the creative industry than giving broadcasters overall control of potential revenues.

In high profile high budget programmes – especially when produced by the broadcasters – it could be foreseen that product placement opportunities are pre-sold by the broadcaster.

These are not mutually exclusive scenarios. The key issue – and in line with the spirit of the AVMS Directive - is to ensure that over-regulation does not prevent the ingenuity and creativity of the parties concerned

Prop Placement:

The BCMA has no alternative view on Prop Placement. Small scale supply of props has worked very successfully for many years and there is no reason to change this.

Signalling of Product Placement:

Self-regulation by the industry would demand that Product Placement is sufficiently signalled. However – this must not be so heavy handed as to be detrimental to the programme so a logo on screen within the programme may be too intrusive. A simple viewer announcement before the programme and as part of the ad breaks to highlight the existence of product placement followed by roller credits for each of the contributing brands would provide a familiar means to alert viewers.

Thematic Placement:

The determination of whether or not a placement can be interpreted as thematic should be left with the commissioning broadcaster. The intention of the AVMS directive is to make it easier for the broadcast industry – broadcasters, producers, funders – to develop new models. As the overarching principle is that it should not be ‘surreptitious’ this should provide sufficient guidance to determine whether or not the presence of the advertisers brand or product category is editorially justified.

Negative Placement:

Negative placement should not be allowed.

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