➜ MAKE YOUR MARK.

2CV

—

Commercial References in Television Programming

Report prepared by 2CV for Ofcom

➜ MAKE YOUR MARK.

LONDON I LOS ANGELES I SAN FRANCISCO I SINGAPORE

Contents

Foreword

At Ofcom, we set and enforce television standards on behalf of viewers. To do this effectively, we need to understand how audiences think and feel about the programmes they choose to watch and what they expect from television broadcasters, Ofcom and content regulation.

Research we carried out last year demonstrates the breadth of what we consider in terms of content standards – from audience attitudes to offensive language, which we carry out every few years as attitudes change, to expectations of minority ethnic audiences, which was the first of its kind for Ofcom.

As well as protecting audiences from harmful and offensive content, Ofcom is also responsible for ensuring that viewers are able to access and enjoy a wide range of television channels and programmes that appeal to a variety of communities, tastes and interests. It is therefore important that Ofcom's regulation of TV content strikes the right balance between protecting audiences and enabling broadcasters to continue to provide a diverse range of services and programmes.

Content that is available to viewers (on free-to-air channels, catch up services, subscription services etc.) and the ways in which they can watch it (on digital devices, including TVs, tablets, laptops and mobiles) have changed dramatically since the days of analogue TV. These changes mean not only increased choice for viewers but also increased competition for TV broadcasters and increased marketing opportunities for advertisers. This evolving landscape has most likely contributed to the funding challenges now faced by commercial television broadcasters, Ofcom's Communications Market Report 2022 – Interactive data – showing a decline in TV advertising revenues since at least 2016[1].

In addition to the income from the adverts viewers see in commercial breaks, broadcasters can generate income from some of the programmes they show, including through commercial arrangements with advertisers that allow brands to feature in and around programmes, such as programme sponsorship and product placement. Ofcom has rules for references to brands, products and services ("commercial references") in TV programmes. These protect audiences from excessive advertising and ensure that viewers can distinguish between advertising and programmes.

Ofcom is keen to establish what viewers think about such commercial references in and around TV programmes. This is the first time in over 15 years that we have carried out extensive research in this area. The results provide a valuable insight into what really matters to viewers. Ofcom will use the evidence from this research to inform changes to the guidance accompanying our rules in this area. We will be aiming to provide TV broadcasters with greater flexibility to enter into commercial arrangements that enable them to fund programme content, while ensuring audiences are protected appropriately.

---

[1] Although this data also reflects a limited post pandemic bounce-back and does not include advertising revenue from broadcasters' video-on-demand services, which has compensated for some of the decline in TV advertising revenues, they have not completely offset this decline.

1. Executive Summary

1.1 The purpose of the research

Ofcom commissioned 2CV to conduct research into viewers' attitudes to commercial references on TV and to explore the factors that influence when viewers may consider commercial references in programmes to be unduly prominent and/or promotional. Ofcom's aim was to gather research evidence to help it understand whether its current guidance to its rules on commercial references on TV remains relevant and/or proportionate.

1.2 Summary of Findings

Audience understanding of the commercial TV landscape

- The expansion of commercial TV channels and services was perceived by participants to have increased the amount of advertising and commercial references broadcast. Many participants believe that they are able to manage their exposure to advertising by curating their TV experiences, such as through fast forwarding via live pause technologies or watching more subscription video-on-demand (SVoD) services that do not have advertising. However, these are not used by, or available to, all.

- Little thought was given to how television is currently funded. Due to the perceived increase in content, many participants assumed that this has resulted in more opportunities for advertisers, brands and broadcasters. As such, there was some initial scepticism as to whether broadcasters may be facing any funding challenges, which impacted on attitudes towards commercial references.

Awareness of commercial references

- Beyond product placement and programme sponsorship[2], awareness of the variety of commercial references was low, as was participants' understanding of whether they are paid for or not (the widely held assumption was that all such references are paid-for).

- Once the idea was considered that broadcasters may be facing funding challenges through falling advertising revenue and may therefore need to explore supplementary funding opportunities, some participants were more understanding of why commercial references are broadcast.

- However, the idea of an increase in the number of commercial references, in conjunction with their greater awareness of them, triggered participants' concern about how they might impact viewing. Few participants felt that they could be unduly influenced by commercial references, but some were worried that more vulnerable viewers (typically the young) are more susceptible and may be unduly influenced by them.

---

[2] Terms such as these are defined in the glossary on page 33 of this report.

Determining the acceptability of commercial references

- Participants' tolerance of commercial references was determined by how they impacted on the viewing experience and how suitable they were for the programme and the audience. They did not want commercial references to interrupt their viewing, but wanted to be able to distinguish advertising from programming, so they could make informed decisions on how they engage with the content.

- Acceptability of commercial references was influenced by a range of key factors – namely: *disruption; relevance; undue prominence; transparency; appropriateness* and *reputation.*

  o *Disruption*: Commercial references that disrupted participants' viewing experiences and 'broke the flow' of programming were considered unacceptable. Participants typically referenced product placement as their perceived greatest disruptive influence. However, if the commercial reference was considered unintrusive and relevant to the programme genre and its content, product placement was broadly considered acceptable.

  o *Relevance:* A commercial reference without thematic connection with the programme content was considered unacceptable by participants. This was considered most pertinent in relation to product placement.

  o *Prominence*: Overly prominent references that distracted participants from a programme were considered unacceptable. Participants also believed conspicuous references, even if related to the programme content, had the potential to become the focus of a programme.

  o *Transparency:* Participants found it critical that they knew when a brand featured in a programme as a result of a commercial arrangement. They considered this informed them about the nature of what they were watching and enabled them to make informed decisions on how they engage with the content.

  o *Appropriateness:* Participants had concerns regarding whether commercial references featured in programming were suitable for specific audiences (typically they referred to younger viewers). Participants wanted those perceived most at risk of being influenced by a commercial reference to be safeguarded from potential harm.

  o *Reputation:* For many participants it was important the brands whose commercial references appeared in programming were ethical and their values and practices were not considered harmful to society or vulnerable audiences.

- Participants also felt that the manner in which a brand featured as a commercial reference impacted on its acceptability. To this end, active promotion of a brand and/or being overtly 'sold to' during programming lowered participants' tolerance. A range of activities were discussed in terms of whether they constituted active promotion. People felt encouragement to purchase, and highly positive descriptions appeared most likely to change perceptions of a commercial reference from being programming to being advertising.

- Ensuring editorial independence was considered important. Generally, participants felt a brand being able to influence a programme's narrative was likely to jeopardise a broadcaster's editorial independence. In particular, they were concerned that brands could affect programme content with statements that could mislead viewers. These reservations were more acute in

relation to Advertiser-funded programmes (AFPs), particularly where an advertiser is involved not only in funding a programme, but also being the subject of it.

Views on regulation and the role of Ofcom

- As understanding of commercial references and their potential impact increased during the research process, participants felt such references needed to be regulated, to ensure audiences are appropriately protected by: ensuring viewers' positive viewing experiences are maintained; ensuring the suitability and appropriateness of commercial references in terms of how they are presented; and, most importantly, safeguarding the audiences they perceived as particularly vulnerable.

- While awareness of Ofcom's precise remit as a regulator of commercial references was low, participants considered such an organisation should be responsible for the regulation of this type of content, to minimise the risk to viewers of harm. The fact that some regulations are already in place – prohibiting commercial references for tobacco products and restricting those for alcohol and gambling, for example – was found reassuring and was welcomed by participants.

2. Introduction

The findings in this report contain the views, feedback and experiences of participants, which were collected and collated across the lifecycle of this project. They do not represent Ofcom's views or any regulatory judgment.

2.1 Background and Objectives

Ofcom commissioned 2CV to conduct research into viewers' attitudes to commercial references on TV.

The overarching objectives of the research were:

- to gain insight into viewers' attitudes to commercial references in TV programmes;
- to explore in detail the factors that influence when viewers may consider commercial references unduly prominent and/or promotional; and
- to help Ofcom understand whether its current guidance to its rules on commercial references on TV remains relevant and/or proportionate.

2.2 Methodology

2.2.1 Overview

A deliberative approach was chosen to enable exploration of both spontaneous and more informed opinions. A key part of the method was to allow for the breaking down of a complex topic into manageable, discrete portions through a multi-stage approach. Staging the research across three distinct phases allowed the stimulus and information to be 'drip fed' across the research process, enabling responses to the subject of commercial references to be captured from unfamiliar, informed and reflective perspectives.

A mixed method, phased approach (online community, qualitative discussions) was used with a broad range of participants in the UK (see sample details below). A pilot stage was undertaken to test the research process and materials before the main body of research.

Figure 1: Methodology overview

Pause

'Stop and think' workshop with Ofcom to take stock and make necessary adjustments to materials/approach

Explore
17 x groups 10 x telephone depths

Deliberative sessions with participants from 'Immerse' phase

1

Setup & Pilot
1 x group

Pilot session to test research guides; community and materials

2

Immerse
Digital community with 104 participants

Introducing the topic & gathering feedback ahead of groups

3

4

Reflect
Digital community with 100 participants

Gathering final thoughts via online community follow-up

The first online community was used to introduce the topic through video stimulus and to capture feedback while building awareness and understanding. Following the initial community, the same participants attended deliberative groups, held online, lasting 90 minutes, which deep dived into the topic and explored the more complex aspects of programme funding and Ofcom rules. Following the deliberative groups, participants were invited to an online community to reflect on the topic after they had had time to consider what they had learnt about commercial references.

Respondents with no or little online access completed a simplified off-line version of the immersion task to build their understanding of commercial references.

A total of 114 participants took part in the research project. There were 104 participants in the first online community, who then reconvened in 17 groups. 15 of these sessions had six participants in each group. Two sessions were with 16-18 year olds, each with four participants, as members of this audience tend to feel more comfortable in smaller groups. 100 participants from the first online community and group sessions took part in the last reflective digital stage. Ten participants with limited or no internet access were also consulted, using in depth telephone interviews. A detailed description of the research method is included in the appendix of this report.

Fieldwork was conducted across the following dates: the pilot phase took place in April 2022; the main fieldwork took place in May 2022 and low access internet depth interviews took place across May and June 2022.

Research note on this deliberative methodology

For many, TV represents entertainment and is something they enjoy watching. Thinking about it in terms of complex issues relating to its regulation can be challenging. Over the course of their deliberation about TV and the way it is funded, participants had to engage with ideas that challenged some of their established thinking. Participants' understanding of, and interest in, commercial

references was low. The more participants learned about the topic, the more both interest and concern increased. However, as they continued through the process, there was generally an eventual return to where they started in terms of attitudes and strength of feeling. Many reverted back to their original attitudes, but with a heightened awareness of commercial references and how they fit into the TV landscape. Such a return to original attitudes and perspectives often occurs in deliberative work.

2.2.2 Stimulus

Stimulus material was key to building participants' understanding of the commercial references and the issues at play. The following materials were used to engage and educate participants:

- **A range of sample programming (listed in the Appendix, page 28):** 1 x 'introduction reel' explaining commercial references; 8 x short video clips (between 1 – 1.45 minutes in length and mainly edited from programme content broadcast in the UK) covering different types of commercial references (e.g. product placement, sponsorship, advertiser-funded programmes, cross-promotions); and

- **Reminders of sample programming:** Stills of each clip with a short explanation of the type of commercial reference, to prompt participants' memories, were used within the focus groups. 1 x written scenario was also used within each group.

Participants unable to access the internet were sent hard copy stimulus from programmes to read before interviews. This material consisted of stills from clips with a brief explanation of each type of commercial reference.

2.2.3 Sample

A mix of people were recruited (ages 16+, mixed gender, broad socio-economic group and ethnicity) across the UK (England, Wales, Scotland & Northern Ireland). A full sample grid is included in the appendix of this report.

The following criteria was applied across the sample:

- **Lifestage**:
  Age/Lifestyle – A range of ages (loose quotas were set by life stage to ensure a broadly representative cross section of the UK from 16+)

- **Demographics:**
  Social Economic Group – A broad mix of A, BC1, C2D, E
  Ethnicity – To reflect the prevalence of ethnic communities

- **TV Viewership:**
  Format – Spread channel usage across the sample (i.e. Linear television, Pay-TV, Broadcast Video on Demand (BVoD) and Subscription Video on Demand (SVoD). All participants watched linear/live television and the vast majority also used catch up and streaming services
  Viewing Behaviour – included: '*Heavy viewership*'; *Moderate viewership*'; '*Moderate/light viewership*' (as defined in Appendix 1 of the report)

- Location:

  Region - All four nations (two locations per nation)

  Rural vs. urban/suburban - A mix across all locations

- Additional criteria:

  Internet access – An additional sample of people with limited or no internet access

3. Main findings

Please note that the opinions expressed in this report on the broadcast material viewed by research participants represent their views and not those of Ofcom.

3.1 Audience understanding of the commercial TV landscape

Broadcast advertising activity is perceived to have increased with the amount of available TV content, but many feel that, due to access to new technologies, they are able to control their own exposure to it.

Initially, participants were quick to acknowledge that changes to the TV landscape had altered their behaviours and attitudes, primarily in terms of *how* they watch television but also in terms of how they expect different platforms, broadcasters and advertisers to approach advertising.

The expansion of commercial TV channels and services is perceived by viewers to have increased the amount of advertising and commercial references broadcast, with some participants feeling they are more exposed to advertising content as a result of this.

> **"There has always been advertising on TV, but there's so much more of it nowadays. It feels like there are more ad breaks. I suppose with more channels there are more chances for people to advertise their stuff."**
> Empty Nester, aged 50-65, C2DE, Moderate viewing, South East

However, live pause, recording technologies and catch-up services have allowed viewers to feel as though they 'manage' their exposure to advertising, by, for example, 'fast forwarding' through commercial breaks.

> **"Adverts are non-existent in my household now. We just fast forward them all."**
> Family (children 11-14), aged 25-44, ABC1, Moderate viewing, Scotland

> **"I think, because people now are more likely to have a Sky box or something similar, so they fast forward ads. That has become more common now."**
> Family (children 11-14), aged 35-59, C2DE, Moderate/Light viewing Northern Ireland

In addition, the proliferation of subscription video-on-demand (SVoD) services, such as Netflix or Prime Video, was also seen to have impacted on the amount of advertising participants were exposed to. Some participants highlighted that they felt exposure to advertising has been reduced for them, or they are able to control it, because of their increased use of SVoD platforms.

> **"You get used to not seeing advertising on Prime and Netflix. It's on the others [commercial TV channels], but not them."**
> Young family (children 1-5), aged 18-24, C2DE, Moderate viewing, Midlands

> **"Because I have things like Netflix that I watch more of, I have some say in how much advertising comes on my TV."**
> Older family (children 15-16), aged 40 – 59 ABC1, Moderate/Light viewing, Wales

However, the ability to manage exposure was not universal, particularly for those limited to live TV and with no access to on-demand services, and some of those who did not have these services felt they can be at risk of seeing more advertising content. It was widely believed by participants that the increase in platforms and channels (including social media channels, like YouTube) has resulted in brands looking for more advertising opportunities and increased advertising activity (perceived or otherwise). This was broadly accepted as the new norm, particularly by younger participants, who were used to a higher level of advertising.

> **"It's always been like that. The amount of ads and stuff. It's not really new or anything."**
> No children, aged 16-17 ABC1, Heavy viewing, North West

> **"You get used to it, I suppose. They are everywhere to the point you don't notice them anymore. I watch a lot of TV and there's loads of brands taking an opportunity to sell to us across as many channels as they can. It is a part and parcel of watching TV."**
> Young family (children 5-10), aged 25-34, ABC1, Moderate/Light viewing, East Anglia

How TV content is funded had been given little thought by participants and the idea broadcasters may be facing funding challenges was initially treated with scepticism.

However, some showed a basic understanding of funding models for the BBC, commercial TV channels and Pay-TV (with the licence fee, advertising and subscription typically mentioned), which they generally assumed would continue. The expansion of the television market has also led some participants to assume that commercial broadcasters have more opportunities to increase advertising revenue, through increased volumes of advertising. As such, they did not give much consideration to the future of funding or immediately think commercial broadcasters needed to find supplementary ways to raise revenue.

Given the general perceived increase in advertising opportunities for broadcasters, only a handful of participants hypothesised that commercial broadcasters may face funding challenges, while others were surprised by it or dubious about it.

> **"There's loads of money washing around TV. Always has been. I'd never have thought that they [broadcasters] are suffering. The advertisers and brands pay them to show their ads and these are huge brands too."**
> No children, aged 18 – 24, C2DE, Heavy viewing, Scotland

3.2 Awareness of commercial references

> **Commercial reference – a definition**: Any visual or audio reference within programming to a product, service or trademark (whether related to a commercial or non-commercial entity).

Beyond product placement and sponsorship, participants were not very aware of commercial references in programming and had a low understanding of whether they were paid for or not.

Based on the responses from the online community and discussion in the focus groups, it was apparent that participants were not particularly conscious of commercial references and therefore had not considered them much.

> **"I hadn't really thought about this [topic] till you asked me to think about it, to be honest. Doing this exercise has made me think about it more, I suppose."**
> Young family (children 1-5), aged 18-24, C2DE, Moderate viewing, Midlands

> **"No, they [commercial references] are not something I look out for, so I haven't really noticed them before. Unless it is getting pointed out to me I don't think about them much."**
> No children, aged 18-24, C2DE, Heavy viewing, Scotland

> **"Although I was aware of them [commercial references], I didn't know as much about them or realise quite how prevalent they were. This process hasn't changed my opinion, but it has certainly made me more aware of when the line may have been crossed. I don't think I'll miss any more in future!"**
> No children, aged 18-24, C2DE Heavy viewing, Scotland

Participants' knowledge of commercial references beyond product placement and sponsorship was vague. They were unaware of the number and variety of different commercial references and whether or not they were paid-for. There was a widely held assumption that all commercial references are paid for.

> **"I was aware of there being different ways a company could get their brand onto TV without direct advertising, but I wasn't aware of all of these different categories."**
> No children, aged 18-24, C2DE, Heavy viewing, Scotland

> **"I think there's an assumption that they have all been paid for. It doesn't really make a difference to me who it's paid to. But it's been paid to someone."**
> Empty Nester, aged 45-59, ABC1, Moderate viewing, London

> **"I think maybe the one thing that stood out was when we were looking at the KFC and the Farrow and Ball videos [clips of brand references considered by participants in Stage 1]. Neither of those two brands had paid for the reference and that surprised me in terms of what the brand would be getting out of those**

programmes.”

The commercial references that were familiar to participants (product placement – though many cited examples from film rather than TV; sponsorship of programmes; and those seen regularly in televised sporting events) were considered part of the established TV backdrop and symptomatic of the perceived increase in advertising content on TV.

> **“They're everywhere – not directly, but indirectly – like cars in TV shows. I'm so used to them now, so they don't bother me. In a normal TV show, they just go over your head.”**
> No children, aged 18-24, C2DE, Heavy viewing, Wales

Initial attitudes towards commercial references were broadly moderate and most participants were not concerned about the impact of commercial references on their TV viewing experience. However, their attitudes shifted as their understanding of the different types of commercial reference, and their perceptions of how they might impact their TV viewing experience, increased.

> **“I did not know the categories, but I did recognise them when pointed out. Incidental references and sponsorship credits I find acceptable. Sponsorship credit is very 'up front' and obvious. Cross-promotion if directing me to a service I think is useful – for example, a catch-up service. I find product placement unacceptable. It feels very 'underhand' to me.”**
> Empty Nester, aged 50-65, C2DE, Moderate viewing, South East

Section 3.3, below, discusses what drives tolerances and influences attitudes toward commercial references.

3.2.1 The rationale behind commercial references

The rationale behind commercial references was believed to be for brands to find more ways to advertise

As noted above, commercial references (specifically, the ones participants were familiar with) were considered part of the TV landscape and not a new concept. Participants reasoned that brands were using them to expand their opportunities to market their products. A few of the participants understood and vocalised that the production of TV content costs money and broadcasters may need to rely on revenue generated by commercial references.

> **“All this type of referencing and product placement is not new but is becoming more prominent. There is no real issue with it as long as what you want to watch stays entertaining. I'm aware things cost money and sponsorship or product placement can help cover the costs of productions.”**
> Young family (children 1-5), aged 18-24, C2DE, Moderate viewing, Midlands

> **“It doesn't really bother me. It's all part of brands trying to get at you. And maybe if they didn't have it [commercial references], they wouldn't have as much**

of a budget to make the programmes that we watch. If they weren't sponsored, where would the prize money come from?"
Empty Nester, aged 45-59, ABC1, Moderate viewing, London

"I guess it's another method for the brands to try and get people to see their brands, especially when we have so many different channel options and ways to avoid adverts."
Empty Nester, aged 45-59, ABC1, Moderate viewing, London

While the notion that broadcasters may be facing funding challenges was not always initially considered or given much credence, once the concept of competition for advertising across platforms was introduced to them and discussed, some participants' opinions changed. A few were empathetic to the challenges faced by broadcasters and, for them, the idea of falling advertising revenue and competition from subscriber services served to legitimise the idea of exploring supplementary revenue streams.

"I think it's unfair for people to expect free TV. That's how TV and the economy is run, but the key thing is consumer protection."
Family (children 11-14), aged 25-44, ABC1, Moderate viewing, Scotland

"TV has to be funded and that funding has to be sourced from somewhere, I suppose."
Family (children 11-14), aged 35-59, C2DE, Moderate/Light viewing, Northern Ireland

3.2.2 The impact of commercial references

The idea of an increase in commercial references triggers some concern

Broadly, commercial references were not considered excessively disruptive to the viewing experience, though many felt they are becoming more prevalent.

"You kind of get desensitised to these brands because you see them all the time. There was this ITV programme where every time it comes back from the break you get that same [sponsorship announcement] but you get used to it and you don't realise what it is."
Empty Nester, aged 45-59, ABC1, Moderate viewing, London

"I have definitely noticed an increase in commercial references over the years and I am not sure how to feel about that."
Empty Nester, aged 50-65, C2DE, Moderate viewing, South East

The majority of participants felt that their current viewing experiences were less impacted by commercial references, primarily because they believed that they were not exposed to a wide range of them. A small minority (particularly those with no or low internet access, who were unable to avoid sponsorship idents by fast forwarding during 'catch up') felt that commercial references could be irritating. There was an underlying concern that an increase in commercial references could have a negative impact on the viewing experience.

> **"Such and such proudly sponsor Love Island...' at every commercial break can get annoying after a while. If there was more of them or even worse, putting products in the shows that we have to look at, that would be awful."**
> Young family (children 5-10), aged 35-44, C2DE, Heavy viewing, South West

> **"As an avid TV watcher, right now the commercial references are fine, but if it got worse it would be too much. Don't want to be like America, when the references take away from the engagement of the show."**
> Pre-family, aged 24-44, ABC1, Moderate viewing, North West

While most did not feel they would be unduly influenced by commercial references, they did feel other people may be. When discussions turned to who may most likely be affected, the consensus was that advertisers may target those the participants considered most susceptible. Participants felt children and young people were likely to be most impacted (the youngest participants identified those younger than them as at risk), as they were believed to be less mature and savvy, particularly if it were harder to distinguish between programme content and advertising.

> **"Younger people would be more vulnerable and therefore you'd need to be quite careful with what you're selling them and how you are to selling them. They can be easily enticed and are more gullible. There does need to be some sort of checks and balances put in place for them."**
> Empty Nester, aged 45-59, ABC1, Moderate viewing, London

> **"When people they admire or a character they like on TV is wearing something, like if a character they admire has got a pair of Nike Airforce Ones, then they'll want them, and their Mums and Dads will go and buy them for them. Younger children can't tell what's different between an advert or the television so they're susceptible to everything they consume generally."**
> Family (children 11-14), aged 25-44, ABC1, Moderate viewing, Scotland

Based on how susceptible to advertising children and young people were perceived to be, when participants were asked who they felt ought to be at the forefront of any safeguarding via regulation, many identified the particularly vulnerable as needing such protection.

3.3 Determining the acceptability of commercial references

To participants, the acceptability of a commercial reference is largely determined by how unobtrusive it is and to what extent it is considered appropriate.

It was apparent that participants' tolerance of commercial references was determined by:

- whether they **impacted on people's viewing experiences; and**

- whether they were considered:

  o **suitable**, and not to have a harmful impact on audiences; and

o **transparent**, where paid-for commercial references are appropriately signalled and the programmes they appear in are distinct from advertising.

Participants said they wanted to be able to enjoy programmes without interruption and they considered more commercial references could be disruptive. For many, acceptance of commercial references was based on how non-disruptive they were.

> **"A character says 'Do you want a beer'? If they said, 'Do you want a Heineken?' I think that would make me think, 'What?!' Why do they have to name the brand? Nobody speaks like that."**
> Family (children 11-14), aged 25-44, ABC1, Moderate viewing, Scotland

> **"If you are watching an hour-long drama and commercial references keep popping up it could distract the viewer."**
> Family (children 11-14), 35-59, C2DE, Moderate/Light viewing, Northern Ireland

Participants also considered it critical that they were able to recognise when they were being marketed at and/or sold to, so they could make informed decisions on how to engage with the content. They therefore considered it important that broadcasters made it clear to viewers when material in a programme was a paid-for commercial reference.

> **"I want to be entertained! Not sold to!"**
> Young family (children 1-5), aged 18-24, C2DE, Moderate viewing, Midlands

> **"What has stood out most is the lack of information to the viewer when a commercial reference is used. I believe the viewer should be informed, so they aren't watching biased TV or being advertised to without knowing they are."**
> Young Family (children 1-5), aged 18-24, C2DE, Moderate viewing, Midlands

The following table provides a brief description of participants' principal concerns in relation to key factors that influenced their views on the acceptability of commercial references:

Factor	Concern
Disruption	Where the commercial reference distracts viewers and negatively impacts on their viewing experience, participants considered this unacceptable.
Relevance	Some participants expressed concern when the commercial reference has no connection or association to the programme in which it features.
Undue prominence	Overly conspicuous commercial references, or those that becomes the focus of the programme, were generally considered less acceptable.

Transparency	Participants were concerned when commercial references were surreptitiously included in programme content without advanced warning.
Appropriateness	Participants expressed concern that references might be unsuitable for the programme and/or its audience, exposing viewers to inappropriate content.
Reputation	Participants expressed concern about the potential negative reputation of some brands featured in commercial references.

The following examines in more detail each of these key factors:

Disruption

Commercial references that disrupted participants' viewing experiences were considered unacceptable. Strength of feeling regarding such disruption ran particularly high and was often equated with the disruption they also considered was caused by untimely commercial breaks.

> **[Commenting on product placement seen in a drama] "That's a step too far, stopping play to give information...totally breaks the programme and the realism. It's alright if it is not too obtrusive or going too far and trying to go under the radar."**
> Empty Nester, aged 45-59, ABC1, Moderate viewing, London

> **"When it's too obvious in a programme you're watching, it detaches you from what you're trying to watch and possibly makes it less enjoyable for you."**
> Young family (children 5-10), aged 25-34, ABC1, Moderate/Light viewing, East Anglia

In particular, disruptive product placement was considered unacceptable by participants. Their responses to clips featuring product placement illustrated how participants consider commercial references disruptive when overly intrusive and/or of no relevance to the programme genre.

If deemed unintrusive, and relevant to the programme genre and its content, product placement was broadly considered acceptable; for example, the brief or occasional presence of a logo on screen or unobtrusive placement of a product was also considered acceptable.

> **"The reference stood out enough to notice, but it's not in your face. It's acceptable as it's useful branding that doesn't impact on the programme."**
> No Children, aged 18-24, C2DE, Heavy viewing, Scotland

Relevance

It was thought important that any commercial reference should have a thematic connection with the content of the programme it appears in. If it was considered to have no association with programme

content, participants felt strongly that the commercial reference was out of place and would be unacceptable.

> **"In drama programmes it would need to match the programme to make sense and be alright. And I wouldn't want it to detract from the drama as well. You'd be a bit worried if the can of Coke was appearing in Bridgerton."**
> Empty Nester, aged 45-59, ABC1, Moderate viewing, London

> **"If it goes naturally with the programme rather than being out of the blue – it has to feel sort of organic and going with what we are seeing at the time."**
> No children, aged 16-17, ABC1, Heavy viewing, North West

This was found particularly important when considering product placement. For example, in a clip from *Location, Location, Location*, the logo of the online property search company, Rightmove, was considered acceptable, as it appeared briefly with average property price information for a specific UK county.

> **"If the brand is relevant, I think this is acceptable. For example, advertising Rightmove during a house hunting programme is relevant and smart."**
> Young Family (children 1-5), aged 18-24, C2DE, Moderate viewing, Midlands

Similarly, participants found acceptable reference to a health-related sponsor (Fitbit) in a programme related to physical health *(Fit in 5)*.

> **"This is one of those where it needs to fit the programme. Which it does, and it's harmless and it suits it. The show fits the sponsor, the sponsor fits the show."**
> Empty Nester, aged 45-59, ABC1, Moderate viewing, London

> **"If the partnership feels like a natural fit, it makes sense. It would be different if it was *Fit in 5* sponsored by McDonald's."**
> Family (children 11-14), aged 25-44, ABC1, Moderate viewing, Scotland

Prominence

Overly prominent commercial references (even if related to the programme content) were considered unacceptable, especially if they distracted participants from the programme. Many believed conspicuous references had the potential to become the focus of the programme, dominating what people saw and detracting from the programme narrative. For example, when discussing mock-ups of a TV studio, in which the programme sponsor's logo had been featured in various ways, participants clearly considered excessive inclusion of the logo unduly prominent, with some logos that had been added seeming unnecessary and distracting.

> **"When the reference has been on a screen too much, it becomes unacceptable and annoying – it feels forced. Your focus is more on the product at the cost of what you're watching."**
> Young family (children 1-5), aged 18-24, C2DE, Moderate viewing, Midlands

> **"It's a bit overkill. You can't not notice it. Just having the logo on just cushions or the rug, then it probably wouldn't be too much."**
> Family (children 11-14), aged 25-44, ABC1, Moderate viewing, Scotland

A small number also objected to the excessive presence of branding during interviews at sports events.

> **"If you look at the football one, behind them it's literally a wall of logos, it's like watching a shopping channel."**
> Young Family (children 1-5), aged 18-24, C2DE, Moderate viewing, Midlands

Transparency

Participants found it essential that they knew *when* the material they were watching included (or was) a commercial reference.

> **"So, if at the start of the programme they say "…this programme was brought to you by…", that is perfectly fine."**
> Empty Nester, aged 45-59, ABC1, Moderate viewing, London

> **"You should know whether a reference has been paid for. It helps in understanding the prominence of a brand in content being watched."**
> Young family (children 1-5), aged 18-24, C2DE, Moderate viewing, Midlands

As already noted, participants did not want commercial references to disrupt the viewing experience. Nevertheless, they considered transparency to be critical with regard to the presence of commercial references in programming and they wanted to be made aware of them before such references were broadcast. Participants did not see the desire for transparency and not wanting commercial references to disrupt their viewing as contradictory, indicating they felt there was a balance to be struck. When considering product placement, however, only a few participants were aware that a 'P' logo was often screened briefly at the beginning of programmes in which products were placed.

Appropriate

Participants considered it crucial that paid-for commercial references are appropriate for both the programme and the audience. Ensuring that vulnerable audiences (particularly younger people, who were generally considered more susceptible to advertising) are protected, was seen as particularly important. Generally, participants were most concerned that those at risk of being influenced by a commercial reference are safeguarded from potential harm.

> **"I think it is very important things like family shows, soaps, dramas don't have commercial references to things like gambling, alcohol, smoking and fast food. Those shouldn't be promoted as they are unhealthy and problematic."**
> Empty nester, Moderate viewing, C2DE, North West, Low/no internet depth interview

> **"No smoking, no gambling at all [in commercial references], nothing that would influence young people and cause any sort of addictive behaviour."**
> No Children, aged 45-65, ABC1, Heavy viewing, South East

> **"Targeting [commercial references] at particular times – for instance, for children on children's TV channels – can cause pester power and vulnerable parents in poverty may feel they have no choice but to buy things for their kids."**
> Family (children 11-14), aged 25-44, ABC1, Moderate viewing, Scotland

Reputation

The character of the featured brand was considered significant in whether a paid-for commercial reference was acceptable. It was important to many participants that any such brand was ethical – in particular that its values were unlikely to be perceived as harmful to society or vulnerable audiences.

> **"Brands with previous issues or controversies are unacceptable to me. There's a line there."**
> Young family (children 1-5), aged 18-24, C2DE, Moderate viewing, Midlands

> **"There has to be some sort of consideration into who the advertiser is and who the ad's going out to, and just what those dodgy connotations may be for some advertising brands."**
> Empty Nester, aged 45-59, ABC1, Moderate viewing, London

The impact of active promotion

The way in which brands feature as commercial references impacts viewer tolerance.

Participants considered being overtly 'sold to' unacceptable in programmes. For many, active promotion, such as encouragement to purchase a product, altered the nature of a commercial reference. While, for example, subtle product placement, such as a recognisable product in shot or a character in a drama wearing a specific brand of clothing, was not generally considered promotional, a commercial reference containing a direct call to action was interpreted as forceful promotion that changed the content from programming to advertising.

> **"I wouldn't be happy. It wouldn't feel like a reference but solely selling. The whole programme becomes an ad rather than product placement. If pricing was shown and I felt like I was just being advertised to, it would ruin my enjoyment.'**
> Young family (children 5-10), aged 25-34, ABC1, Moderate/Light viewing, East Anglia

Participants discussed each of the following possible features of a commercial reference for a brand/product/service and whether they made it promotional:

- *its comparison with other brands on the market;*
- *reference to its price;*
- *reference to where it can be purchased;*
- *strong encouragement to purchase it;*
- *a highly positive description of it;*
- *the provision of its relevant contact details.*

Strong encouragement to purchase and highly positive descriptions appeared most likely to change participants' perceptions of a commercial reference from being acceptable within programming to being advertising.

Encouragement to purchase

Active encouragement to purchase a product was widely perceived by participants to be advertising

and was not felt appropriate in a programme, regardless of its genre. It was generally considered that this could place excessive pressure on viewers, when they did not anticipate it.

> **"I don't think you should be able to strongly encourage a purchase as this can lead people who are vulnerable, to buy something they don't need or can't afford."**
> Family (children 11-14), aged 35-59, C2DE, Moderate/Light viewing, Northern Ireland

> **"Strong encouragement to buy feels like pressure selling, which I'm totally against. It's not a sales pitch, it's programming."**
> Older Family (children 15-16), aged 40-59, Moderate viewing C2DE, North East

Highly positive descriptions

Many participants were uncomfortable with commercial references that included overtly positive descriptions of the referenced brand/product/service, which they considered advertising. They felt this could not only undermine the editorial independence of the programme maker, but also compromise trust in what they were being told.

> **"Highly positive descriptions to me sounds like an oversell, which would make me less trustful of what I'm being told."**
> Older Family (children 15-16), aged 40-59, C2DE, Moderate viewing C2DE, North East

> **"The programme should try and give it an honest view, even though it is sponsored. It's not a sales pitch. It needs to be impartial."**
> Older Family (children 15-16), 40-59, C2DE, Moderate viewing, North East

However, the notion of simply describing key features or attributes of a brand/product/service without hyperbole was considered acceptable.

> **"You can talk about the product and describe it, but I don't think you should give it the hard sell. Include honest reviews and allow the customers to make up their own minds. You can relay good reviews but giving everything as all positive would seem very one-sided and may come across as biased."**
> Family (children 11-14), aged 25-44, ABC1, Moderate viewing, Scotland

Market comparisons

Responses to brand/product/service comparisons as part of a commercial reference was mixed. Some felt it merely served to allow consumers to make an informed choice regarding a range of products or services.

> **"It's good to find out information on competitors in the industry and how the brand on the programme is better than the competitors, so you can make a choice."**
> No children, aged 18-24, C2DE, Heavy viewing, Wales

However, most participants considered such comparisons inappropriate and felt it was up to each individual to make their own assessment. They considered comparisons on behalf of brands left the programme and/or broadcaster open to accusations of bias.

> **"I don't think any brand has the right to claim it is better than another. That is up to the consumer to decide."**
> No children, aged 45-65, ABC1, Heavy viewing, South East

> **"I don't feel that products should be allowed to be compared to others during [an] advertisement as this comparison becomes a competition and could cloud the judgement of the consumer. I think it's okay to mention a product, but I feel it should be left in the hands of the viewer to gather more information if they feel the product is relevant to them."**
> Young family (children 5-10), aged 25-34, ABC1 Moderate/Light viewing, East Anglia

Further, some participants considered that comparisons in commercial references were likely to give the featured brand/product/service an unfair advantage.

> **"I don't agree with comparing to other similar products. The main brand [the one appearing in the commercial reference] will always look better and this doesn't give the competitor a chance to highlight the positives of their own brand. It's a very unfair advertising tool and I don't think it should be allowed."**
> Family (children 11-14), aged 35-59, C2DE, Moderate/Light viewing, Northern Ireland

Other features
There were some genres (e.g. magazine programmes) in which participants considered the provision of a product/brand/service's contact details and information, such as its price and availability (including where it can be purchased), more likely to be acceptable.

> **"The price will help people to decide if it's what they need or want. Providing details of where to buy and the sponsor info leads people to still have to look themselves for the price so then they can see the price elsewhere."**
> Young family (children 5-10), aged 35-44, C2DE, Heavy viewing, South West

> **"If you're watching a programme, as long as it's all honest and the information is all there, it makes it more enjoyable to watch. If it doesn't include the price, there's nothing worse than having to search online to find something is £500. If they show what the product does it's informative, it's not necessarily pushing someone to buy. "**
> Young family (children 5-10), aged 25-34, ABC1, Moderate/Light viewing, East Anglia

Participants felt differently about this in relation to commercial references in some other genres, in which they considered the provision of price and availability would be less acceptable, particularly if such information was communicated during the programme.

> **"In the right context reference to price is fine. I wouldn't be happy with that in the middle of a drama. That would feel like it was totally about solely selling – the whole programme becomes an ad rather than product placement."**
> Young family (children 5-10), aged 25-34, ABC1, Moderate/Light viewing, East Anglia

Participants' responses to a clip from _Steph's Packed Lunch_ illustrated that active promotion was thought particularly commonplace in such programming. They considered viewers generally expected some features in magazine programmes to include promotional commercial references.

> **"You're sort of used to seeing this type of thing on This Morning or Lorraine or whatever."**
> Young family (children 5-10), aged 25-34, ABC1, Moderate/Light viewing, East Anglia

However, some raised concern about how forcefully they considered brands were sometimes promoted in such programming. A commercial reference in a magazine programme was considered most likely to become an overt 'hard sell', which participants considered unacceptable.

> **"When he said 'they've just gone in at Selfridges' I thought that was unnecessary. He [presenter] even says 'I've gone a bit QVC!' when he mentions the price. It can feel like one big ad."**
> Empty Nester, aged 45-59, ABC1, Moderate Viewing, London

3.3.1 The importance of editorial independence

There were concerns about how paid-for commercial references might jeopardise editorial independence.

Participants generally considered that the extent to which commercial references might influence the content of the programmes in which they featured was of equal importance to their transparency. Viewers were concerned that a brand may impact a programme's narrative to the extent that it may be portrayed incorrectly or inaccurately. Such reservations were particularly acute in relation to advertiser funded programmes (AFPs). Generally, participants considered a brand being able to influence a programme's narrative without scrutiny was likely to jeopardise a broadcaster's editorial independence. In particular, they believed brands should avoid statements that mislead viewers or are potentially harmful to them.

> **"If the programmes are sponsored by the brand, it might feel biased and only show good sides of [the] brand. A puff piece. Independence is important to me."**
> Young family (children 5-10), aged 25-34, ABC1, Moderate/Light viewing, East Anglia

> **"You'd expect for a documentary to be independent, factual and unbiased, but if it's paid for it will be biased towards the company paying."**
> Young family (children 1-5), aged 18-24, C2DE, Moderate viewing, Midlands

The concept of AFPs influenced views on editorial independence

Participants were generally comfortable with the concept of brand involvement in the commissioning, funding and/or production of programme content. Indeed, the clips from documentaries and game shows explored in the research (i.e. *Farrow and Ball: Inside The Posh Paint Factory*; *KFC Fast Food Secrets*; *Lego Masters*; and *Candy Crush*) were all assumed to be AFPs, and, on balance, most were broadly content with the idea of brands paying for and creating content. However, when considering an AFP's possible impact on a broadcaster's editorial independence, participants raised concern about the potential lack of objectivity arising from the programme's possible focus on its sponsor.

> **"If it's paid for by the brands it would probably end up being a different programme at the end. A 30-minute advert as such. Not a 'warts and all.'"**
> Empty Nester, aged 45-59, ABC1, Moderate viewing, London

Reactions to a scenario of a regional tourist board producing a documentary extolling the virtues of the region illustrated these concerns.

> **"This can feel a bit like a form of propaganda in a way and it will have clear bias. They want to publicise it, so they're going to make it look and feel better than it is. I would expect for there to be some sort of notification that it was paid for and brought to you by the tourist board."**
> No Children, aged 16-17, ABC1, Heavy viewing, North West

However, such concerns were somewhat abated when participants were reminded that viewers were likely to have seen a sponsorship credit at the outset. It was felt that this level of transparency would warn viewers of possible partiality and enable them to make an informed decision on whether to watch the programme.

More generally, without the reassurance provided by a sponsorship credit, which makes the sponsor's interest in a programme clear to viewers, many participants considered objectivity could be compromised and they could not therefore take any programme content at face value.

Programme genre is key in driving concerns regarding editorial independence.

It was clear that programme genre impacted on many participants' concerns about editorial independence. They considered there was considerably more risk of a documentary representing a sponsor's narrative in a way that may compromise editorial independence than a game show based on a sponsor's brand.

> **[Responding to Lego Masters] "It makes sense because the shows are based around the brands – it's related to the product."**
> No children, aged 18-24, C2DE, Heavy viewing, Wales

> **[Responding to Candy Crush]" Once I understood the premise of the show and why Candy Crush referencing was so prominent, it made sense and became acceptable to me. It's a show based around the game."**
> Young family (children 5-10), aged 25-34, ABC1, Moderate/Light viewing, East Anglia

> **"If Monopoly or Scrabble did a game show, that they paid for, I'd be okay with that. It'd be a skill game based around the board games. It could be quite entertaining, if you love those games."**
> Family (children 11-14), aged 25–44, ABC1, Moderate viewing, Scotland

> **[Responding to Candy Crush] "While I hated the execution of that show, building a game show around it is fine. And if the game developer pays for the show I don't mind. It does feel like they're advertising the game, but you'd know from the title what it's about and choose to watch it if you wanted to."**
> Young family (children 1-5), aged 18-24, C2DE, Moderate viewing, Midlands

However, it was clear that the tone and execution of an AFP could impact on participants' views on such programming more generally. Reactions to the *Candy Crush* clip illustrated this.

> **"Watching the Candy Crush video made me hope that British TV will not move towards the vulgar, blatant, loud American style advertising within programmes."**
> Empty Nester, aged 60-65, C2DE, Moderate/Light viewing, North West

Nevertheless, overt sponsor references in game shows were generally considered acceptable, as long as the sponsorship arrangement had been made clear. Most participants were surprised to learn that Lego had not sponsored the programme, *Lego Masters*, as the entire programme was based on the creative use of its product, but this did not change participants' views on the notion of overt sponsor references in game show AFPs more generally.

Most participants were also broadly accepting of overt sponsor references in documentary AFPs, if the sponsorship arrangement had been made clear. They considered such commercial references did not impact on the documentary's editorial integrity if they were non-promotional.

> **"Documentaries are more acceptable as there's no direct 'you should buy this'; it's more 'look at how it's used, look at what it is'. If it's informative and you're actually learning something from it, it's acceptable."**
> No children, aged 18-24, C2DE, Heavy viewing, Wales

As referenced above, it was widely assumed all commercial references are paid for and participants were surprised to learn that each documentary they had viewed, which concerned a specific brand, and therefore contained many references to it, was not an AFP (sponsored by the brand).

> **"I was fully surprised that both KFC and Farrow and Ball were not paying [the broadcaster] to sponsor their products. I would have liked to have known, that made clear at the start of the programme."**
> Young family (children 5-10), aged 25-34, ABC1, Moderate/Light viewing, East Anglia

Although not an issue for most, a small number considered it should be made clear to viewers at the outset if a documentary about a brand is <u>not</u> funded by that brand.

> **"I would like a subheading saying, 'this isn't paid for' or 'this isn't a partnership' – that would make [commercial] references more tolerable."**
> Young family (children 5-10), aged 25-34, ABC1, Moderate/Light viewing, East Anglia

Participants raised some concerns about editorial independence being compromised if the content only showed the positive aspects of a brand in a documentary, considering important a more balanced perspective in such programming.

> **"The Farrow and Ball one did feel too biased and a bit like they had paid for it, whereas the KFC one had positives and negatives."**
> No children, aged 16-17, ABC1, Heavy viewing, North West

3.4 Views on regulation and the role of Ofcom

As perceptions of the potential negative impact of commercial references increased, viewers felt that some form of regulation was needed.

While awareness of the concept of commercial references was high, there was very little knowledge of what regulations apply to them or, indeed, if they are subject to regulation at all. While some participants assumed the regulations that apply to TV advertisements may also apply to commercial references in programmes, most were uncertain what regulation, if any, applied to them.

> **"I would assume that the things you are not allowed to advertise during ad breaks apply to these [i.e. commercial references]. No tobacco. No products aimed at adults [alcohol, gambling] during kids TV shows."**
> No children, aged 18-24, C2DE, Heavy viewing, Wales

With the exception of most younger participants (those aged 16-18), who had not heard of Ofcom, awareness of the regulator was relatively high. However, there was limited understanding of its remit, beyond being the regulator for TV and radio broadcasting in the UK. Those who were aware of Ofcom assumed that, like most regulators, it focussed on protecting consumers.

As participants' understanding of commercial references and their potential impact increased, most considered they need to be regulated, to ensure audiences are appropriately protected, by: ensuring viewers' positive viewing experiences are not impacted or interrupted; ensuring the suitability and appropriateness of commercial references in terms of how they are presented; and safeguarding the audiences perceived as most vulnerable.

Before the idea of Ofcom as a regulator was discussed with participants, there was hope a public body already existed to monitor broadcasters and advertisers and ensure that regulations prevented commercial references from impacting negatively on viewers. Many were reassured to learn that regulations were already in place that prohibited such references to tobacco, for example, and restricted such references to alcohol and gambling brands. When exploring what other restrictions might apply, participants felt that commercial references to brands with negative reputations or guilty of unscrupulous behaviours should not be permitted. As discussions progressed, a vocal minority were concerned with commercial references that appeared out of context with the programme in or around which they appeared. This was raised most consistently in relation to the presence of perceived unhealthy foods in sports programmes, which provoked quite strong negative reactions among many. These participants felt that such references ought to be restricted or prohibited.

> **"I would advise [Ofcom] to make sure all commercial references are honest and trustworthy in how they portray themselves. I would like to see less unhealthy/junk food/drinks associated with sports programmes or high-profile sports people. This could easily influence the younger audience who may believe that those people consume that type of food/drink, which for most fit and healthy people would not be the case."**
> Family (children 11-14), aged 35-59, C2DE, Moderate/Light viewing, Northern Ireland

Participants' own suggestions on regulations that would protect viewers, focussed on the drivers of unacceptability discussed above [section 3.3] and, principally, whether they were inappropriate. Recommendations included limiting exposure of certain products to certain audiences and prohibiting certain types of brands from certain content. To protect younger audiences, participants mooted having a watershed, before which commercial references to certain products would not be permitted and banning such references to junk food from children's television.

"Maybe have some sort of censorship and some watershed time where you can't have this advert [commercial reference] after this time or before this time."
Empty Nester, aged 45-59, ABC1, Moderate viewing, London

Ensuring transparency prompted support for clear signalling when content is sponsored and when programmes contain paid-for commercial references.

"What has stood out most is the lack of information to the viewer when a commercial reference is used. I believe the viewer should be informed, so they aren't watching biased TV."
Young family (children 1-5), aged 18-24, C2DE, Moderate viewing, Midlands

"A piece of advice to Ofcom would be that it would be fair to let consumers know if companies are funding programmes, so they can decide if the information they are being told is accurate or biased."
No children, aged 25-44, ABC1, Moderate viewing, North West

"To let the viewer know when it has been paid for by the company. I feel like this transparency and honesty would make the viewer feel better and everybody then knows where they stand."
Young family (children 1-5), aged 18-24, C2DE, Moderate viewing, Midlands

"Ofcom needs to ensure that consumers are constantly educated and informed clearly and transparently of everything related to any type of advertising and commercial references."
Family (children 11-14) aged, 25-44, ABC1, Moderate viewing, Scotland

Summary of participant views of clips

Understanding and awareness of the range of different commercial refences at the start of the research process was limited. The research method was designed to ensure respondents learned iteratively as the process progressed. What follows is a summary of participants' views in response to stimulus comprising a series of clips, which were mainly edited from programme content broadcast in the UK (the 'Programme' column indicates where this is <u>not</u> the case) and which included commercial references, and one written scenario that detailed the relevant commercial references. Throughout, participants were encouraged to use the clip or scenario as a starting point for thinking about commercial references more generally. The views set out below are those of the participants' and do not represent Ofcom's views or any regulatory judgment.

Programme (source of clip(s))	Type of commercial reference	Description of clip	Paid-for?	Genre	Summary of participants' views
Steph's Packed Lunch (material provided by Channel 4)	Brand references	Daytime show segments that feature its host and other presenters interviewing small business owners and showcasing some of their products. One interview features a mother and daughter talking about their natural products business and the range of products they sell, which are now available in a high-end department store. Another presenter describes a small business's range of party products, which includes cocktail glasses and place setting names, together with their prices and availability.	No	Magazine	Overt references to brands in magazine programmes were considered common place, with segments that feature products and services expected. Most were comfortable with the references featured, but many assumed they had been paid-for.
UEFA football coverage (material provided by ITV)	Brand references	An interview segment with one of the Danish national team during the 2020 Euros. The individual sits in front of a screen emblazoned with tournament sponsors' logos. There are also two bottles of a tournament sponsor's soft drink on the table at which he is sat.	No	Sport	The presence of brands in live sport was considered an established part of sports broadcasting. However, many participants were uncertain who was benefitting financially - the broadcaster or sporting body? In general, such brand references were not considered to impact negatively on the viewer experience, but concerns were raised about the prominence of perceived unhealthy brands' (fizzy drinks, fast food etc.) in

					sport sponsorship, which were considered inappropriate.
Location Location Location (material provided by Channel 4)	Product placement	A property programme features a couple discussing what they want from a new home in Cheshire. As the couple walk through a town centre, the logo of a property search website appears briefly near the top right of the screen, with the message, *"properties available up to £7.5 million in Cheshire."*	Yes	Reality	Participants generally considered this product placement acceptable, as it was relevant to the programme, with the logo of a well-known property search website subtly referenced alongside house price information in a programme about house hunting.
Fit in 5 (material provided by Sky)	Sponsorship	A programme features two presenters undergoing a workout in a television studio. Before the opening credits a short sponsorship credit states that Fitbit (a smart watch company) has sponsored the programme, in which the presenters use their Fitbit watches to check their heart rates after their workout. Participants were also shown mock-ups of the set featuring additional sponsor branding (on a poster, the workout mat and sofa cushions, and as a superimposed logo ident).	Yes	General entertainment	A programme related to physical health, sponsored by a health-related brand, was considered acceptable, but, in response to the mock-ups, participants considered any commercial references within the programme itself should be relevant and should not dominate onscreen.
Farrow and Ball: Inside The Posh Paint Factory (material provided by Channel 5)	Brand references	A programme about a high-end paint brand, explores how the paint is made and where it gets inspiration for the different colours it produces. It includes interviews with employees, who demonstrate different stages of the paint-making process and interior designers, who describe the unique features of the paint and why they like using it. A company 'colourist' also visits clients, to discuss possible colours for their son's bedroom.	No	Documentary	Participants broadly considered the commercial references acceptable, but felt the programme presented a view of the brand rather than a full 'behind the scenes' picture. It was widely assumed that the brand had sponsored the programme and had influenced editorial control, calling into question the editorial independence of the broadcaster, though some reasoned that, as the programme title made clear that the brand featured prominently, viewers would be aware of the programme content.

KFC Fast Food Secrets (material provided by Channel 4)	Brand references	A behind the scenes documentary of a fast-food chain, looking at what goes on at regional HQ and the day-to-day working of a drive-through restaurant and its team, as they bid to keep customers returning during the Covid pandemic.	No	Documentary	Participants found the commercial references acceptable, as the programme focussed less on products and more on company employees and human relationships, which they considered more in keeping with a documentary and less of a marketing opportunity for the brand. Views were mixed on whether KFC had sponsored the programme.
Lego Masters (material provided by Channel 4)	Brand references	A game show in which teams compete to build the best Lego model. The teams' creations are theme-based and are evaluated and scored by expert and celebrity judges.	No	Game show	This was generally considered acceptable, given the programme's focus on the contest and the competitors' skills. Participants did not consider the title reference to Lego or the use of Lego overtly promotional, though many were surprised that the brand had not sponsored the programme.
Candy Crush (material provided by Channel 5, but <u>not broadcast in the UK</u>)	Sponsorship (Advertiser-funded programme (AFP))	A gameshow based on a popular online video game. It features different challenges, named after some of the stages of the online game. Participants in teams complete physical challenges while competing in rounds based on the game. The presentation reflects the nature of the online game, incorporating bright colours, flashing lights and clear branding. The show is financed by Candy Crush and made for the North American market.	Yes	Game show	Although participants had mixed views on this style of programme, most considered the brand references overt and promotional, but acceptable, given the show's focus on the competitors and their challenges, and the transparency of the brand's involvement in the programme.
Travel programme (scenario – no clip – <u>not broadcast in the UK</u>)	Sponsorship (AFP funded by a regional travel board)	A commercial UK broadcaster airs a one-hour travel documentary about a region of the UK. The presenter is a well-known UK television personality, and the programme takes viewers on a tour of the region, showcasing different activities available there	Yes	Documentary	Initially most participants had no objection to the idea of a tourist board paying for and creating content that focussed on a region it was promoting. Although some became concerned about potential editorial independence issues in favour of the programme sponsor, such concern

		and the sights that can be seen. The presenter interviews local residents, businesses and tourists. Some of the interviewees describe the area as '*beautiful*' and a '*must-visit location*'.			generally abated in the knowledge of the brand's involvement being made clear to viewers at the outset. Participants then considered viewers would have sufficient transparency of the brand's involvement to decide whether to watch the programme.
Greatest films of the 80s (material provided by Sky)	Cross - promotion	The programme showcases a selection of the greatest films from the 1980s. It features interviews with celebrity guests and shows film clips. During each clip a message is superimposed briefly in white text, providing the film's name and its year of release, and noting on which of the broadcaster's other services the full film could be viewed.	No	General Entertainment	Participants were generally aware that broadcasters promoted across their proprietary channels, though many did not initially recognise such promotions as commercial references, which they considered unlikely to have been paid-for. Cross-promotion in this context was considered a normal part of the TV viewing experience, with broadcasters' frequently promoting their other services on their own channels. Some concern was raised about being directed to content for which viewers would be charged, but most considered this inherently transparent and therefore acceptable.
US Open Women's Final (material provided by Channel 4 – a simulcast of live output on Prime Video)	Brand reference	A commercial TV free-to-air simulcast of live sports coverage broadcast on an SVoD service, in which the SVoD service's branding therefore appears in various ways throughout the programme.	No	Sport	A simulcast referencing the live feed provider throughout the broadcast provoked few spontaneous responses. While recall of this (2021) US Open final was high, few participants recognised references to the feed provider as commercial references. When explained to them, participants generally had no issue with one channel featuring references to another, when showing a simulcast of its content.

Glossary

Advertiser Funded Programme (AFP): A sponsored television programme that has had some or all of its production costs met by a sponsor, and which concerns that sponsor, its product(s) and/or its interests.

Commercial reference: Any visual or audio reference within programming to a product, service or trademark (whether related to a commercial or non-commercial entity).

Cross-promotion: The promotion on a channel of other channels and other broadcast-related services.

Incidental commercial reference: A visual or audio reference in a programme to a product, service or trademark that is not included in return for payment or other valuable consideration.

Product placement: The inclusion in a programme of, or of a reference to, a product, service or trademark 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.

Programming: All broadcast content except advertisements in commercial breaks and teleshopping. (Programmes, trailers, cross-promotions and sponsorship credits are all forms of programming.)

Simulcast: A simultaneous transmission of the same programme on two or more services.

Sponsorship: Sponsored programming (which may include a programme, channel, programme segment or block of programmes) is programming that has had some or all of its costs met by a sponsor with a view to promoting the sponsor's products, services, trademarks and/or its activities. (An advertiser-funded programme is a form of sponsored programme.)

Appendix 1: Sample

Group criteria

- Range of ages (loose quotas set by lifestage to ensure a broadly representative cross section of the UK from 16+)
- Broad mix of ABC1 /C2DE (representation of 'As' across the sample were based on best effort basis as this social economic group is less prevalent)
- Coverage in England, Scotland, Wales, and Northern Ireland
- Mix of urban/suburban and rural locations within each region
- Mix of cities represented within locations
- A diverse audience with a spread of different ethnic backgrounds and representation of those with disabilities
- Spread of channel usage across the sample (i.e. Linear TV, Pay-TV, BVoD & SVoD)
- A range TV viewership defined as:
  - Heavy: Watching more than 13 hours total a week
  - Moderate: Watching more than 7 but less than 13 hours total a week
  - Light: Watching less than 7 hours total a week

Sample summary

Session	Lifestage	Age bands	SEG	TV viewership	Location
1 (Pilot)	Empty Nester	45-59*	ABC1	Moderate	London
2	No children	18 – 24	C2DE	Heavy	Scotland
3	No children	18 – 24	C2DE	Heavy	Wales
4	No children	25-44	ABC1	Moderate	North West
5	No children	45-65	ABC1	Heavy	South East
6	Young family (children 1-5)	18-24	C2DE	Moderate	Midlands
7	Young Family (children 5-10)	25-34	ABC1	Moderate/Light	East Anglia
8	Young family (children 5-10)	35-44	C2DE	Heavy	South West
9	Family (children 11-14)	25 – 44	ABC1	Moderate	Scotland
10	Family (children 11-14)	35-59	C2DE	Moderate/Light	Northern Ireland
11	Older family (children 15-16)	40 – 59	ABC1	Heavy	Midlands

12	Older family (children 15-16)	40 – 59	C2DE	Moderate	North East
13	Older family (children 15-16)	40 - 59	ABC1	Moderate/Light	Wales
14	Empty Nester	50 – 65	ABC1	Heavy	Northern Ireland
15	Empty Nester	50 – 65	C2DE	Moderate	South East
16	Empty Nester	60+	C2DE	Moderate/Light	North West

Mini Groups	Lifestage	Age bands	SEG	TV viewership	Location
1	No children	16-17	C2DE	Moderate/Light	London
2	No children	16-17	ABC1	Heavy	North West

Depths*	Lifestage	Age bands	TV viewership	Location
X 10	4 x empty nester; 1 x family; 1 x pre family; 4 x no children	1 x 25-34; 5 x 35-59; 4 x 60+	4 x Heavy; 6 x Moderate	5 x North; 5 x South

*Depth participants had limited or no access to the internet

Appendix 2: Method detail

Stage 1: Respondents in the online community were given an explanation of commercial references before being shown a series of clips and asked a series of questions on whether a range commercial references features were prominent and/or acceptable. The community followed the following structure

- *Watch & Review* – a series of tasks where they were asked to watch and respond to some short video clips in the prominence of commercial references.

- *Commercial References '101'* – a more detailed introduction to commercial references with a few short questions to capture attitudes and opinions.

- *Commercial References Diary* – a diary activity we'd like you to use to capture any examples of commercial references you see on TV during the research period (this task remained open until the project closed).

Participants responded to questions on clips over a 3-day period before attending deliberative sessions.

Stage 2: Participants were reconvened in online groups based on criteria (age, region, demographic detail, viewing habits) for discussions lasting up to 1.5hrs. Sessions covered: their reflections on commercial references (using stage 1 responses task as a reference point; their attitudes and tolerances to commercial references. Stills from clips from Stage 1 were used as stimulus to prompt discussion. All sessions used the same following structure:

- **Introduction:** A brief recap on the project objectives and an opportunity for respondents to introduce themselves.

- **A reflective discussion**: Participants reflected on the wider topic of commercial references based on Stage 1 and discuss how/whether this impacted on their views.

- **A deep dive into commercial references:** A deliberative discussion to establish how participants feel about different types of commercial activities. Conversations also covered: participants understanding of the broader TV landscape; viewing habits and how these have changed over time; how TV is funded before looking at different commercial references in depth (including: product placement; Advertiser Funded Programming, cross-promotion, sponsorship; brand references in different genres). These discussions helped to establish a benchmark for tolerance in terms of what is (un)acceptable and why.

- **Exploration of the future of funding methods:** A discussion to establish thoughts on the future of TV funding including exploration of what tolerances they had for different types of funding (such as more adverts during commercial breaks and no commercial references).

- **Summing up:** Reflection on what was discussed and to what extent their views had changed following group discussions.

Stage 3: The final online community asked participants to reflect on what they had learned over the duration of the research process and establish how they now felt about different types of commercial

activities. Participants were also asked to reflect on what advice they would give to Ofcom as the UK communications regulator.

Appendix 3: Fieldwork Materials & Stimulus

Script for online community

MAIN MENU ACTIVITY LIST

Task number	Task title	Single complete 33Repeatable / Forum	When should it be visible
0a	Project Consent Form	Single Complete	From beginning
0b	Project Intro & Instructions	Repeatable	From beginning
2	Watch & Review (Blue)	Repeatable	Randomized unlocking after Task 0b
3	Watch & Review (Green)	Single Complete	
4	Watch & Review (Red)	Single Complete	
5	Watch & Review (Purple)	Single Complete	
6	Commercial References 101	Single Complete	Unlocked after Tasks 2-5 completed
7	Commercial References Diary	Repeatable	Unlocked after Task 2-5
8	Programme Sponsorship Deep Dive	Single Complete	Unlocked after Task 6
9	Recap & Reflect	Single Complete	Unlocked after Task 6

Task 0a – Welcome/Consent [INSTRUCTION. SINGLE COMPLETE]
Subtitle: Consent form
1. Please read the following and then click 'I agree' if you agree to the below terms.

I understand that 2CV, an independent research agency, are conducting this study. This is a nationwide research project being run on behalf of Ofcom.

I agree that I will keep strictly confidential all information (including but not limited to the ideas, concepts) discussed during this Study for the two (2) year period starting on the date this agreement is signed.

I give permission for all text and media (photos, pictures, audio, video) I share with the research company via uploads/emails/app sharing be used only by the research company (2CV) and the company commissioning the research (Ofcom). I understand that my full name will never be associated with any of my responses at analysis, but will be analysed and reported collectively, unless I consent otherwise upon request.

I understand that all those observing from 2CV must respect the confidentiality of all information exchanged. The end-client may also be observing your submissions including any videos, audio or

images but will not be able to view your personal details i.e. name, email address.

I understand that all those observing from 2CV, recruiting partners and clients must respect the confidentiality of all information exchanged.

I understand that I can refuse to respond to any question and have the right to withdraw my consent at any stage during the study and shortly thereafter, and must contact the person who recruited me or the research contact. (Please note that this will affect the amount of incentive received.)

2CV operates in accordance with the MRS (Market Research Society) Guidelines in compliance with GDPR. [SINGLE CODE]

2. Please select your response to the above terms.
   - Yes, I understand and agree to the terms
   - No, I do not agree to the terms

3. [IF CODE YES at Q2]
   Where we ask for text or media responses, these will be used as part of our reporting.

   Please tick all that you consent to below (you must consent to all to take part in the project). [MULTI CODE]
   - 2CV sharing the content (text/photos/audio/video) internally to include in client debriefs.
   - 2CV sharing the content (text/photos/audio/video) with the end client as part of our reporting.

4. [IF CODE 1 + 2 AT Q3 – LEAVE CONSENT/TASK REPEATABLE SHOWING ONLY THIS TEXT]

   We're pleased to have you on-board! We're looking forward to your participation in this project.

   Please note that you can participate in this study via the '2CV Momento' app or our online platform. On your desktop/laptop, go to https://momento.web-platform.me/start and log in with the same account info. [CLOSE]

5. [IF CODED NO AT Q2 OR CODED ONLY 1 OR 2, SHOW BELOW MESSAGE] You must consent to all of our data usage conditions to take part in this research - you can restart this task to agree consent OR contact your recruiter and/or **xxxx** (xxxx@2cv.com) to let us know you won't be taking part so we can find a replacement. Thank you! [INSTRUCTION]

Task 0b – Project Intro & Instructions [REPEATABLE]
Subtitle: (PRE-GROUP) An introduction to the project

1. Hi everyone!

   Welcome to our research project **'Exploring Commercial References' -** thank you very much for agreeing to take part.

This project is all about gathering opinions, experiences and perceptions on the subject of 'commercial references' on television from people across the UK.

<u>What is a 'Commercial Reference'?</u>

All broadcast TV content is made up of <u>programming</u> and <u>advertising</u>.

A **commercial reference** on television is <u>any</u> reference to a product, service and/or trademark (e.g. logo) <u>within programming</u>. *This is not always paid for- e.g. an incidental product or brand featured in the background.*

TV adverts are therefore <u>not</u> a type of commercial reference because <u>they take place outside of programming</u>.

TO RECAP: <u>A commercial reference on TV is ANY reference to a brand, product or service that happens outside of an ad-break</u>

We will provide further explanation of commercial references as we continue – by the end you will be an expert! But for now – the above basic definition is all you need to know.

The aim of this project is to explore how people across the UK feel about the amount, the 'obviousness' and the level of acceptability of commercial references on TV.

2. <u>So, what do you need to do?</u>

The online community aspect of this project will take place across two stages:

<u>Stage 1: Pre-focus group</u> – *these tasks must be <u>completed ahead of attending your group session</u>*

1. **Watch & Review (1-4) –** a series of tasks where we will ask you to watch & respond to some short video clips.

2. **Commercial References 101 –** a more detailed introduction to commercial references with a few short questions to capture attitudes and opinions.

3. **Commercial References Diary –** a diary activity we'd like you to use to capture any examples of commercial references you see on TV during the research period *(this task will remain open until the whole project closes).*

<u>Stage 2: Post-focus group</u> – *these tasks must be <u>completed within 3 days of attending your group</u>*

4. **Advertiser funded programmes –** a set of questions further exploring the boundaries of acceptability when it comes to brands funding TV programming.

5. **Recap & Reflect –** a structured set of questions where we'll ask you to provide us with reflections on what you've learnt, providing us with final thoughts and recommendations.

While participating in this project, **please remember that there are no right or wrong answers.** Please

respond honestly and openly in the same way you would with a friend/family member. We're just interested to hear what you have to say.

Please also be reassured that **(unless stated clearly within the task) your responses will be entirely private and remain confidential from all other participants -** no other participants in the study will be able to see your answers to these tasks.

3. Deadline and Incentives

If **all activities are completed on time and to a satisfactory standard, you'll receive your full agreed incentive after the project has closed.**

REMEMBER: We need full and detailed responses to our questions, so ensure you complete the questions on whichever device is easiest for doing this. To make this easier - you can record your answers as voice notes, or use the desktop version of the app if you'd prefer to write out detailed responses using a full-size keyboard.

Please give us as much detail in your answers as possible – we will follow up and ask additional questions if your responses are not done with sufficient detail. **You risk losing out on payment if your responses to our questions lack detail or if your responses to our additional questions are not satisfactory**

Support & Information

If you experience any problems using this online platform please contact xxx who will provide you with technical support.

If you have any questions about the research or for further assistance, please get in touch with xxxx at xxxx@2cv.com.

Thanks again for taking part.

[SHOW ON ITERATION ONE ONLY]

Before you start working your way through the tasks and looking at some examples of commercial references - we want to understand what your 'starting point' is before you learn more about the subject. Don't worry if you look at the intro and instructions again, you won't be asked this question twice!

We'd like you to try and summarise your level of awareness and general attitude towards commercial references on UK TV.

REMEMBER: A commercial reference on TV is ANY reference to a brand, product or service that happens outside of an ad-break

Please consider in your answer:
    a. Before today, were you aware of commercial references being on TV?
    b. How much, if at all, have you noticed them?
    c. Please detail any examples you can think of.

You can respond to the above questions by **writing out your response** OR by **recording a voicenote** – please use whichever you are most comfortable with!
[TEXT/AUDIO]

Task 1 – Watch & Feedback (BLUE) [SINGLE COMPLETE – RANDOMISED UNLOCK]
Subtitle: (PRE GROUP) Reviewing and responding to a series of commercial reference examples

1. In this series of tasks, we have grouped together example video clips of commercial references that we would like you to review and respond to.
   There are **four 'Watch & Feedback' tasks in total**, each contains 2-3 clips that we want you to watch and answer some quick questions about.

   COMMERCIAL REFERENCES DEFINITION REMINDER: A commercial reference on TV is ANY reference to a brand or product that happens outside of an ad-break

   If possible -please try to work through all of the 'Watch & Feedback' tasks in one sitting – each task **shouldn't take longer than 10-15 mins to complete** – when you're ready, click **'Next'** to start this task.
   [INSTRUCTION].

[THE FOLLOWING Qs COVERING EACH CLIP SHOULD BE SHOWN IN A RANDOMISED ORDER]

2. Please watch the below video clip:
   [INSERT <u>CLIP 1:</u> Steph's Packed Lunch]
   Clip context: Broadcast during 'Steph's Packed Lunch' on Channel 4

   We would like you to use the below sliders to provide a summary your attitudes to this example commercial reference.

   We would like you to use the sliders below to tell us:

   a. **Did you notice the commercial reference?** *(This is not a test! We just want to know how noticeable the reference was)*

   b. **Do you think this commercial reference was paid for?** *(Again - not a test! We just want to see if this feels like something a brand has paid for)*

   c. **How <u>prominent</u> did the commercial reference feel?** *(e.g. How much did the brand/product featured stand-out?)*

   d. **How <u>acceptable</u> did the commercial reference feel?** *(e.g. Should this be allowed on TV? Does it have any impact on your enjoyment?)*

   [INSERT 3 SLIDERS DETAILED BELOW]
   Did you notice the commercial reference [2 POINT SLIDER – 1 = No / 2 = Yes]

   Do you think this commercial reference was paid for? [2 POINT SLIDER – 1 = No / 2 = Yes]

   How <u>prominent</u> was the commercial reference [10 POINT SLIDER – 1 = Not at all prominent / 10 = Extremely prominent]
   How <u>acceptable</u> was the commercial reference [10 POINT SLIDER – 1 = Not at all acceptable / 10 = Totally acceptable]

3. Next, still thinking about the same clip, we would like you to summarise your initial reaction to the clip you just watched.

   If you would like to watch the clip again you can do so:
   [INSERT CLIP]

   Please provide us with a written summary of the following:

   a. How <u>clear</u> was the commercial reference? *(e.g. Did you see a brand/products referenced?)*

   b. How <u>prominent</u> did the commercial reference feel? *(e.g. How much did the brand/product featured stand-out?)*

   c. How <u>acceptable</u> did the commercial reference feel? *(e.g. Should this be allowed on TV? Does it have any impact on your enjoyment?)*

   You can respond to the above questions by **writing out your response** OR by **recording a voicenote –** please use whichever you are most comfortable with!
   [AUDIO/TEXT RESPONSE]

   [REPEAT Q2-Q3 FOR CLIP 2 (**FIT IN 5**) & CLIP 3 (**LOCATION LOCATION LOCATION**)]

   [USE BELOW FOR '**Clip Context**]
   FIT IN 5: **Broadcast as part of 'Fit in 5' on Sky**
   LOCATION LOCATION LOCATION: **Broadcast during 'Location Location Location' on Channel 4**

4. You're done! <u>Thanks very much – you've completed this task.</u> The next task will now unlock for you.

   Remember - there are <u>four Watch & Feedback</u> tasks in total, if possible <u>please try to complete them all in one go if possible!</u>

Task 2 – Watch & Feedback (GREEN) [SINGLE COMPLETE – RANDOMISED UNLOCK]
Subtitle: (PRE GROUP) Reviewing and responding to a series of commercial reference examples
[DUPLICATED STRUCTURE FROM TASK 1 for:
Clip 4 - Farrow & Ball (**Broadcasted during 'Farrow & Ball: Inside The Posh Paint Factory' on Channel 5**)
Clip 5 – KFC Fast Food Secrets (**Broadcast during 'Inside KFC: Fast Food Secrets' on Channel 4**)

Task 3 – Watch & Feedback (RED) [SINGLE COMPLETE – RANDOMISED UNLOCK]
Subtitle: (PRE GROUP) Reviewing and responding to a series of commercial reference examples
[DUPLICATED STRUCTURE FROM TASK 1 for:
Clip 7 – Lego Masters (**Broadcast during 'Lego Masters' on Channel 4**)
Clip 8 – Candy Crush (**Promotional trailer for 'Candy Crush' – has not been broadcast in the UK**)
Clip 9 – 80s Cinema's Greatest Decade (**Broadcast during 'Greatest Films of the 80's on Sky 1**]

Task 4 – Watch & Feedback (PURPLE) [SINGLE COMPLETE – RANDOMISED UNLOCK]
Subtitle: (PRE GROUP) Reviewing and responding to a series of commercial reference examples

[DUPLICATED STRUCTURE FOR TASK 1 for:

Clip 10 – Euros Coverage **(Broadcast during UEFA tournament coverage on ITV)**

Clip 11 – US Women's Open Final **(Broadcast during US Women's Open Final on Channel 4)**]

Task 5 – Commercial References 101 [SINGLE COMPLETE]
Subtitle: (PRE GROUP) Providing further detail on commercial references and gathering initial thoughts

1. In this task we want to **find out your current attitude towards commercial references** and **provide you with a more in-depth understanding of the different types of commercial references on TV.**

   The online focus group you will attend will be focused on exploring the acceptability of different types of references, so **we want to make sure you have a good understanding of the subject before we see you at the focus group!**

   This task **shouldn't take much longer than 5-10 mins to complete (it's just one video clip and two questions about the clip) –** when you're ready, click **'Next'** to start completing the task.

   [INSTRUCTION]

2. **Firstly – we would like you to watch a short clip that provides an overview of the range of brand references you might see on television.**

   [INSERT SHOWREEL]

   In the clip there are examples of the following <u>types of commercial references</u>:
   a. **Incidental reference** (e.g. featured as part of programme incidentally without payment)
   b. **Product placement** (e.g. intentionally featured & paid for by a brand)
   c. **Sponsorship credit** (e.g. brand sponsor cited at start/end of programme, or referenced directly in the programme titles)
   d. **Sponsor Reference in Programme** (e.g. brand sponsor/sponsor's product featured mid-programme)
   e. **Cross Promotion** (e.g. broadcaster promotion of its other owned channels/products)

   After watching the video and reading the above – <u>we'd like you to provide another summary of your view of commercial references with this new information in mind.</u>

   Please consider in your answer <u>how 'new' was the above information? Were you aware of these different types of commercial references?</u>

   You can respond to the above question by **writing out your response** OR by **recording a voicenote –** please use whichever you are most comfortable with!
   [TEXT/AUDIO]

3. Now you've been given this extra information on the range of commercial references that exist, how much do you notice commercial references on TV? *(Do you see them a lot/not very much?)*

How much do you notice commercial references on TV? [10 POINT SLIDER – 1 = Not at all / 10 = All the time]

4. You're done! <u>Thanks very much – you've completed this task.</u>

Task 6 – Commercial References Diary [REPEATABLE]
Subtitle: (PRE GROUP) A diary of any commercial references you see on TV while working on this project

5. Hi everyone!
   This is a repeatable diary task that we would like you to <u>use to capture any examples of commercial references you see while watching TV during this project</u> (e.g. either before or after the groups).

   <u>If you don't watch much TV or see any commercial references during this period, that's okay</u> – but we'd love it if you did capture one or two examples!

   Completing this task shouldn't take long - we'd ideally like you to do it <u>immediately after the activity itself</u> (e.g. immediately after seeing a commercial reference etc.).

   You can leave this task for the moment (unless you've seen a commercial reference on TV just now!), but in the meantime - <u>continue working through the other tasks</u> while remembering to log entries if you do see anything.

   A quick reminder of the basic definition of a commercial reference: *A commercial reference on TV is ANY reference to a brand or product that happens outside of an ad-break.*

   [INSTRUCTION, ONLY SHOW TWICE]

6. Please give a description of the commercial reference you saw *(describe what the commercial reference was and where you saw it – e.g. the channel/platform & programme)* [TEXT]

7. (If possible!) Please take a photo/screenshot of the commercial reference
   You can skip this if you can't take a relevant photo/screenshot [OPTIONAL PHOTO]

8. What type of TV viewing were you doing when you saw the reference?
   a. Watching live broadcast TV/live TV online (e.g. ITV1, Channel 4, Channel 5, live cable & satellite TV or live on ITV Hub/All4/My5)
   b. Watching TV (not live) on broadcaster catch up or steaming services (e.g. All4, ITV Hub, My5 etc.
   c. Watching on paid for subscription services (e.g. Netflix, Amazon Prime, Disney+ etc.)

   [SINGLE CODE]

9. Please use the sliders below to tell us how <u>acceptable</u> did the commercial reference feel? *(e.g. Should this be allowed on TV? Does it have any impact on your enjoyment?)*
   [INSERT SLIDER DETAILED BELOW]

How <u>acceptable</u> was the commercial reference [10 POINT SLIDER – 1 = Not at all acceptable / 10 = Totally acceptable]

10. Lastly - please can you explain why you thought the commercial reference was/wasn't acceptable? What made this commercial reference more or less acceptable for you?
[TEXT/AUDIO 2M]

11. Thanks! Please remember to continue logging any additional commercial references you see while the project is live. [CLOSE]

POST GROUP ACTIVITIES

Task 5 – Programme Sponsorship Deep Dive [SINGLE COMPLETE]
Subtitle: (POST GROUP ACTIVITY) A further exploration of programme sponsorship possibilities

1. PLEASE NOTE: <u>THIS TASK SHOULD ONLY BE COMPLETED ONCE YOU HAVE ATTENDED YOUR GROUP SESSION – PLEASE ONLY CONTINUE WITH THIS TASK AFTER YOUR FOCUS GROUP HAS TAKEN PLACE</u>

   Now you've attended the focus groups you should have a pretty good understanding of the different types of commercial references. **One of the types of commercial references that we are particularly interested to explore in a bit more detail is Advertiser-funded Programmes.**

   If a brand <u>funds a programme</u> and is <u>involved in its production,</u> it is known as an advertiser-funded programme.

   We are going to ask you to answer **a few questions to help us understand your attitudes towards this type of commercial reference** and **explore some of the 'dos and don'ts'** for this type of commercial reference.
   [INSTRUCTION]

2. First of all – we'd like you to think about the concept of advertiser-funded programs in principle.

   A few examples of this could include:
   a. A car brand funding and creating a documentary about the development of a new vehicle
   b. A charity funding and creating a documentary about the impact they have on people's lives
   c. A game developer funding and creating a gameshow themed around a popular video game

   How do you feel about the idea of advertising funded programmes in principle? <u>How acceptable</u> is the concept of this sort of programme? Why do you feel that?

   You can respond to the above question by **writing out your response** OR by **recording a voicenote –** **please use whichever you are most comfortable with!**

3. How important is the **type of brand/industry/organisation** when it comes to the acceptability of advertiser funded programs?

   What brands, industries or organisations would be acceptable and why? And what would NOT be acceptable for and why? Does the reputation of a brand or organisation make a difference?

   You can respond to the above question by **writing out your response** OR by **recording a voicenote** – please use whichever you are most comfortable with!
   [TEXT/AUDIO]

4. How important is the **type of programme** *(e.g. documentaries, dramas, reality shows, gameshows etc.)* when it comes to the acceptability of advertiser funded programs?

   What types of programmes would be acceptable and why? And what types of programme would NOT be acceptable for and why?

   You can respond to the above question by **writing out your response** OR by **recording a voicenote** – please use whichever you are most comfortable with!
   [TEXT/AUDIO]

5. Lastly we'd like you to give us some guidance on <u>what you think should and shouldn't' be allowed</u> in an advertiser funded programme, thinking about what makes programme different from advertising.

   We'd like you to review the below list and give us a Yes/No/Maybe response on whether each item should be allowed within an advertiser funded program.
   a. Describing the key features/attributes of a product
   b. Comparing the product to others on the market
   c. Referencing the price of this product/brand/service
   d. Referencing where you can purchase this product
   e. Strong encouragement to buy a product/brand/service
   f. Highly positive description of this product/brand/service
   g. Providing contact details of brand sponsor

   We'd like you to group the below options into YES, NO or MAYBECARD 1: Describing the key features/attributes of a product
   CARD 2: Comparing the product to others on the market
   CARD 3: Referencing the price of this product/brand/service
   CARD 4: Referencing where you can purchase this product
   CARD 6: Strong encouragement to buy a product/brand/service
   CARD 5: Highly positive description of this product/brand/service

CARD 6: Providing contact details of brand sponsor

[CREATE 'YES', 'NO' 'MAYBE' BUCKETS TO DRAG AND DROP CARDS INTO]

6. **You said that the following should <u>NOT</u> be allowed as part of advertiser-funded programmes**

    [PIPE IN 'NO' RESPONSES from Q5]

    Please can you explain **why these should not be allowed?**

    You can respond to the above question by **writing out your response** OR by **recording a voicenote –
    please use whichever you are most comfortable with!**
    [TEXT/AUDIO]

7. You said that the following MAYBE be allowed as part of advertiser-funded programmes

    [PIPE IN 'MAYBE' RESPONSES FROM Q5]

    Please can you explain why these are borderline acceptable/not acceptable for you and what would
    make them acceptable?

    You can respond to the above question by **writing out your response** OR by **recording a voicenote –
    please use whichever you are most comfortable with!**
    [TEXT/AUDIO]

8. You said that the following SHOUL be allowed as part of advertiser-funded programmes

    [PIPE IN 'YES' RESPONSES FROM Q5]

    Please can you explain why these are acceptable for you?

    You can respond to the above question by **writing out your response** OR by **recording a voicenote –
    please use whichever you are most comfortable with!**
    [TEXT/AUDIO]

9. You're done! **Thanks very much – you've completed this task.**

    <u>Just one final task to complete and you're done</u>!

    Thanks so much for all the hard work so far.

Task 5 – Recap & Reflect [SINGLE COMPLETE]
Subtitle: (POST GROUP ACTIVITY) Reflecting on what you've learnt – providing final thoughts

1. PLEASE NOTE: <u>THIS TASK SHOULD ONLY BE COMPLETED ONCE YOU HAVE ATTENDED YOUR GROUP
    SESSION – PLEASE ONLY CONTINUE WITH THIS TASK AFTER YOUR FOCUS GROUP HAS TAKEN PLACE</u>

    In this last activity we will be asking you to provide us with reflections on what you've learnt, providing us
    with final thoughts and recommendations.

2. <u>What have you learned during the course of participating in this research?</u> Did it make you think differently or consider anything new about commercial references on TV? <u>Has participating in this research changed how you think or feel about commercial references at all?</u>

   You can respond to the above questions by **writing out your response** OR by **recording a voicenote** – please use whichever you are most comfortable with!
   [TEXT/AUDIO]

3. <u>What was the most interesting piece of information you took away from this project?</u> What stood out? What has struck you the most about what we have shown you and talked about?

   You can respond to the above questions by **writing out your response** OR by **recording a voicenote** – please use whichever you are most comfortable with!
   [TEXT/AUDIO]

4. <u>If you had to give Ofcom one piece of advice about regulating commercial references, what would it be</u>?

   You can respond to the above question by **writing out your response** OR by **recording a voicenote** – please use whichever you are most comfortable with!
   [TEXT/AUDIO]

Discussion guide for group discussions

Business objective
To provide Ofcom with a clear understanding of current attitudes to commercial references in television programming and a considered view on potential changes to future regulation/regulatory guidance.

Session objectives
The objectives for the reconvened sessions are to...

1. Share and deliberate their reflections on commercial references (using Phase 1 online community work and TV watching 'homework' task references points).

2. Discuss their attitudes and tolerances towards different commercial activities, including differences by **programme origin/channel/platform/genre, editorial independence, and funding methods.**

Materials
- Screen grabs from clips used in Phase 1

- Clips from Phase 1

- Definitions of different types of commercial reference (product placement; sponsorship; AFP; cross-promotion etc.)

- Outline of funding models for different broadcasters

Introduction (5 minutes)
Introducing research

Moderator to introduce themselves and the purpose of the research:

- Moderator to introduce self, welcome and thank respondent for their time & commitment so far

- Explain moderator role: impartial, independent, run tasks and keep to time; make sure participant is comfortable and understands what we're doing

- Explain confidentiality, recording & viewing, remind participants to change name on Zoom to first name only

- No right or wrong answers

- Moderator to explain that research is needed to build on the work they've done so far. Introduce idea of the group in the overall process – a chance to deliberate many of the issues explored to date

- Session lasts up to 90mins

- Answer any questions they have on the research at this point

Respondents to introduce themselves:
- Where they live & how long for; if working, what do they do for a living; living arrangements/household composition; hobbies and interests

Reflection – recap on what they have learned (5 mins)
Section objective: To briefly get participants to reflect on the wider topic of commercial references and discuss how this has impacted on their views

Moderator to explain that we will look at different examples of commercial references in more depth but want to start with getting top of mind thoughts on issues

- What are their overall thoughts on the commercial references on TV based on what they now know? Anything unclear/need clarifying?

- How aware/conscious were they of commercial references on TV before they got involved in this project?

- What commercial reference activities were they aware/unaware of? *Probe on awareness of different types of commercial activities.*

    o If aware previously, what did they think of the idea of commercial references? Has their perspective shifted/changed at all following the phase 1 activities? What has changed and why (listen for whether tolerance/acceptability have changed & why)?

Reflect on homework task – keep light and short
- What did they notice in terms of commercial reference activity? What types of commercial activities did they notice?

    o What examples did they find (*explore perceptions of prevalence/examples based on genre, channel, platform etc.)*?

Commercial reference deep dive (60 mins)
Section objective: Deliberative discussion to establish how participants feel about different types of commercial activities; establish benchmark for tolerance in terms of what is (un)acceptable and why.

> Stimulus to be used:
> 1. Screen grabs of clips
>
> 2. Clips (if time allows)
>
> 3. Definitions of different types of commercial refences *(moderators to have to hand and use only if necessary)*
>
> 4. Explanations of how TV is funded *(moderators to have to hand and use only if necessary)*
>
> 5. Funding challenges faced by broadcasters

Understanding the landscape
- What are their thoughts on why commercial references happen (*listen out for a necessity to help fund TV content*)? Why do broadcasters and brands use them?

- How are they different to adverts? Do they understand how they are different? (*Listen out for how promotional they are and what makes them promotional or makes some more promotional than others*).

   o Explore understanding of how TV is currently funded? Does this influence their views on commercial references?

- Check understanding of commercial television funding

- What do they think about this? *Listen for awareness, credibility etc.*?

- How does this impact on their thoughts on commercial references, if at all?

Acceptability threshold

*Moderator to explain we will now focus on specific areas and types of commercial references (**note to moderator** – ensure participants do not limit discussion to the examples and to encourage broader discussion on key areas).*

*Moderator to **note key themes (in particular factors that affect acceptability) and explore** responses to each type of commercial reference 1. Moderator to co-create these key themes with participants and refer back to/add to/amend throughout session (Zoom whiteboard/PPT Slide etc.).*

- On the whole, are there any examples of commercial references from what you've seen so far that really 'work' vs. don't conceptually? (*Encourage respondents to think along lines of 'acceptability' & prominence/whether editorially/content justified/(un)obtrusive*) *Moderator to use slide with **examples** to prompt recall/conversation*

   o What's the difference? Were there examples that were more/less acceptable?

   o What is their criterion for assessing this? (Moderator to note/probe whether 'what works' depends on genre, platform, type of commercial reference etc., whether paid for or not)

      ▪ Any other criteria beyond those probed on

      ▪ Are they able to prioritise a set of criteria.

Moderator to introduce screen grabs of clips as examples of commercial references to prompt discussion…

1. *Brand refs/product placement – Steph's packed lunch, UEFA coverage, Location Location Location*

2. *Programme sponsorship – Fit in 5*

3. *Behind the scenes documentaries/AFP – Farrow & Ball, KFC,*

4. *Gameshow/AFP - Candy Crush, Lego masters*

5. *Other – 80s Cinema's Greatest Decade, US Women's Open Final*

For each type of commercial reference explore

- What are their thoughts on these examples? How do you feel about these types of commercial references (and not just the specific examples)?

- Explore acceptability/tolerance/prominence of each commercial reference and rationale (*Moderator to note key themes*)

  o What informs whether commercial refences are acceptable? [probe around charities and also organisations/brands they are more/less favourable towards]

  o What criteria are they using to define prominence? What makes something 'overly prominent'?

  o Explore impact of commercial references on their feelings towards the broadcaster? [Warmth/Negativity/Trust]

  o Explore impact of the commercial references on likely behaviour towards the broadcaster? [Purchase intent/put off; Likelihood to watch channel]

  o If cross promotes a broadcaster's interests e.g. another of its channels or its catch-up service but is featured as part of a programme

Moderator to probe as required

Programme	Type of reference	Paid for	Genre	Specific areas to probe on/scenario (blue= nice to have)
Steph's Packed Lunch	Reference to each business and its product in this magazine style show	N	Magazine	What if it was paid for? What if it was in another genre? What if it was on another platform? What if it had originally been made for a non-UK market
UEFA coverage	A live feed from UEFA, the brands referenced are not paid-for (to the broadcaster), but are from sponsorship deals outside of their control	N	Sport	What if it was paid for? What if it was in another genre? What if it was on another platform? What if it was for a non-UK market?
Location Location Location	Product placement	Y	Reality	What if it was in another genre? Probe around brand/product featured
Fit in 5	Sponsorship (by Fitbit)	Y	Short/Filler	What if Fitbit clearly featured in the programme? (Show additional screengrab)

				If unacceptable – what if only one or some of the references were there?
Farrow and Ball	Featured product	N	Documentary	What if it was paid for? What if it was on another platform? What if it was for a non-UK market?
KFC Fast Food Secrets	Featured product	N	Documentary	What if it was paid for? What if it was on another platform? What if it was for a non-UK market? Compare around type of brand/product (e.g. KFC vs. Farrow and Ball), premium vs. budget etc.
Lego-masters	Featured product	N	Game show	What if it was paid for? What if it was in another genre? What if it was on another platform? What if it was for a non-UK market? Compare around type of brand/product (e.g. KFC vs. Farrow and Ball), premium vs. budget etc.
Candy Crush	AFP (made in US)	Y	Game show	What if it was on another platform? Compare around type of brand/product (e.g. KFC vs. Farrow and Ball), premium vs. budget etc.
Greatest films of the 80s	Shown on Sky 1; Cross-promotion: on-screen references to availability of featured films on Sky Movies	N	Documentary	Explore views about whether people have to pay or not (i.e. having to pay for the moving that is being promoted to watch on Sky, or not being able to watch because you don't have Sky) What if it was on another platform?
US Open Women's Final	A simulcast on Channel 4 of a live broadcast on Prime	N	Sport	Probing around sharing of broadcast rights leading to branding for co-broadcasters What if it was in another genre? What if in a programme for a non-UK market What if it was on another platform?
Travel scenario	Travel board funded documentary (scenario)	Y	Documentary	What if it was on another platform? How do they feel about it being paid for? Listen and then probe for the language used

- Explore their views on the following being included in programmes and their impact on commercial references
    - o Reference to pricing

- o Availability *i.e. where can get the product/how to access it*

- o Use of superlative language e.g. (*use travel scenario to illustrate type of language*)

- o Direct calls to action (direct encouragement to purchase/rent goods/services)

- o Unique features/selling points of brands/goods/products

- o Contact information (direct invitations to contact brand/sponsor)

- Are there specific types of commercial references that provoke more conversation/interest/ concern? Explore these differences and what seems to drive conversation?

- On balance how do they now feel about the presence of commercial refences on television? *Listen for then probe around 'regulation'/controls etc.*

- What makes commercial references more/less acceptable as a concept? *Listen for, then probe on elements already discussed above (genre of programme; platform; paid for etc.; transparency of commercial relationship)*

- How important do they feel it is for viewers to be able to distinguish between what is editorial content and advertising? Why? Why not

- *Listen for then probe* to what extent they feel that a broadcaster's editorial independence is an important? Why? Why not

  - o What do they feel the potential impact of commercial references on this principle

- How do they think other people may be impacted by/feel about commercial references in television programmes? Rationale

  - o Listen for then probe on whether some audiences are *(based on age; other factors that may make them susceptible/vulnerable/more at risk)* who they think might…

    - ▪ have different perspectives

    - ▪ be considered more susceptible/vulnerable to commercial references?

- How do they feel if there was more of it on TV in the future?

Trade off exercise (10 mins)
If not explicitly covered, moderator to introduce the idea of declining TV viewing (due to increased subscription video-on-demand etc.) & potential for falling advertising revenue and impacts on PSB (i.e. the main national broadcasters, the BBC, ITV/STV in Scotland/UTV in Northern Ireland, Channel 4, Channel 5 and S4C) content. Moderator to introduce a written description of funding challenges

- Check understanding of commercial television funding

- What do they think about this? *Listen for awareness, credibility etc.*?

- How does this impact on their thoughts on commercial references, if at all?

- What are their thoughts on alternatives to how commercial TV should be funded?

- *Explore idea of trade-offs and how people respond to e.g.*

  Moderator to show all trade-offs at the same time, allowing participants to compare and contrast *preventing them from getting hung up on previous examples*

Moderator can refer to key themes slides/flipchart/whiteboard and discuss developments (if any) with participants

- *The same number of ads during breaks with more commercial references in programmes – explore in relation to programmes in clips) -and whether attitudes differ in relation to more incidental/background commercial references (e.g. product placement) and content more brand focussed (e.g. AFPs).*

- *More adverts during ad breaks or more advertising interruptions and no increase in commercial references in programmes – explore in relation to break patterns (e.g. whether prefer longer or more breaks) and different types of ads (e.g. ads promotion other programmes, platforms etc. vs. traditional product ads).*

- Any ideas they have themselves in terms of trade-offs? What else could be explored as an idea? Rationale

- How do they feel about paying for ad break free content vs. free to air content that includes ad breaks? (i.e. something like Netflix or All4+ vs. All4)

  - What is their definition of ad break free content? *Listen for then prompt with whether this to mean there aren't any paid for commercial refs as well? E.g. product placement and programme sponsorship?*

  - How do they feel about <u>paying for content that includes paid for commercial refs?</u> Does this differ by the type of commercial ref?
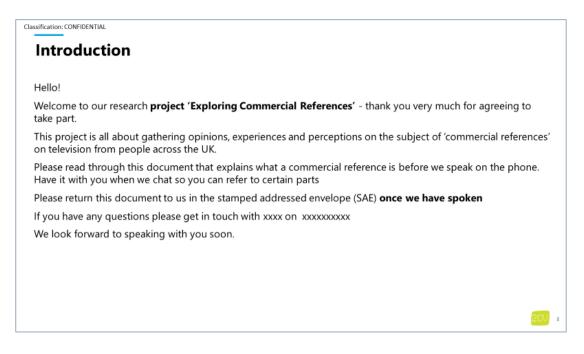
Thank and close (5 mins)

- Based on conversations had today what is their understanding of rules/regulations in relation to commercial references (*Moderator to ensure that they are explicitly talking about* **commercial references in programming, not adverts**)?

  - Do they feel that there ought to be rules/regulations concerning commercial refences? Why? Why not? [listen for around editorial independence/transparency/too much advertising]

- Sum up what they feel is acceptable vs. non-acceptable and why?

- What advice would you give to Ofcom who set the rules around this type of content? Rationale

- Any outstanding/unanswered questions/concerns/issues based on conversations today and Phase 1 work?

- Set up for online follow up

  - Explain follow up task and potential themes to consider including…

    - The future of commercial references

    - Regulating and what this should be based on

    - How their views would change (if at all) as commercial references became more frequent; more prominent; more promotional?

Pre task sent to participants with no/low internet access

Introduction

Hello!

Welcome to our research **project 'Exploring Commercial References'** - thank you very much for agreeing to take part.

This project is all about gathering opinions, experiences and perceptions on the subject of 'commercial references' on television from people across the UK.

Please read through this document that explains what a commercial reference is before we speak on the phone. Have it with you when we chat so you can refer to certain parts

Please return this document to us in the stamped addressed envelope (SAE) **once we have spoken**

If you have any questions please get in touch with xxxx on xxxxxxxxxx

We look forward to speaking with you soon.

What is a commercial reference?

All broadcast TV content is made up of <u>programming</u> and <u>advertising</u>.

A **commercial reference** on television is <u>any</u> reference to a product, service and/or trademark (e.g. logo) <u>within progamming</u>. *This is not always paid for- e.g. an incidental product or brand featured in the background.*

TV adverts are therefore <u>not</u> a type of commercial reference because <u>they take place outside of programming</u>.

TO RECAP: <u>A commercial reference on TV is ANY reference to a brand, product or service that happens outside of an ad-break</u>

Here are some examples of commercial references

1. **Incidental reference** (e.g. featured as part of programme incidentally without payment)
2. **Product placement** (e.g. intentionally featured & paid for by a brand)
3. **Sponsorship credit** (e.g. brand sponsor cited at start/end of programme, or referenced directly in the programme titles)
4. **Sponsor Reference in Programme** (e.g. brand sponsor / sponsor's product featured mid-programme)
5. **Cross Promotion** (e.g. broadcaster promotion of its other owned channels/products)
6. **Advertiser-funded Programmes (e.g.** When the programme sponsor funds a programme and is involved in its production)

The next few slides have some descriptions and images of different types of commercial references that currently exist. We would like you to read through these descriptions and answer the questions that come with each.

Sponsorship

Fit in 5: A programme is broadcast on a small UK channel, which features two presenters based in a television studio demonstrating a workout. Before the opening credits for the show, there is a short sponsorship message by FitBit (a smart watch company), which sponsors the programme. In the programme, the presenters use their FitBit watches to check their heart rates after they have completed the workout.

powered by fitbit

IMAGE B

IMAGE A

Product placement

Location Location Location: A property programme is broadcast on a main UK channel. At the beginning of the programme, it features a couple discussing the key features they would like in their new home, as they begin their search in Cheshire. Part of this segment features the couple walking through a town centre in the sunshine. In the top right hand corner, the logo of a property search website, appears briefly, alongside a note that there are 'properties available up to £7.5 million in Cheshire'.

Brand reference

Steph's Packed Lunch: A daytime magazine style show is broadcast on a main UK channel. A segment on the programme involves the hosts interviewing small business owners, and showcasing some products from some small businesses.

One of the hosts interviews a mother and daughter about their business selling candles and other natural products. The host highlights the different types of products they sell and tells viewers that these products are now available in a high-end department store.

Another host shows viewers a series of different products, including cocktail glasses and place settings. He describes their key features, including their prices, and tells viewers how/where they can be purchased.

THE BUSINESSES HELPING YOU BE THE HOSTESS WITH THE MOSTESS

THE BUSINESSES HELPING YOU BE THE HOSTESS WITH THE MOSTESS

Documentary

Farrow & Ball: Inside The Posh Paint Factory A main UK channel broadcasts a programme about a brand of paint, exploring how the paint is made and where inspiration for its different colours comes from. The programme features interviews with employees of the paint company, who show and describe different stages of the paint making process. In addition, it features interviews with interior designers, who describe the unique features of the paint, and why they like using it.

My thoughts on commercial references

Use this page to make some notes on what you have read

How acceptable did the commercial reference feel? (e.g. Should this be allowed on TV? Does it have any impact on your enjoyment? In what way?)

Discussion guide for telephone depths with low/no access audience

Introduction (5 minutes)

Moderator to introduce themselves and the purpose of the research:

- Moderator to introduce self, welcome and thank respondent for their time

- Explain moderator role: impartial, independent keep to time; make sure participant is comfortable and understands what we're doing

- Explain confidentiality, recording etc.

- No right or wrong answers

- Moderator to explain that research is needed to build on the work they've done so far

- Session lasts up to 60mins

- Answer any questions they have on the research at this point

Respondent to introduce themselves:

- Where they live & how long for; if working, what do they do for a living; living arrangements/household composition

Reflection – recap on what they have learned. (10 mins)

Section objective: To reflect on the wider topic of commercial references and discuss how this has impacted on their views

Moderator to explain that we will look at different examples of commercial references in more depth but want to start with getting top of mind thoughts on issues.

- On balance, how did they find the pre-task?

- Did they understand the information about commercial references? Did they have any questions?

  - Check their understanding – do they understand how it differs from an advert?

- Did they know about this before? Have they noticed this in TV programmes before?

- What are their thoughts/feelings on these sorts of references?

  - If aware previously, what did they think of the idea of commercial references? Has their perspective shifted/changed at all following the pre-task? What has changed and why (listen for whether tolerance/acceptability have changed & why)?

Understanding the landscape

- What are their thoughts on why commercial references happen (*listen out for a necessity to help fund TV content*)? Why do broadcasters and brands use them?

- How are they different to adverts? Do they understand how they are different? (*Listen out for how promotional they are and what makes them promotional or makes some more promotional than others*)

- o Explore understanding of how TV is currently funded? Does this influence their views on commercial references?
- Check understanding of commercial television funding
- What do they think about this? *Listen for awareness, credibility etc.*? How does this impact on their thoughts on commercial references, if at all?

Commercial reference deep dive (35 mins)
Section objective: Discussion to establish how participants feel about different types of commercial activities; establish benchmark for tolerance in terms of what is (un)acceptable and why

Stimulus to be used:
6. Definitions of different types of commercial refences *(moderators to have to hand and use only if necessary)*

7. Explanations of how TV is funded *(moderators to have to hand and use only if necessary)*

Acceptability threshold
*Moderator to explain we will now focus on specific areas and types of commercial references (**note to moderator** – ensure participants do not limit discussion to the examples and to encourage broader discussion on key areas. Throughout encourage participants to think of 'real life' examples they have seen when watching telly).*

*Moderator to **note key themes (in particular factors that affect acceptability) and explore** responses to each type of commercial reference 1.*

- On the whole, are there any examples of commercial references from what you've seen when watching TV that work vs. don't work? (*Encourage respondents to think along lines of 'acceptability' & prominence/whether editorially/content justified/(un)obtrusive*) *Moderator to use slide with **examples** to prompt recall/conversation*
  - o What's the difference? Were there examples that were more/less acceptable?
  - o What is their criterion for assessing this? (Moderator to note/probe whether 'what works' depends on genre, platform, type of commercial reference etc., whether paid for or not)
    - Any other criteria beyond those probed on
    - Are they able to prioritise a set of criteria

*Moderator to refer to examples of commercial references to prompt discussion. (**Moderator to rotate**)*
*For those with **limited access***

6. *Brand refs/product placement – Steph's packed lunch, UEFA coverage, Location Location Location*

7. *Programme sponsorship – Fit in 5*

8. *Behind the scenes documentaries/AFP – KFC, Farrow and Ball*

9. *Gameshow/AFP - Candy Crush, Lego masters*

10. *Other – 80s Cinema's Greatest Decade, US Open Tennis*

11. *AFP – Travel show scenario*

For those with <u>no access</u>
1. *Brand refs/product placement – Steph's packed lunch, Location Location Location*

2. *Programme sponsorship – Fit in 5*

3. *Behind the scenes documentaries/AFP – Farrow & Ball,*

4. *AFP - Candy Crush*

5. *AFP – Travel show scenario*

For each type of commercial reference explore
- What are their thoughts on these examples? How do you feel about these types of commercial references (and not just the specific examples. Where appropriate, encourage participants to think of examples of commercial they have seen when watching telly)?

- Explore acceptability/tolerance/prominence of each commercial reference and rationale (*Moderator to note key themes*)
  - What informs whether commercial references are acceptable? [probe around charities and also organisations/brands they are more/less favourable towards]

  - What criteria are they using to define prominence? What makes something 'overly prominent'?

  - Explore impact of commercial references on their feelings towards the broadcaster? [Warmth/Negativity/Trust]

  - Explore impact of the commercial references on likely behaviour towards the broadcaster? [Purchase intent/put off; Likelihood to watch channel]

  - If cross promotes a broadcaster's interests e.g. another of its channels or its catch-up service but is featured as part of a programme

Moderator to probe as required & where relevant

Programme	Type of reference	Paid for	Genre	Specific Areas to probe on/scenario (blue= nice to have)

Steph's Packed Lunch	Reference to each business and its product in this magazine style show	N	Magazine	What if it was paid for? What if it was in another genre? e.g. consumer advice programme What if it was on another platform? e.g. Prime TV What if it was for a non-UK market?
UEFA coverage	A live feed from UEFA, the brands referenced are not paid-for (to the broadcaster), but are from sponsorship deals outside of their control	N	Sport	What if it was paid for? What if it was in another genre? e.g. documentary (range of brands) e.g. drama (identifiable brand used by character) What if it was on another platform? e.g. Prime TV What if it was for a non-UK market?
Location Location Location	Product placement	Y	Reality	What if it was in another genre? e.g. TUI logo appearing onscreen in a travel programme; or A character referring to the can of coke they are drinking in a serious drama. Probe around brand/product featured
Fit in 5	Sponsorship (by FitBit)	Y	Short/Filler	What if FitBit clearly featured in the programme? (Show additional screengrab) If unacceptable – what if only one or some of the references were there? What if it was in another genre? (e.g. a sponsored drama where the main character is wearing clothes from the sponsor's latest fashion collection)
Farrow and Ball	Featured product	N	Documentary	What if it was paid for? What if it was on another platform? e.g. Ford releasing its new electric car, programme funded by Ford, broadcast on-demand What if it was for a non-UK market?
KFC Fast Food Secrets	Featured product	N	Documentary	What if it was paid for? What if it was on another platform? What if it was for a non-UK market? Compare around type of brand/product (e.g. KFC vs. Farrow and Ball), premium vs. budget etc. Use other brands as examples (e.g. documentary around a supermarket, an airline etc.)

Lego-masters	Featured product	N	Game show	What if it was paid for? What if it was in another genre? (e.g. a fashion programme) What if it was on another platform? What if it was for a non-UK market? Compare around type of brand/product (e.g. fashion programme featuring an established brand compared to featuring a newer brand – such as Monsoon vs. Misguided)
Candy Crush	AFP (made in US)	Y	Game show	What if it was on another platform? Compare around type of brand/product (e.g. Scrabble compared to latest Minecraft computer game)
Greatest films of the 80s	Shown on Sky 1; Cross-promotion: on-screen references to availability of featured films on Sky Movies	N	Documentary	Explore views about whether people have to pay or not (i.e. having to pay for the moving that is being promoted to watch on Sky, or not being able to watch because you don't have Sky) What if it was on another platform? Note: cross-promotions are normally like ITV Hub (separate from any programme).
Travel scenario	Travel board funded documentary (scenario)	Y	Documentary	What if it was on another platform? How do they feel about it being paid for? Listen and then probe for the language used

- Explore their views on the following being included in programmes and their impact on commercial references
    - Reference to pricing e.g. *"it's now selling at only £5000"*
    - Availability *i.e. where can get the product/how to access it* e.g. *"you can get it from your local B&Q"*
    - Use of superlative language e.g. *use travel scenario to illustrate type of language)* e.g. *"it's out of this world"* or *"it's the best I've ever tasted"* etc.
    - Direct calls to action (direct encouragement to purchase/rent goods/services) e.g. *"buy it now to ensure you're not disappointed…"*
    - Unique features/selling points of brands/goods/products e.g. *"it has unparalleled acceleration: 0-60 in four seconds…"*
    - Contact information (direct invitations to contact brand/sponsor) e.g. *"call 0896555321 now to order this fantastic sofa"*
- Are there specific types of commercial references that provoke more conversation /interest/concern? Explore these differences and what seems to drive conversation?

- On balance how do they now feel about the presence of commercial refences on television? *Listen for then probe around 'regulation'/controls etc.*

- What makes commercial references more/less acceptable as a concept? *Listen for, then probe on elements already discussed above (genre of programme; platform; paid for etc.; transparency of commercial relationship)*

Editorial vs. advertising (5 mins)

- How important do they feel it is for viewers to be able to distinguish between what is editorial content and advertising? *Listen for then probe* to what extent they feel that a broadcaster's editorial independence is an important? Why? Why not
  - What do they feel the potential impact of commercial references on this principle?

- How do they think other people may be impacted by/feel about commercial references in television programmes? Rationale
  - Listen for, then probe on, whether there are some audiences *(based on age; other factors – i.e. access to information via the internet - that may make them susceptible/vulnerable/more at risk)* who they think might...
    - have different perspectives
    - be considered more susceptible/vulnerable to commercial references?

- How do they feel if there was more of it on TV in the future?

FUNDING: If not explicitly covered, moderator to introduce the idea of declining TV viewing (due to increased subscription video-on-demand etc.) & potential for falling advertising revenue and impacts on PSB (i.e. the main national broadcasters, the BBC, ITV/STV in Scotland/UTV in Northern Ireland, Channel 4, Channel 5 and S4C) content. Moderator to introduce a written description of funding challenges.

- What do they think about this? *Listen for awareness, credibility etc.*?

- How does this impact on their thoughts on commercial references, if at all? Now they know this, does it make a difference to acceptability of different concepts?

  Moderator can refer to key themes slides/flipchart/whiteboard and discuss developments (if any) with participants. If needed, the below examples can be used to stimulate discussion about tolerance of commercial references vs. ad breaks.

  - *The same number of ads during breaks with more commercial references in programmes – explore in relation to programmes in clips) -and whether attitudes differ in relation to more incidental/background commercial references (e.g. product placement) and content more brand focussed (e.g. AFPs).*

  - *More adverts during ad breaks or more advertising interruptions and no increase in commercial references in programmes – explore in relation to break patterns (e.g. whether prefer longer or more breaks) and different types of ads (e.g. ads promotion other programmes, platforms etc. vs. traditional product ads).*

- Listen for, then probe around subscription based content. Are they paying for the content, or because it is ad-free? (*Moderator to note given low/no internet access this audience may not subscribe to this type of content*).

- How would they feel about paid for commercial refs in this? How do they feel about paying for ad break free content vs. free to air content that includes ad breaks?

Thank and close (5 mins)

- Based on conversations had today what is their understanding of rules/regulations in relation to commercial references (*Moderator to ensure that they are explicitly talking about **commercial references in programming, not adverts**)?*

  o Do they feel that there ought to be rules/regulations concerning commercial refences? Why? Why not? [listen for around editorial independence/transparency/too much advertising]

- Sum up what they feel is acceptable vs. non-acceptable and why?

- What advice would you give to Ofcom who set the rules around this type of content? Rationale

- Any outstanding/unanswered questions/concerns/issues based on conversations today and Phase 1 work?