

A Work Project presented as part of the requirements for the Award of a Master Degree in Management from the NOVA – School of Business and Economics.

**“HOW CAN FNG GROW FASTER VIA ENTERING AND THRIVING IN THE
ONLINE ADVERTISING MARKET?”**

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06-01-2020

Abstract

The current advertising landscape in Portugal reveals that the Pay-TV market has reached maturity giving little margin for growth while digital has been the advertising channel with the biggest growth. Being FNG's main business in the Pay-TV market, the company plans to invest in new Digital advertising solutions to keep ahead with the advertising landscape. An analysis of the advertising market comprising a primary and secondary research followed by a marketing and communications plan allowed to develop *This is Fox* as the solution for FNG to thrive in the online advertising market increasing by 1225% the online advertising revenue.

Keywords: FNG; marketing plan; online advertising; media agencies

This work used infrastructure and resources funded by Fundação para a Ciência e a Tecnologia (UID/ECO/00124/2013, UID/ECO/00124/2019 and Social Sciences DataLab, Project 22209), POR Lisboa (LISBOA-01-0145-FEDER-007722 and Social Sciences DataLab, Project 22209) and POR Norte (Social Sciences DataLab, Project 22209).

Index

1. Market Overview	4
1.1. Advertising Market	4
2. Five C's Analysis	5
2.1. Company	5
2.1.1. SWOT Analysis.....	6
2.2. Context	8
2.2.1. Political Environment	8
2.2.2. Economic Environment	8
2.2.3. Social Environment.....	8
2.2.4. Technological Environment.....	10
2.2.5. Ecological Environment.....	11
2.2.6. Legal Environment	11
2.3. Competition	12
2.4. Customers	15
2.5. Collaborators	15
3. The online advertising market	16
4. Primary Research	18
4.1. Qualitative Research: Media agencies	18
4.1.1. Methodology, Questionnaire, and Sample.....	18
4.1.2. Limitations.....	18
4.1.3. Media Agencies Main Insights.....	19
4.2. Qualitative Research: Advertisers	22
4.2.1. Methodology, Questionnaire, and Sample.....	22
4.2.2. Advertisers Main Insights.....	22
5. Possible Solutions	25
5.1. Possible Solutions Presentation	25
5.2. Potential/Risk Matrix	27
6. Primary research: Possible Solutions	29
6.1. Qualitative Research: Media Agencies	29
6.2. Qualitative Research: Advertisers	30
7. Solution – <i>This is Fox</i> Online Magazine + App	32
8. Marketing Strategy	35
8.1. Segmentation	35
8.2. Targeting	37
8.3. Positioning Statement	38
9. Brand	38
9.1. Brand elements	39

9.2. Brand identity B2C	39
9.3. Brand identity B2B	40
9.4. Brand architecture	41
10. Marketing Mix	41
10.1. Product/Service	41
10.1.1. Service attributes	42
10.1.2. Media Bundles	42
10.2. Price	43
10.3. Place	45
10.4. Promotion	45
10.4.1. <i>This is Fox Online Magazine Communications Plan (B2C)</i>	45
10.4.1.1. Marketing Objectives	45
10.4.1.2. Target Audience Selection	46
10.4.1.3. Target Audience Action Objectives	47
10.4.1.4. Communication Objectives	47
10.4.1.5. Brand Positioning for Communication Plan	48
10.4.1.6. Creative Strategy	49
10.4.1.7. Media Strategy	50
10.4.1.8. <i>Integrated Communications Strategy</i>	51
10.4.1.9. Campaign’s Schedule and Budget	51
10.4.1.10. Campaign Tracking.....	52
10.4.2. Communications Plan (B2B)	52
10.4.3. <i>This is Fox App Communications Plan (B2C)</i>	54
10.5. Processes	55
10.6. People	57
10.6.1. Incentive System	58
10.6.2. Training	59
10.7. Physical Evidence	59
11. Key Success Factors	59
12. Profit and Loss (P&L)	60
13. Control Measures	63
13.1. B2C.....	63
13.2. B2B.....	65
14. Contingency Plan	65
15. Conclusion	66
References	66
APPENDIX	79

Market Overview

1.1. Advertising Market

Advertising is, in general terms, “meant to turn us towards a product or service by providing information or creating a positive feeling – something that goes well beyond simply calling our attention to it” (Percy and Elliot, 2016). Being such a valuable tool for brands to engage with their target audience, the overall advertising investment in Portugal has been increasing for the last 10 years (FIPP, 2018) having achieved almost 10.5 billion euros in 2018 with an increase of 13% from the previous year (Marktest/Mediamonitor, 2019a). This investment in advertising is spread through a vast array of media channels and platforms, such as TV channels, Digital platforms, Press, Out-of-Home (OHH), Radio and Cinema. Data shows that the heaviest factor, when choosing the media channel for a campaign is the available budget. High budget campaigns tend to air mostly on TV; whereas medium budget campaigns choose a mix of TV and Digital actions and low budget campaigns opt for Digital advertising only (WARC, 2019). Specifically, in Portugal, the investment in TV advertising represents 80% of the overall advertising investment, even though the investment in Digital advertising has grown faster in the last year with a 23% increase comparing with 2017 (Marktest/Mediamonitor, 2019b).

Buying media is a complex transaction that requires synergies between the different parties involved. It is important that Advertisers, Media agencies, Creative agencies, and Media Channels are on the same page regarding the objectives, budget, measurements, formats and time frame of the campaign in order to succeed and achieve the goal set. Even though this process will be fully explained further in this report, an explanation of the ideal customer journey is crucial to understand the market flow. Advertisers contact their media agencies with the briefing where they explain general guidelines for the campaign such as the goal, the available budget, the general message, the target and the time frame of the campaign. The media agency then selects the right media mix for the briefing and contacts the media channels to start

creating an action plan. Afterwards, the media agency sends a fully detailed proposal to the client and starts working on the campaign after acceptance by the advertiser. By the end of the process, the brand ends up with a campaign on air in the media channels selected by the media agency, with the creative content delivered by the creative agency.

1. Five C's Analysis

1.1. Company

Fox Networks Group Portugal, which operates in the entertainment industry, was recently acquired by Walt Disney Direct-to-Consumer & International. However, this acquisition will not be taken into consideration in this proposal due to its early stage. FNG Portugal, Lda. was created in 2003, its headquarters are located in Lisbon and serves Portuguese speaking countries including Portugal, Angola, Cape Verde, Mozambique and São Tomé and Príncipe. It has been operating a successful business throughout the years, developing leading brands in the Portuguese market and maintaining a very sustained brand awareness. The group is responsible for the production, distribution, and sale of the Portuguese versions of the following international channels: Fox (HD), Fox Life (HD), Fox Comedy (HD), Fox Crime (HD), Fox Movies (HD), National Geographic Channel (HD), Nat Geo WILD, 24 kitchen (HD), and BabyTV. The broad portfolio of FNG allows it to cover a big portion of the market, offering content for different types of audiences (Appendix 1).

A detailed look at the financial data of the company proves its success as EBIT values have increased gradually over the years (Appendix 2). In this type of market, revenues come from online and offline advertising as well as from fees of affiliated Pay-TV operators. Even though the overall advertising revenue stream represents roughly 20% of the company's total revenue, the online advertising revenue is a small slice of less than one percent of the overall advertising revenue. Currently, the group owns three websites; four Instagram pages; four Facebook pages and two online streaming platforms, FOX+ and FOX Play (Appendix 3).

With respect to FNG's Instagram and Facebook pages, these represent good platforms to promote FNG's owned brands, as they have good engagement however, they do not represent a source of revenue for the company. The profitability of streaming platforms could not depend on advertising revenues due to the advertising resistance of the customers that are being targeted by these solutions. Therefore, the existing platforms that could generate advertising revenues are the owned websites that are currently not programmed to include advertising.

However, it is relevant to analyze the websites' current performance. *Foxtv.pt* website currently delivers information about the programming grid and new premieres of Fox, Fox Life, Fox Comedy, Fox Crime and Fox Movies. In November of 2019, this content drove almost 300 thousand visitors to the website, where 66.42% of them came from search engines. However, this content could not retain the website visitors for long as the average visit duration was 1.18 minutes. Also relevant for this report, the main interests of these 300.000 visitors are, in order, News and Media, and Arts and Entertainment (SimilarWeb 2019a). The website *www.24kitchen.pt/* drove less visitors to the website with approximately 258.000 of visits in November of 2019, where 88.17% came from search engines. The interests of those visitors are Cooking and Recipes but also News and Media - which shows a common interest between visitors of both websites (SimilarWeb, 2019b).

Thus, it seems clear to assume that there are opportunities to improve the current digital advertising model.

1.1.1. SWOT Analysis

In order to understand FNG's strengths and weaknesses along with the opportunities and threats faced by the company, the following SWOT analysis was developed (Kotler et al., 2005). Furthermore, this information was extracted, only considering the Portuguese market, to present the main findings of internal and external audits.

Strenghts	Weaknesses
<ul style="list-style-type: none"> ○ Leading media group in Pay-TV ○ Leading brand, among the “Strong Leading Brands Wave 7” ranking ○ Brand notoriety and reputation among consumers ○ Experience in the advertising industry ○ Strong commercial and creative teams ○ Expertise in events organization ○ Vast portfolio of brands which leads to a wide target audience ○ Unique solutions for clients and partners 	<ul style="list-style-type: none"> ○ Copyright and patent issues that limit the creativity of offers ○ Low audiences on online platforms ○ Content does not attract traffic to the different websites ○ Underdeveloped digital channels for advertising purposes
Opportunities	Threats
<ul style="list-style-type: none"> ○ Cross-device advertising proposals ○ Take advantage of loyal audiences on TV to increase advertising revenue online ○ Increasing advertising investment mainly on digital platforms ○ Leverage social media platforms’ potential for advertising ○ Leverage the website’s potential for advertising 	<ul style="list-style-type: none"> ○ Increasing competition on the digital advertising field ○ Large scale competitors in advertising sales ○ Advertising resistance: <ul style="list-style-type: none"> ● Increasing penetration of ad-blocker ● Zipping ○ Decrease in Pay-TV Market Ad expenditure

1.2. Context

1.2.1. Political Environment

Municipality legislation has been affecting Out-of-Home (OOH) formats for advertising. In 2018, Lisbon advertising taxes on scaffholdings suffered a 400% increase, highly affecting the price of OOH formats (Marcela, 2018). Apart from this, political factors have been reflecting low, if any, impact on the advertising industry.

1.2.2. Economic Environment

Global growth is being projected to achieve 3.2% in 2019, increasing to 3.5% in 2020 (IMF, 2019a). Similarly, the Portuguese economy has also been following a pattern of growth, even though a deceleration is expected in the next coming years, with a growth of 1.5% in 2020 and 2021 (IMF, 2019b). With this positive growth, funding conditions are expected to keep favorable for all economic sectors (Banco de Portugal, 2019), representing an incentive for companies to pursue investment.

The unemployment rate is expected to drop to 6.3% in 2020, being the lowest unemployment rate since 2004 (Trading Economics, 2019). Overall, “the Portuguese economy has been seeing its highest growth in nearly two decades” (Gonçalves and Bugge, 2019) which, consequently, is reflecting on an up-trending advertising investment (Obercom, 2019a). In 2017 the advertising industry contributed 0.37% to the GDP (Deloitte, 2018), being a weak contributor to the Portuguese economy.

1.2.3. Social Environment

Portugal is currently facing a challenge to reverse the upward trend of the aging population. Currently, demographics are concentrated in the 25-54 age range accounting for 41.2% of the population followed by the elderly population (65 and over) accounting for 20.9% (European Commission, 2017). In addition, *The 2018 Ageing Report* from the EU confirms a stronger aging

population for the following years. Considering this demographic profile, the following trends have been identified among the Portuguese population.

When accessing internet, smartphones are the most used device (57,9%) followed by computer (55,2%), tablet (19,1%) and TV (9,3%) (Marktest, 2018). When accessing the internet, 83% of Portuguese people visit social media websites more than once a day and 76% of these mentioned publishing pictures (Marktest, 2019). Adding to that, Instagram unveils hard-to-rival engagement levels being the social media platform that shared the highest growth, 2.9% (Hootsuite, 2019). Nonetheless, in 2019 only 67.9% of Portuguese had an Instagram account while 95.3% were on Facebook (Marktest, 2019), reflecting also on a total advertising audience of 6.30 million on Facebook, compared to 3.60 million on Instagram. Such landscape reflects that Portuguese consumers spend 60% of their total daily media consumption online, followed by TV (WARC, 2018a). Although the increase of internet usage – and being the media where consumers spend most of their daily hours – Portuguese consumers do still watch TV very frequently, spending an average of 4h34min per day (YUMI Telereport/Mediamonitor/Gfk, 2019). FTA channels are most watched by the age group above 65 years old and Pay-TV by the age group of 25-44 (idem). Moreover, when watching TV 70% of consumers tend to use their mobile phones while doing so (WARC, 2018a).

The current population has demonstrated the need to be constantly connected, either to be informed of the latest news, to know what their friends are doing, or to keep themselves entertained. Such needs reflect on the time spent on media, where the average daily time spent using the internet (via any device) is 6h35min and on social media 2h9min.

The consumers' shift towards a more digital daily life is also affecting their press consumption as they are now preferring online press, even though the overall press consumption has been decreasing since 2013 (Obercom, 2019b). On the other hand, listening to the radio has been

slightly rising in part mainly by the active population (age group of 25-44), accounting for 13% of their total daily media consumption (WARC, 2018a).

The desire of customers to do business with trustable companies has also been a social trend (Fertik, 2019) where consumers are now following and engaging with their favorite brands on social media. In Portugal, 54.1% of the population follow brands on social media (Marktest, 2019). This search for trust also stirred the trend of online influencers as consumers prefer references of products from someone they know or admire. Additionally, as consumers become more familiar with digital technologies and more resistance to ads, ad-blocking reveals a high penetration. In 2018, Portugal held a 31% penetration of ad-blocking (Statista, 2018).

1.2.4. Technological Environment

The development of technology and the improved access of the internet have greatly impacted the way companies advertise in the past few years. From 2008 to 2015, all mediums decreased investment, except Digital advertising that increased 275% (Dentsu Aegis Network, 2014a).

Just by looking at the previously mentioned number it is possible to understand the increasingly higher importance of online advertising to which the expenditure is expected to reach €185 million by 2019. In terms of investment in the different online media, display advertising outgrows search engine advertising with a growth rate of 13.6% and 1%, respectively, from 2014 to 2015 (Dentsu Aegis Network, 2014b).

This shift in the allocation of investment and consumption patterns has obvious implications for the advertising industry as companies are now more focused on developing sophisticated digital tools to target consumers more effectively with digital advertising. One of these tools is programmatic advertising that is enabled by Artificial Intelligence, a subject with increasing importance in the advertising world. AI allows marketers to build consumer experiences – such as customer service chatbots – and even predict consumer's needs based on past behavior. One of the backbones of AI is Machine Learning. This technology has been around for a while but

until now it was only reachable by large firms. Nowadays due to the use of cloud computing and its decreasing costs, companies are able to store greater amounts of consumer data and use it on demand. As such, as ML has been evolving and increasing its complexity, so is AI which is now able to perform complex tasks and build more accurate models (Cardona, 2018).

Even though digital is growing considerably, TV is still the most effective medium to advertise where new technologies are being developed such as addressable advertising. With this new technology that requires the use of a smart tv, consumers are now impacted by ads targeted at them while watching TV, regardless of the channel and program (Taylor, 2019).

1.2.5. Ecological Environment

Environmental concerns are an increasingly important topic in the current days for every industry, and the advertising industry is no exception. In 2015 the United Nations General Assembly created the Sustainable Development Goals (SDGs) with the objective of setting “a plan of action for people, planet and prosperity” (Jones et al. 2018). These objectives covered a wide range of social, economic, and environmental issues and were aimed at all governments across the world. With the launch of these goals, the “Common Ground” initiative was created by the UN General Secretary and six of the world’s leading marketing and advertising companies: Dentsu, Havas, WPP, IPG, Omnicom Group, and Publicis Group. This initiative was a commitment that these companies made to take a more active role in “promoting the transition to a more sustainable future” through the creation of environmental impact reports, corporate social responsibility strategies, address issues such as human rights and impact on society and communities (Jones et al, 2018).

1.2.6. Legal Environment

Like in other European countries, the Portuguese advertising industry is controlled not only by national entities but also by European regulators.

In Portugal, the industry is regulated by the Regulating Entity for the Media (Entidade Reguladora de Publicidade), whose main goal is the regulation and supervision of all media entities of the country, that is, newspapers, magazines, radios, television channels, and online media. This entity reports to the Assembly of the Republic, which promulgates the laws and rules by which the REM is governed (ERC, 2019).

Among these rules, there are several limitations to the content, objective, target market and even location to which an ad can be placed.

Adding to the Portuguese legislation, an important European legislation is the General Data Protection Regulation (GDPR). Under the GDPR companies must tell the customers which data they retrieve, for what purpose and consumers are entitled to “be forgotten”, that is, having their data that the company retrieved deleted. This means that since the regulation is being enforced, all companies must comply – if they do not, there is a risk of high penalties – and change and adapt their data collection policies. In the case customers ask to be "forgotten" this means the company will lose valuable data from their clients that allowed them to understand consumption patterns and customer profiling (Lauren, 2018).

1.3. Competition

As previously mentioned, despite the growth in digital advertising, TV was still the medium that captured the biggest portion of investment. Thus, when assessing FNG’s biggest competitors, one can mention that other TV media companies (especially SIC, TVI, and RTP) and Internet (Google and Facebook) are the main media competing for advertisers. Considering also other big media companies that compete for advertising investment, but on a smaller scale, on Traditional Press one must mention Correio da Manhã and Destak, and on radio Rádio Comercial and Cidade (Deloitte, 2018).

Regarding TV, advertising investment is mainly made on the FTA’s (TVI, SIC, and RTP1). In 2018, the three channels accounted for 84.4% of the total spent on advertising on television

(ERC, 2018). On cable, TVI24 and CMTV got investments of 2.4% and 2.3%, respectively. All the other channels, including all Fox channels and 24Kitchen, were under 2% on advertising investment. (idem). These values may be explained through audiences. TVI, SIC and RTP1 had annual share in 2018 of 20.3%, 17.0% and 12.2%, respectively (total 49.5%). Cable TV accounted for 38.5% (Zapping TV, 2019). In cable, CMTV (3.6% share), Globo (2.3%) and Disney Channel (2.0%) are the top 3 channels. TVI24 had a share of 1.8%, followed by Fox in the 7th position, with 1.7% (Zapping TV, 2019).

Regarding the Internet, Google (search) and Facebook (social) are the main competitors to be considered where the Portuguese digital market is strongly concentrated in these two companies (Deloitte, 2018). The two giants do not provide information regarding advertising revenues by country, but they virtually have the duopoly of digital advertising in Portugal. Sources point that Google and Facebook have 60% to 75% of the online advertising revenues in Portugal, and according to forecasts this value will increase (Obercom 2019a). Obercom estimated in July 2019 that Google and Facebook had 70% of the digital national market, representing 34.8% of the total Portuguese advertising sector (Obercom, 2019b).

This dependency for advertising revenues (other sources of financing are shrinking) emphasizes new competing dynamics in the media market: national players are both competing with each other and with the transnational players Google and Facebook, that do not have law or border constraints, and thus will easily access economies of scale, unlike the first group of players (Obercom, 2019b). In this “unregulated and unequal environment”, national media struggles to compete with global companies that are able to “enhance their capacities to generate oligopolies (or monopolies) of information and entertainment content distribution” (Obercom, 2019b). Compared to FOX, the biggest advantage of using these platforms relies on the effectiveness of the distribution of the contents and the highly efficient commercialization of the advertising

space (reduction of the error and lost value due to directed and customized contents) (Obercom, 2019b).

To better understand the online market, it is also interesting to analyze the digital audiences in Portugal, and compare FNG traffic in the website with the most visited websites and, especially, online media groups. After Google.com, Facebook, Youtube, and Google.pt (top 4), Sapo.pt (news site) is the most visited website in Portugal. Sports (abola.pt, record.pt), video streaming (Mr. Piracy, Netflix), pornography (pornhub.com) and news (iol.pt, cmjornal.pt, jn.pt, publico.pt, observador.pt, nit.pt, dn.pt) are among the websites Portuguese users visit the most (SimilaWeb, 2019a). In terms of capturing potential advertisers, FNG is competing with all these websites and it is far behind some of the best results. For example, Sapo.pt had a total of 52.66 million visits in November 2019, with an average of 6'37'' duration; the traffic sources are mainly directed (50.80%), search (34.53%) and social (11.53%). Iol.pt, a platform from the MediaCapital group (owner of TVI and Rádio Comercial), also demonstrates interesting results, especially compared with FNG's: with almost 14 million visits, each with an average duration of 4'27'', and a similar distribution to Sapo.pt in terms of traffic sources (SimilarWeb, 2019b). As mentioned before, Google (and Youtube) and Facebook (and Instagram) have almost the duopoly, a situation that will not change in the future. However, Foxtv.pt is still far away from being one of the most visited websites in Portugal, ranking #1744 with 299,490 visits per month, and 1'18'' average visit duration during November 2019 (SimilarWeb, 2019b). These values are very low when compared to the most visited websites, as Sapo.pt. The more the number of visitors, the more advertisers will be interested in buying space on a website.

Besides this, whereas Facebook and Google offer specific and very efficient solutions for advertisers, with comprehensive analytics and successful results, FNG is not providing any kind of attractive solution for advertisers on their websites.

1.4. Customers

Customer analysis involves determining who is the decision-making unit, in other words, who is involved in the purchase process (Dolan, 2014). Analyzing a B2B situation, FNG's main customers are media agencies, representing 90% of the client base. The remaining 10% are represented by direct clients, known as advertisers, who initiate the buying process by speaking directly with FNG, without using any intermediary. Regarding the current coverage of the Portuguese market, Unilever, NOS, Procter & Gamble, Vodafone, L'Oréal and LIDL are the companies that dominate the advertising investment among the different distribution channels (Marques, 2019). Therefore, these companies are also part of the FNG Top15 advertisers. However, most of the advertisers do not buy directly to media outlets such as FNG but instead resort to a media agency to take advantage of better prices. By buying space for several companies at the same time, media agencies leverage their negotiating power and can benefit from a discount scale that each advertiser would not have if they went directly to FNG.

1.5. Collaborators

The collaborators are those who are involved externally in the company's business, complementing the internal assets of the company, and that allow the organization to achieve effective results (Dolan, 2014). For that reason, it is important to understand the buying process in order to analyze all the collaborators involved and their roles in the process.

The buying process of advertising can be done in two different ways: commercial spot or non-spot (FNG data). Concerning the commercial spot, the client delivers a campaign with closed or opened details. In the first case, all details are defined and the client submits the proposal to FNG, whose final task is to manage the campaign. However, if the customer delivers a campaign with open details, in which only the budget and the target are set, FNG will develop a proposal on the channels, timebands, etc. that should be used taking into account the briefing previously delivered. Then, the final campaign management will be done by FNG.

In addition, the non-spot situation occurs when the client defines the budget, the target, and the concept while FNG proposes the discount, the channels to be used, the non-spot type of project, etc.. Then, there are arrangements between the two parties and the project is produced and managed by FNG, depending on whether it's a digital, on-air campaign or even an event. Lastly, FNG can also present a proposal to the client (directly or through a media agency). Beyond that, in both buying processes, media agencies can work as intermediaries. In 90% of the cases, media agencies receive a briefing from the advertiser and, taking into account client's guidelines, they plan and set the strategy for the campaign selecting the most suitable media channels that will allow the brand to have greater coverage of its target audience, achieving its goals. This selection also takes into account the period of the year and the customer's history. Moreover, concerning the current situation of the market, there are 10 top media agencies, namely: Wavemaker (714 million euros), OMD (694 million euros), Carat (629 million euros), Arena (612 million euros), Initiative (561 million euros), Starcom, Mindshare, Havas Media, MediaCom and Zenith (Marques, 2019).

Creative agencies also play a crucial role in the process to make sure people will remember campaigns. Lastly, the final consumer is also considered as a collaborator to the extent that a satisfied customer will get the word out, enhancing the Word-of-Mouth.

2. The online advertising market

Being the challenge of Fox Networks Group (FNG) to find a solution to thrive in the digital ad sales market, a comprehensive analysis of the online advertising market is key for the understanding and interpretation of the following report.

The online advertising market can be defined as “marketing advertisements, which are delivered through the internet on both desktops and mobiles”, being a market strategy that uses the internet to increase website traffic and deliver targeted marketing messages. The digital

advertising market can be segmented by platform (mobile, desktop, etc.), geography or even by ad format (Mordor Intelligence, 2019).

Regarding the last one, there are several digital advertising formats, including search, display, video and social, which is important to differentiate. Search ads are the ones that appear as suggested results when someone uses a search engine such as Google. Besides search engines, any other website can also enter the digital advertising market by using, for example, display ads. Display ads can be divided into three formats: banner ads (the rectangular/square formats around online articles); video ads, that can appear before or after an online video or anywhere on a page, also called pre-rolls; and native ads, designed to look like part of the content of the website, which includes ads on social media. (WARC, 2017).

These ad spaces can be bought directly to the pages that are providing it, or through programmatic advertising – which accounts already for 80% of the digital ad spending worldwide (IAB, 2018a). By entering a programmatic network, advertisers can reach their audience anywhere, instead of buying a fixed space on a website and expecting the targeted people to go there, which is less likely. As long as a user meets the features and preferences the advertisers are looking for, on its target audience, he or she will see the ad while surfing the internet. In this way, programmatic buying makes the advertising process more efficient.

Finally, there are new types of advertising that try to mimic the content of websites, called native advertising, which includes in-feed content (like the promoted posts on social media); content recommendation ads, that look like editorial content but direct to an external page; and branded content, such as articles written in collaboration with brands on magazines and newspapers (IABb, 2018b).

3. Primary Research

3.1. Qualitative Research: Media agencies

To understand how the advertising market works, especially in what concerns media buying, and to tackle the main challenge, that is, to increase FNG online advertising revenues, qualitative research was conducted. Its main goal was to collect insights about media agencies' preferences and needs in the market, as well as test some possible ideas, in order to create a solution that can satisfy both agencies and advertisers.

3.1.1. Methodology, Questionnaire, and Sample

A non-direct interview method was used to conduct the interviews, which took around 45 to 60 minutes. The questionnaire (Appendix 4) had only one main question, and interviewees were invited to speak as much as possible about the topics of discussion. The interviewers only interfered to ask the participants to develop some of the topics they mentioned, being assumed the remaining ones were not relevant for the professional. The interviews were then analyzed and the most mentioned topics were taken into consideration (Appendix 5).

In total, 15 interviews were conducted, from nine different agencies, to get a broad and complete coverage of the market: MediaCom, Wavemaker, Mindshare, Havas, PHD, Publicis, Nova Expressão, OMD, and Initiative.

3.1.2. Limitations

The choice of using qualitative research methods bears intrinsic limitations, that are relevant to mention before proceeding with the report. First, in pursuance of collecting the most accurate insights from an in-depth interview, it should be done by professional interviewers that have developed and trained specific skills - which was not the case. Moreover, even though the initial intention was to interview people from as many media groups as possible, the sample is mainly composed by agencies from WPP Group, due to the increased difficulty of finding contacts from other agencies and the lack of availability given by the contacts.

3.1.3. Media Agencies Main Insights

The majority of interviewees mentioned some common results sought among different brands when doing an advertising campaign: “(...) either sell more, increase awareness, improve engagement with current clients or increase the number of clients” (Digital Strategy Manager, Mindshare). It became clear that the challenge when buying advertising space is to make the best fit possible between the company’s view of their optimal brand image, the desired target of the campaign, the actual target audience of each mean of communication and the content usually shared in the different platforms. Additionally, the Media Manager at Mediacom mentioned: "Advertisers are focused on their return on investment and for that reason they are now investing more on programmatic advertising because it delivers a more optimized return". Moreover, the demand for new platforms and more creative, less traditional spots purchases was referred – “another buying method has to do with contents and differentiating actions that we can do together with channels. Not only the traditional spots purchase but content-related advertising, such as an exclusive content between brand and channel or soft sponsoring” (Deputy Managing Director, OMD).

Concerning the fit previously mentioned, media touchpoints are selected based on the higher affinity with the campaign’s target audience. For instance, for each TV channel audiences’ performances are analyzed; and taking it into account, media agencies define in which TV channel the brand will be present. Moreover, a fit between the campaign target and the target of a certain program or even the target of a certain time frame of the day is required, since the content must be relevant, fitting the target’s interests. This is also true for online channels, as the traffic for each website is analyzed in order to decide where the campaigns would be placed. Media agencies also benchmark with the client’s historic investment pattern to see how previous campaigns worked and how the following ones can be improved.

Digital has changed the way agencies and brands look at advertising during the last years. New platforms (social media) and formats (video) became crucial in any advertising strategy and marketing campaign. Online channels are key for any brand, especially when considering younger targets, that spend more time online than on traditional channels. With the rise of these trends, new metrics entered the advertising world: cost per click (CPC) and cost per completed view (CPCV) being some of the most used new ways of measuring campaign success. In fact, this type of metrics and possibility of constant tracking is what makes digital so attractive: “when we do a digital campaign, we know exactly who is watching (...) we know who we are reaching (...). Nowadays we have increasingly more sophisticated tools to do this” (Head of Client Service, Mindshare). Whereas on offline media it may take some time and mistakes are very difficult to correct, online “is very easy, in the next minute we know what we did right and wrong and correct it in real-time” (Managing Director, Nova Expressão).

However, online channels are far from being a priority for most Portuguese advertisers. Two big players get most of the market – Google and Facebook – leaving national publishers with very low possibilities of offering as good results as these two companies: “the online in Portugal has the problem of lack of scale, websites have low audiences and usually do not reach millions of people. On Facebook, Instagram and Google is where we can actually reach a lot of people” (Head of Media, Publicis). Having small audiences, it is more difficult to segment them and therefore to customize campaigns according to users, contributing, again, for the lack of power of smaller players.

Regarding offline channels, the most mentioned during interviews was TV. This is considered “still the most important channel for advertising in Portugal” (Digital Executive, Initiative). The reasons mentioned for that is due to its efficiency and coverage, being a great complement to other advertising options. When doing TV campaigns these focus both on FTA channels (focused on three channels: TVI, SIC, and RTP) and Pay-TV.

Concerning the budget for a campaign, four interviewees mentioned that advertising online is generally cheaper being something advertisers can do on their own in platforms – such as Google Ads and Facebook – while advertising offline is much more expensive. For this reason, advertisers resort to agencies to take advantage of quantity discounts. Adding to this, when buying online, companies often do not care about the place they are advertising, but rather are focused on finding their target: “I want to impact this group of people that is my target, regardless of where they are” (Head of Media, Publicis).

The interviews also focused on understanding the strengths and points of improvement of FNG as an advertising option for brands. FNG seems to have some advantages in the market, especially because it is a love-brand from the user perspective, being very focused on enhancing the Fox environment through the several channels and distinctive events that pull advertisers' interest. Due to the “broad range of options in terms of channels, for several targets” FNG's portfolio becomes more attractive to advertisers, that can easily find the target audience choosing the right channel (Deputy Managing Director, OMD).

Moreover, FNG positions itself on the market in a very differentiated and proactive way offering unique solutions to its partners. Its notoriety makes every advertiser want to be placed within its platforms in order to be associated with this strong brand. Lastly, it was frequently mentioned that FNG has expertise in events organization representing “other opportunity for brands to be present and promote themselves” (Deputy Managing Director, OMD).

To what concerns FNG's digital platforms, the main point of improvement is content-related. By having simple websites, only with TV programming, FNG is not giving its audiences a reason to visit their platforms. Comparing with other big players in the market, such as Sapo, that invested in technology and segmented different offers, FNG still needs to generate traffic to their website by delivering interesting content, “which is a building block (...) to monetize the website in terms of advertising” (Managing Partner, Mediacom).

Some of the market trends were also assessed during interviews. Programmatic advertising was the most mentioned trend across all the interviews, as a tool that is being increasingly used by brands due to its higher return (people who are being impacted are really interested in the product/service advertised).

Concerning the new technologies, mobile-friendly formats are emerging as people spend a lot of time on their smartphones and Augmented Reality was considered by interviewees to be the future to capture the audience's attention – mainly the younger generations.

3.2. Qualitative Research: Advertisers

In addition to media agencies, for a second round of interviews, some advertisers (brands) were directly interviewed too, mainly due to two reasons. First, around 10% of FNG's advertising sales comes directly from advertisers, without the mediation of a media agency; second, even though media agencies have a key role, advertisers are the ones briefing agencies with what they are looking for, having the last decision on advertising buying process. The purpose of these interviews was to understand brands' attitudes towards FNG's, to what extent their view affects the buying process and to test the most plausible idea for solving the proposed challenge.

3.2.1. Methodology, Questionnaire, and Sample

The same method and a similar questionnaire (Appendix 6) were applied to conduct the interviews, which took around 30 to 45 minutes. The brands were carefully selected and only the ones who have advertised already on FNG's were interviewed; with the intention of interviewing some of the top 15 advertisers of FNG's (Appendix 7). In total, 7 interviews were performed, from six different companies: Unilever, L'Oréal, Seat, Renault, Central de Cervejas and Sumol+Compal.

3.2.2. Advertisers Main Insights

The common point valued by interviewees when doing advertising campaigns is the ability to fulfill the established campaign goals. Among building brand value, increasing sales, increasing

brand awareness or coverage, the main goal is to find a cost-efficient way that has the right audience and the right content. Thus, when selecting the most suitable media channels for a given campaign, companies take these factors into account, considering also the product/service that will be communicated. Interviewees mentioned that even though the media mix is defined according to the campaign objectives aimed to reach, most campaigns have a mix of television and digital, and the emphasis on integrated solutions (multi-channel) has been increasing. Moreover, to select the right audience, advertisers look for the affinity between their target and the target of a particular program on a particular channel, for example. Although the mentioned criteria, media selection “is not an exact science” (Seat, Marketing and Communications Director).

Opinions regarding digital advertising differ among the brands. Whereas the Marketing Communications Director of Seat believes digital works as a complementary platform and being only on digital does not bring the same results; the advertising manager of Renault highlights that online platforms are more precise, especially when choosing specific targets.

Among the advantages of digital advertising, interviewees mentioned the possibility to reach more effectively a younger target that is no longer on TV, the lower cost per contact and the possibility to “create relevant and inexpensive content”, as explained by the Brand Manager of Central de Cervejas. However, digital channels still face some skepticism by advertisers regarding the metrics provided by players. The results are shared in a complex way and there are still no reliable KPIs to assess if the digital investments are bringing return, according to the Head of Marketing for Personal Care of Unilever.

Some advertisers say digital is vast for them to actually master it. However, some see an opportunity online to focus more on the engagement with the audience and to focus less on the performance-oriented development of campaigns.

Regarding offline channels for advertising, TV was the most mentioned campaign medium. Some mentioned one of the reasons for this is related to the low cost per reach: “TV in Portugal is a good option because the cost per reach is pretty low comparing to other European countries” (Brand Developer, Ben&Jerry’s). The choice between FTA channels and Pay-TV relates to the target and the budget, while the first one reaches a broader audience, the other option “allows to attract a more qualified audience” (Marketing Manager, Sumol+Compal).

Regarding the reasons for choosing FNG, the three most important factors mentioned by advertisers were content creation, audiences, and innovation. In terms of content creation, it was mentioned the ability of FNG to create quality content, which is something advertisers are very interested in, especially concerning branded content. This ability distinguishes the brand from its competitors in a way that is seen as the “most active on proposing co-created solutions. They distinguish themselves by the bigger openness and willingness to do more than just selling advertising space.” (Head of Marketing Personal Care, Unilever). Adding to that, it was also mentioned the company’s ability to innovate and offer differentiated solutions tailored to each company’s needs: “they have the skills to make different proposals, their willingness to do things beyond traditional formats” (Marketing and Communications Director, Seat). FNG is seen as an expert in storytelling, which allows them to do differentiated formats of advertising as for instance Family Stories, in partnership with Renault. As mentioned by the Advertising Manager of Renault, the possibility of creating content such as this, a series that airs on TV, allows them to do “much more than advertising, we can do entertainment”. Finally, the third most important reason for choosing Fox is their ability to reach a variety of audiences, “it has the advantage of having very specific channels to several kinds of audience” (Brand Manager, Central de Cervejas). Adding to that, the relationship the channel has with its viewers was also seen as a reason to choose Fox, “their constant dialogue with the audience is their added value” (Marketing and Communications Director, Seat). Regardless of these positive aspects seen by

advertisers about Fox, these also find some points of improvement. They feel FNG still needs to improve its digital offer. The fact that they are not as good as they could be online makes advertisers not consider the group as a partner on digital.

4. Possible Solutions

Based on FNG's feedback and on the primary research conducted, some of FNG limitations were taken into consideration during the brainstorming of the possible solutions. The on-demand platforms FoxPlay and Fox+ were eliminated right from the beginning. Using these platforms as a source of advertising revenue would not be possible since their purpose is exactly the opposite. To access these platforms, it is necessary to have a contract with one of the cable providers (NOS or Vodafone). Thus, people are already paying these providers to have an extra service free from advertising and would not appreciate dealing with ads while using it.

Moreover, some channels were also not considered, namely Baby TV and National Geographic. Regarding Baby TV, several reasons can be pointed, but all related to its target audience (children with ages between 0-3 years old) as there are many limitations regarding advertising to this audience. National Geographic is a very interesting channel in terms of audience and notoriety in Portugal. However, despite belonging to FNG, Portuguese offices have little to zero freedom of changing and using contents. Guidelines are very strict and come directly from the central offices in Washington D.C., making impossible any chance of developing a project with a scope like this one.

Considering these limitations, several possible solutions were developed and the most attractive four are hereinafter described.

5.1. Possible Solutions Presentation

Fox Adventures

Fox Adventures is an augmented reality game for Fox's series fans, combining gaming with the real world. This game would be a mobile app where users choose their favorite series - that

belong to Fox's universe – and play the game while walking on the street. The game consists of collecting products, that will be positioned on the street through augmented reality. When the players see a product, they can collect it and save it in their collection. If two players find each other trying to grab the same product, a quiz will appear - whoever answers right and faster gets the product. Then, from the collection of products, the player chooses their favorite and from that combination, the game will tell which character from the series they are most alike. The players can then share these results on social media and invite their friends to play with them. Adding to this, as the users keep playing, they start unlocking new series to play with. This idea has potential for branded content, as each product placed could be from a given brand; opportunity for data collection, by understanding the users' preferences between different products; and the potential for shareable content allowing FNG to grab the attention of consumers in order to stand out from the crowd.

I'm the chef online game

In this game, users could create their own recipes with the available ingredients and equipment within the virtual realistic kitchen. Thus, the game would be available on 24Kitchen website, it would be free and no download would be required: users just need to sign in to play. Furthermore, in order to create an extended and engaging user experience, the game would have monthly challenges such as the best recipe according with the theme of the month (e.g. Italian month), dishes created with the ingredients of a mystery box or even the best recipe using a certain ingredient or brand. For FNG, this would be profitable due to the opportunity for the food and equipment brand's product placement within the game. Besides that, the content created would be shareable on social media by the users and, each month, a winner recipe, from the ones shared, would be chosen. The “moment of fame” of the monthly challenge would end with the recreation of the recipe owner on a TV show, side by side with the well-known 24Kitchen chefs.

This is Fox Blog

This is Fox is a blog that combines news and articles about FNG channels and programs. Given that FNG content covers a wide range of topics, the blog will be divided into sections according to the theme, including news about series, interviews with actors and exclusive content. Some lifestyle and beauty related articles (connected with Fox series) could also be included, as well as food-related articles such as tips on cooking, recipes, and interviews with Chefs. This idea has potential for branded content articles and display advertising within the blog.

Fox Events App

This mobile app would work as a link between the consumers and FNG's events, and it would be a new way of belonging to the FNG community. The app would feature content for before, during and after the event. Before, with general information about the event, articles related such as "best looks for the party", and access to the guest list. During, with in-app drink and food purchases, sponsored challenges, such as "Do your best zombie dance and get your spooky Caipirinha 51 with a 2 for 1 discount!" and points for app-usage. After, with photos and content about what happened. This idea has the potential for gathering users' data for effective segmentation and targeted ads.

This is Fox Blog + App

After developing the last two ideas, they appeared to work well together, and the combination of the two was also an investment hypothesis. Since the app would be featuring content, it seemed a good opportunity to combine *This is Fox* blog with it. At the same time, the blog could also promote the events, creating a synergy between both. Hence, the potential for the combination of these two ideas was also evaluated.

5.2. Potential/Risk Matrix

In order to assess the potential/risk of the aforementioned possible solutions, a matrix was built and the answers from FNG's key decision-makers were collected as well as the group's opinion.

The tool allowed to better understand the ideas that had the highest potential and the lowest risk in order to help the selection of the best one.

The matrix was built taking into consideration different indicators for each component, namely risk and potential. To assess the risk of each idea, eight indicators were considered, while for assessing the potential, nine indicators were taken into consideration. Each indicator was ranked on a scale of one to five by the group and two FNG's key decision-makers (Appendixes 8, 9 and 10). Since none of the answers was considered more valuable than the others, another matrix was plotted with the average of the three answers for each indicator (Exhibit 1). Moreover, different weights were allocated to each indicator considering its relevance.

In terms of risk, "investment needed", "consumers' willingness to adopt", and "relevance for agencies and brands" had the highest weight, with 25%, and 15% on the last two, since these factors were considered critical when deciding to pursue with any of the ideas.

In terms of potential, "return on investment (ROI)" was the indicator with the highest weight (25%) considering the importance of measuring the profitability of any investment being idealized. Then, "target audience size" had the second-highest weight (15%) as it is a good measure of the potential of the idea in helping to answer part of the initial question (make FNG thrive in the online advertising market). The other 60% was distributed among the other seven indicators according to importance.

The ranking of the five ideas was plotted in a graph (Exhibit 2) where the x-axis measured the potential and the y-axis the risk. It is clear that "Fox Adventures" and "I'm the chef online game" were the least scored ideas, with values of (Potential = 2.9, Risk = 3.7) and (P = 2.7, R = 3.7) respectively. On the other side, "*This is Fox Blog*", "*This is Fox App*", and the integration of both ideas had the highest scores, (P = 3.3, R = 2.0), (P = 3.5, R = 2.4) and (P = 3.9, R = 2.4) respectively. Not only these scores had small differences, but the decision to choose one over the other also took into consideration the opinion of other stakeholders namely, potential clients

and partners (agencies and advertisers). In this way, primary research was conducted in order to better understand the potential of the ideas from different points of view.

6. Primary research: Possible Solutions

6.1. Qualitative Research: Media Agencies

From the results of the primary research, the conclusions of the matrix were verified through a qualitative analysis. Therefore, regarding *Fox Adventures* idea, the main insights highlighted the high initial investment required as well as the very high production, development and maintenance costs. Adding to this, it was mentioned by the interviewees that copyright issues and legal costs associated could be a problem in the game deployment. Besides the previously mentioned costs, it was also noted that it would need a big push in terms of advertising – which implies more costs – to incentivize the consumers to download the app in the first place. Furthermore, the idea was mentioned by the majority of interviewees as ephemeral since it was regarded as difficult to replicate over time – users would play it once and not want to play it again. Lastly, to make consumers want to play this game “a very strong hook would need to be present” (Digital Executive, Initiative).

Concerning the *I'm the chef* online game idea, it was considered a very original way “to include the community in their content” as FNG likes to do (Digital Strategy Manager, Mindshare). Moreover, letting people share their own recipes and cooking tips, offering them also the opportunity to be on a TV show was stated by interviewees as an appealing offer. Nevertheless, as 24Kitchen is considered “a niche” – with such a small audience – interviewees find it a very costly offer in terms of software development, especially considering the potential return on investment.

This is Fox blog was also screened. This offer could benefit from Fox brand notoriety overcoming the difficulty of creating a blog from scratch. As the Digital Strategy Manager of Mindshare mentioned, it “would be the most feasible, timeless and interesting idea for the

agencies” since everyone would like to read beauty and lifestyle relevant content related to series and specific characters in a creative way. This was referred to as a profitable idea since it is a simple way to get non-fans into FNG's community and to include branded content – “it is a way for Fox to monetize the website and after reaching good audiences levels it would be very easy to sell it to brands.” (Managing Partner, MediaCom).

From *This is Fox* App the gathered feedback was mostly on the basis that there must be a good reason for customers to keep the app on their phone since events on themselves are not a strong enough motivation – there are only occasional events during the year. It was mentioned that targeting consumers that attend Fox’s parties is too much of a niche to consider for an investment. Agencies felt that having the events as only an add-on of the app would be more appealing, and it would be interesting to serve personalized content from the blog based on the events users attended. Nevertheless, the app was seen as a good potential to do customer segmentation and serve targeted ads to users.

In terms of the final idea of integrating the blog and the app, overall interviewees found it interesting to integrate, "especially when having the same target" (Deputy Managing Director, Omd). Interviewees suggested that the ideas would make sense integrated, but they should be developed in different phases, where the website should be the first release, as suggested by the Digital Strategy Manager of Mindshare - “should start with the website, with some branded content propositions, make it grow until it is stable and then go strong with the events app”.

6.2. Qualitative Research: Advertisers

Advertisers’ interviews were done during a second stage of the research process, after the Potential-Risk Matrix and the Media agencies indicating the last idea would be the most appealing. The strategy to only test *This is Fox* next to advertisers as well as to interview these only on a later stage came as when media agencies gave their opinions about the ideas beforehand, they naturally considered the requirements of their customers (advertisers). Thus,

if media agencies found *This is Fox* as the most attractive for their customers it is redundant to analyze the potential of the other ideas next to advertisers. In this way, advertisers' interviews had only a confirmatory purpose of the idea while media agencies had an exploratory purpose. The advertisers found *This is Fox* (blog and app) a very interesting idea as it would be a great way to connect their brands with FNG and to be present in a digital format with exclusive content as mentioned by the Brand Manager at L'Oréal "The strong hook here is the exclusive content you can deliver". Adding to that, the quality of the content itself and the possibility of being connected to the FNG world was also very valued by the advertisers, "to align series and celebrities' content with brand in a simple website is an opportunity that I hadn't thought about but that is completely accurate in the current market" (Brand Manager, L'Oréal). It was also mentioned the possibility of doing integrated campaigns where advertisers would take advantage of Fox's current position as leader in the Pay-TV segment, by doing an offline campaign and leveraging an online campaign as an extension of what was done in TV "a platform like that (website) would be more relevant especially if you could include 360° executions - offline and online" (Marketing Manager, Compal). Regarding *This is Fox* app, some concerns arose about the uncertainty regarding the relevance of the app for the consumers. It was the general opinion that the app needs a strong hook for consumers to keep it on their phones instead of deleting it after the events. It was mentioned that "for punctual activations, the events make sense" (Head of Marketing Personal Care, Unilever). Adding to that, the amount of traffic the app would have was also seen as an issue for advertisers, given that the website was seen as more capable of attracting more audiences. For this, the Marketing Manager of Sumol+Compal mentioned that "the app itself is a great idea and it is really exciting but if I had to choose, I would go for the website" and that the app would need a very strong campaign for users to download it. However, it was mentioned by the Brand Developer of Ben & Jerry's that if the idea is not appealing to the agency, then the advertiser would also never

consider it: “The idea looks interesting however what I see is that FNG will need to have good contracts with the agencies. Because it is not me the one who should consider it interesting but rather the agencies with which I will work with”.

7. Solution – *This is Fox* Online Magazine + App

According to the previous analysis, the following ideas are proposed as solutions for FNG to grow faster via entering and thriving in the online Advertising Market.

Firstly, it was found that FNG’s current digital offer does not attract consumers and therefore, does not appeal to advertisers. As mentioned in section 2.1., the low number of total visits together with the lack of relevant content decreases the agencies’ interest in Fox’s website as an advertising solution. This leads to low digital advertising revenue for the company – less than 1% of advertising revenue comes from digital channels (information provided by FNG). Moreover, as mentioned before, the most visited websites in Portugal are News and Entertainment websites, supporting the idea that consumers find this type of content relevant. For the reasons stated above, *This is Fox* was found to be a possible solution to tackle the previously mentioned issues and achieve the proposed goals. *This is Fox* is an entertainment and lifestyle online magazine where FNG’s content (series, shows, movies) fans can read articles related to their interests. The website will be organized into six categories: What’s new; Series & Movies; Beauty & Style; Food; Lifestyle and Events (Appendix 11).

What’s new will be the opening page of the website, featuring the freshest articles of all categories and information about events and activations by FNG Portugal.

Series & Movies will be dedicated to series and movies fans providing them trailers, teasers, curiosities, interviews with actors and producers, and behind the scenes, being a section with exclusive content. For instance, a new season of a series with a very large fan base would have an exclusive teaser available on the website, only for a given time frame.

Beauty & Style will include fashion, hair and makeup articles and tutorials, along with other style tips, some of them inspired in the FNG's series and movie actors. An example of an article could be the recreation of the look of a character on a given series' episode.

Food section will be dedicated to articles about nutrition, new restaurants, interviews with chefs and dieticians and recipes suggestions. For instance, a Christmas article with the top ten recipes with codfish or an interview with a dietician on how to follow a healthier lifestyle.

Lifestyle will cover a broad range of the trendiest topics namely travel, home decoration, and DIYs. For instance, it could include an article with an itinerary of *Sex and the City* in New York. While as for home decoration, articles would be inspired in movie/series sceneries.

Events would be more connected to the offline world. FNG's in Portugal is well-known for its expertise in creating and sponsoring distinctive and vibrant events, that would be communicated in this section of the website, with pre- and post-article events.

It is essential to bear in mind that all the articles and content published in *This is Fox* would be always, even if indirectly or subtly, related to FNG channels. That is, any movie, program, or series will be a source of inspiration to create the content suggested beforehand, "an interesting fit between the series and real-life" (Managing Partner, MediaCom). A very well-planned calendar (Appendix 12) would be necessary to cover all these topics.

By delivering appealing content to the audience *This is Fox* could become attractive to advertisers/agencies as an ideal place to advertise brands, through banners, pre-rolls, and branded content. Every website's category will have the potential for branded content.

Moreover, by giving users the possibility to create an account, data about them will be collected, an opportunity to better understand the audiences.

As a complement of the idea, *This is Fox App* is an extension of the Online Magazine, providing users a dive in FNG's world where they would have a full experience of what FNG is. That would include giving to users a more mobile-friendly experience, as it is built specifically for

these devices. Despite *This is Fox* magazine being suitable for mobile devices, the app would maximize the number of touchpoints with users. To have access to the app, consumers will have to create an account with their email, name and other personal data such as age and gender. Providing a full experience of the FNG world means not only sharing interesting content but also giving access to Fox's events, which are one of the main assets of the brand.

Focusing on the events, currently, there are two ways to access to Fox's events: through Fox's Facebook page where there is usually a contest – consumers answer a question, the correct answers participate in a raffle and the winners receive their tickets in their email; the second way is through sponsor's giveaways, mostly in social media, and the ticket is also sent to the email. The sponsors' giveaway will continue to work the same way as they are currently, but in order to have access to the tickets the app must be downloaded. For the tickets distributed by FNG, the raffles would occur within the application. During the event, the app will be used to enter the party, buy items (drinks, food, etc.) and to have a map of the event with its sponsors and partners. Finally, after the event, the users will get notifications about the photos of the event as well as information about the following events.

As in the Online Magazine, brands will have the chance to be present and promote themselves on *This is Fox App*, not only through the same formats as on the website but also with creative strategies. In addition to banners and pre-rolls, the branded articles written for the online magazine could be shared on the app, especially before events. For instance, before the Fox Horror Stories (Halloween party), an article with makeup ideas written in partnership with a beauty brand would be one of the users' posts suggestions.

To what concerns non-traditional strategies, Fox's events would be a vehicle through which brands would connect with their audience. During the events, as explained earlier, attendees would need to be connected to the app to pay for drinks and get to know the different activities going on. Taking advantage of the attention users are already giving to the app, brands could

challenge people to visit their stands or even do some tasks (taking a picture, making a special dance, etc.) to win something in reward. A map with the different brand spots would be available so that people could check what is happening and decide what they prefer to do.

Another interesting way to increase engagement with people during events and promote consumption would be by using push notifications. If people are not consuming for a while, they would receive a notification encouraging them to do so (“Tired of dancing? Grab a Sagres beer!”). This would allow people to interact with the brands present in the event on and offline. One of the main advantages of the app would be the possibility of collecting data from users. By creating an account (mandatory when having the app), reading articles and participating in the events, FNG would get to know its users’ profiles better and could use that information to attract brands with a similar target in future campaigns.

8. Marketing Strategy

During the process of designing new offerings, more and more companies have been taking into consideration the different needs and preferences of their customers. After understanding the market as an heterogeneous group of potential customers, a Segmentation, Targeting, and Positioning (STP) analysis defines the several homogenous groups of potential customers, selects the group of customers that would better respond to the company’s marketing efforts, and elaborates its value proposition for the chosen target (Gupta, 2014). The marketing process of STP varies with the type of business transaction of the offering. Since the question of this thesis addresses the revenues on digital advertising specifically, only the digital advertising business (B2B) will be considered in this Marketing Strategy.

8.1. Segmentation

Segmentation consists of organizing a heterogeneous group of customers, into customer segments with common characteristics (Gupta, 2014). These segments are expected to react in similar ways to the same marketing efforts. Additionally, an effective segmentation allows a

company to maximize profits by “tailor(ing) marketing efforts toward subgroups of consumers who are likely to be most responsive to their offering” (Tybout and Calder, 2010).

In order to segment the digital advertising market to fit this solution’s characteristics, some predefined attributes of potential customers, that came from the analysis of the primary and secondary research, should be explained. The primary and secondary research showed that in the media buying market, even though the decision-maker is the media agency, the decision to invest in different media channels and formats depends on each campaign’s needs and each advertiser’s preferences. As such, in order to segment the market, there were considered the differences between agencies regarding risk aversion – Behavioural variable – and the Benefit Sought. Regarding the Behavioural variable considered, it separates the market between agencies that usually look for more **traditional** approaches to their advertising campaigns, opting for solutions with already proven results, and agencies that try to deliver **innovative** solutions to their clients, by taking bolder decisions when aligning the strategy for each campaign, experimenting new channels with less or no proven results. Another opportunity to efficiently differentiate the market concerns the benefits sought variable since each agency perceives differently the value of the context in which the campaign is inserted. Some assume an **undifferentiated** approach by developing their campaign strategies disregarding the safeness of the content and the environment surrounding the advertising’s message and valuing more the numeric results of the chosen channels. Other agencies look for digital channels that prioritize the safety and **premium content** surrounding the advertising, keeping the brand’s reputation safe.

Furthermore, crossing the preferences shown by each agency during the in-depth interviews with the aforementioned variables, the market was segmented into four homogeneous groups (Exhibit 3): segment A (PHD, OMD, and MediaCom) corresponds to media agencies that are concerned about the fit between the environment of the advertising and the message to be

delivered while preferring traditional ways of communicating with the customers; segment B (Initiative, Havas, Mindshare, Wavemaker and Publicis) includes media agencies that usually announce in innovative formats, and value the pertinence and safety of the advertising brand. These media agencies preferably base their strategies in channels that deliver premium contents, without disregarding the profits and goals of the campaign; segment C (Nova Expressão) is composed by media agencies that are used to traditional ways of advertising and choose to announce in a channel regardless of the surrounding context or the brand safeness. Finally, segment D (Unik SEO) includes media agencies that look for new ways of advertising, adhere to new types of promotion spots, but do not pay too much attention and caution to the content of the channel in question.

8.2. Targeting

The second step of the marketing strategy consists of selecting the most profitable segments for the company to focus its efforts on. Segment A did not score well in this analysis as it represents agencies that although valuing the context and content associated with the placement of the advertising, are too traditional and, therefore, will not perceive the value of this product due to the lack of proven results. However, this could be a segment to focus in a later stage of the project, after achieving the first results, when FNG can pitch realistic previews of possible profits. For media agencies that belong to Segment B, the most valued criteria when choosing media channels is the level of innovation and brand safety provided by the advertising channel. This goes along with the main value proposition of the website. Therefore, *This is Fox* should take action towards agencies that belong to segment B. Segment C represents agencies that follow a profit-driven approach, where they focus more on achieving goals fast and efficiently than in delivering solutions for their advertiser's message to be safely associated with premium content. Consequently, this segment and their clients would not make a good fit with *This is Fox* business model since the main feature of this idea is to deliver premium content in a

certainly safe context. Segment D would probably be attracted by the innovative aspects of *This is Fox*, but would not perceive it as valuable enough to pursue, due to the lack of importance given by this segment to the safety of each campaign's surroundings. Therefore, *This is Fox*'s main value proposition is not attractive to this segment.

Thus, the most profitable segment to target is B, the one that includes Initiative, Havas, Mindshare, Wavemaker, and Publicis.

8.3. Positioning Statement

*To media agencies that usually announce in innovative formats with premium content, **This is Fox** is an online lifestyle entertainment solution, that offers a differentiated and unique combination of creative and safe content for the advertiser's brand and an added value for agencies when negotiating margins with brands. This lifestyle online magazine **benefits** not only **from** the exclusive content owned by Fox but also **from** the well perceived and loved Fox brand, that is considered an expert in traditional media sales, and is notoriously recognized by many advertisers.*

9. Brand

This is Fox was meant to be integrated on FNG's portfolio and connected to the other brands that already exist. Hence, the brand identity and brand elements (name and logo) were carefully designed to be aligned with those from FNG.

However, there are some differences that must be highlighted. As stated before, *This is Fox* was meant to increase online advertising revenues. Nevertheless, that will only happen if the website and the app present good results in terms of audiences and engagement. This solution can be analyzed from two perspectives: the perspective of agencies and the perspective of the final consumer who reads the magazine and uses the app. What *This is Fox* is delivering to each of them is different. Thus, the brand identity in the Business-to-Consumer (B2C) and Business-to-Business (B2B) perspective must be well defined and consistent.

9.1. Brand elements

Regarding the **name**, it was meant to be simple, distinctive and easy to remember, while allowing users to clearly understand what it is about. *This is Fox* name is self-explanatory and clearly states what the topics of the magazine – articles where the channels shows are the main inspiration. Moreover, being Fox a love-brand and having already a strong brand-equity associated, it would not make sense not to use ‘Fox’ in the name of this new solution. The goal is to bring all the positive emotions both consumers and advertisers have already about Fox and take advantage of it to build a good brand image about *This is Fox*.

The **logo** (Appendix 13) will also play a strategic role. By using the same colors and font of the “Fox” brand, it will be easier and fast to connect it with the TV channels. However, a clear separation between the words “This is” and “Fox” was done deliberately. By separating the first two words and the last one, there is an opportunity to change the third word by others, if necessary. During special occasions, the word “Fox” can be changed to other words, such as the name of an event or a channel like 24Kitchen. Every time the user sees “This is”, he or she will immediately associate it with the brand and expect something related to Fox channels to be the third word. That will be particularly useful during the launching campaign.

9.2. Brand identity B2C

The Brand identity prism, with its 6 facets, defined by Kapferer (2012) is a useful model to describe the essence of the brand near consumers (Appendix 14).

The **physical** facet corresponds to the elements that stand out as soon as someone sees or thinks about *This is Fox*, which will be the logo, the name, the orange color and the categories of entertainment and lifestyle. Regarding **relationship**, *This is Fox* is delivering tangible and intangible benefits, respectively premium content and events; and an opportunity to belong to a community that shares the same interests and passions for series, movies and TV shows, an opportunity to enter the FNG’s world. This sense of community fits perfectly the culture FNG’s

already has but does not fully take advantage of. By telling more about its shows and creating new stories and content around it, Fox fans will feel more connected to the brand they already love. In terms of **reflection**, someone that follows *This is Fox* wants to be perceived as a young and urban person, that is trendy and fun to spend time with, someone whose friends can trust when it comes to asking advice about series and movies.

Considering **personality**, if *This is Fox* was a person, it could be described as someone young, fun and dynamic; someone that is not easy to forget because it is bold, charismatic and iconic, whose creativity stands out.

This new solution will share the same culture as FNG (Appendix 15) since it is a solution created to enhance what's already very good. Thus, the **culture** is described as Hollywood heritage, pop culture, with a strong focus on innovation and dynamism, that characterize FNG positioning in Portugal. The last facet – **self-image** – will necessarily enhance the sense of community and feeling of part of the FNG universe as the most evident users' feelings when thinking about their experience with *This is Fox*.

9.3. Brand identity B2B

Considering the same prism for the B2B segment (Appendix 16), the **physical** facet will be as in the B2C prism. Regarding **relationship**, FNG is delivering to agencies and advertisers a space where they can contact their target audiences while partnering with a love-brand in which they can trust. In terms of **reflection**, agencies' employees opting for this solution wish to be perceived as informed and smart, making good investments that allow them to get the best results. *This is Fox* **personality** would not change a lot from the previous model, apart from being also eclectic, since it offers a wide range of topics in the same platform, thus allowing advertisers to get in touch with different targets. The **culture** element is focused on the dynamism and innovation that describes FNG's way of working, often mentioned during the

primary research conducted. Professionals' **self-image** will be related to their feeling of doing good investments and achieving their job goals when they opt for buying *This is Fox* ad space.

9.4. Brand architecture

The brand Fox is endorsing all the TV channels: Fox, Fox Life, Fox Crime, Fox Comedy, and Fox Movies; as well as the on-demand platforms FoxPlay and Fox+. In this case, *This is Fox* will be part of this strategy, although the word 'Fox' will appear in the end. By sharing the same values and approaching the same topics that all the remain 'Fox' brands, this new product will be part of the portfolio and understood by both agencies and final consumers as integrated in the offer of FNG (Appendix 17).

10. Marketing Mix

Considering the nature of *This is Fox* when defining the marketing mix one must consider three additional "P's" besides the four "P's" of the product mix. The particular characteristics of services require a marketing mix different from the product mix where People, Processes, and Physical Evidence should be added. This allows a comprehensive analysis of the marketing elements essential for a service to thrive thus, it will be covered in the following sections.

10.1. Product/Service

Although it may seem that the magazine and the app are the product themselves – which is true if one focuses on the B2C segment – when considering the element that is allowing *This is Fox* to make revenues (what will FNG be effectively selling) it will be the advertising space (through banners, pre-rolls, and branded content articles) that will allow media agencies and advertisers to place their advertising campaigns. Defining exactly how will FNG deliver this offer such that it is attractive to their clients is crucial.

Starting with the online magazine, and as previously described, the display advertising (banners and pre-rolls) and the branded content would be the main sources of revenue. During the first weeks of the launch, *This is Fox* magazine must enter a programmatic network to start getting

advertising revenues from the beginning. However, as soon as the magazine attracts an interesting and robust target audience, the focus will be on selling directly to the clients (Appendix 18).

Regarding the app, there will be also some options for monetization, namely display advertising, push notifications and presence on the map.

10.1.1. Service attributes

Any business in order to survive must make sure that its offering meets the needs of its customers, but it also must understand which attributes its customer most value and the attributes that are least important to them. To identify the attributes valued by customers, primary research was used not only to understand the agency's needs *per se* but also the needs of advertisers (agency's clients) as these are directly reflected on what agencies search for. From the subset of attributes identified, primary research also allowed to assess which ones the segments place a bigger importance on. After understanding this, an attribute map was developed (Exhibit 4) where each attribute was rated based on how well *This is Fox* will perform in each attribute. Afterward, each attribute was also ranked based on how well the competition is doing along the same dimensions. Based on the illustrated map, it can be understood that *This is Fox* has the potential to excel especially because competitors perform lower in one of the most important attributes – the ability to reach a variety of targets – being *This is Fox* able to cover a gap where competitors are underperforming. Moreover, in all other attributes identified in the map, *This is Fox* is able to outperform or at least be on the same level comparing with competitors and with the customers' requirements.

10.1.2. Media Bundles

Bundles were created as a way to both simplify and incentivize the purchase of advertising space. Instead of selling each type of advertising separately, the focus of FNG will be to offer

specific bundles that are more attractive and that allow their clients to make better investments, whilst selling more than one option at the same time increasing the revenues.

Some of the bundles are built together with television advertising spots, as a purchase incentive, since it will be easier to attract clients that are already motivated to buy ads on the television channels. However, there is also the opportunity of buying only online space.

In total, there are five different media bundles to choose from: (1) TV + branded content + display advertising; (2) TV + branded content; (3) TV + display advertising; (4) Branded Content + Display advertising; (5) Display advertising. The display advertising includes Billboards (970x250px), MREC (300x250px) and pre-rolls (ad up to 15 seconds before videos) (sizes according to IAB guidelines). Moreover, clients will be also able to buy space on the app, which includes display advertising, push notification and presence on the map (Appendix 19).

10.2. Price

To effectively price the aforementioned bundles, a value-based approach will be followed. This approach has been proven to allow for considerable profits as the prices are set according to the customer's willingness to pay for the given product (Dolan and Gourville, 2014). As such, to follow this approach, it is key to first segment the client base according to the willingness to pay for each segment. So, it is possible to find two customer segments: the advertising agencies and the advertisers that buy directly from FNG. Given that the agencies buy advertising space and then sell it to their clients, they must have a profit margin from this sale. As such, it is possible to conclude advertising agencies will have a lower willingness to pay than advertisers. For this reason, agencies will be granted discounts to incentivize purchase.

Following a value-based approach and knowing the two client segments, it is also key to define the pricing strategy for this new offering. As such, the most appropriate strategy is *neutral pricing*. With this, FNG will be diminishing the role of the price in favor of other important features of the service. This strategy is appropriate for this offering given that it is not possible

to follow *skimming pricing*, as the service can be seen as substitutable – as mentioned in section 4.1.2, agencies do not choose each website they are going to advertise for its content but rather if their target customers are there. This makes most of the websites substitutable, as there is a wide range of different platforms across the internet where agencies can impact their target audiences. Moreover, *penetration pricing* is also not appropriate for *This is Fox* as this might lead the company's clients to infer low quality from low prices, which can hinder FNG's reputation in the online advertising market (Nagle and Müller, 2018). However, it is important to note that this industry is ruled by heavy discounts to advertising agencies, and for this reason, they usually purchase advertising space for low prices.

With all the previous aspects clearly defined, it is now possible to set the price of the bundles explained in the aforementioned section. As such, in order to capture the most value while following a neutral pricing strategy, research was done to understand the value proposition of other alternatives in the market, for example, NiT. The prices were set taking this research into consideration but also the client's willingness to pay for this offer, following a value-based approach. As previously explained, the bundles include different advertising formats (Appendix 19), for this reason, it was set a price for each of the formats: display advertising (pre-rolls + billboards + MREC) have a price of €420 per thousand impressions, while branded content has a unit price of €4 000. Given that the bundles only differ in the combinations that are possible to make, the prices are the same, regardless of the combination. When adding television advertising spot to the bundle, a 10% discount will be granted, only for the digital solution, as a way to incentivize purchase. For the *This is Fox* Events bundle, the price is represented by a unitary fee of €2 000. Advertising agencies will have a 60% additional discount over display advertising and a 20% additional discount over branded content articles. Advertisers, that buy advertising space directly to FNG, are not granted any additional discount, given their higher willingness to pay.

10.3. Place

The sale results from several moments of negotiation through personal selling, telephone, and e-mail. Subsequently, the delivery is done digitally.

10.4. Promotion

This marketing mix element should point out, through advertising and promotion techniques, the key benefits that *This is Fox* offers to consumers, aiming to achieve the intended objectives.

10.4.1. *This is Fox* Online Magazine Communications Plan (B2C)

A B2C communication plan will be used as a hook to pull advertisers' interest in investing in these platforms. Advertisers need evidence that they will be able to reach the target audience that they look for on *This is Fox* online magazine. As stated by the Managing Partner of MediaCom, the online magazine platform would be a profitable idea since “after reaching good audiences levels it would be very easy to sell it to brands”. For this purpose, first, the online magazine B2C campaign will be presented followed by an explanation of the B2B communication plan in section 9.4.2. As is showed in the action plan (Appendix 20), *This is Fox* online magazine would be launched in mid-January 2021 and after the two first months due to the expected increase of audience engagement towards this new offering, a commercial proposal can be presented to media agencies.

10.4.1.1. Marketing Objectives

For the communication plan implementation, marketing objectives should be defined in the first place. Therefore, these objectives generally reflect the advertiser's profit increase (Rossiter and Percy, 1997) so, specific sales or market share goals should be taken into account (Percy and Elliot, 2016). Thus, as *This is Fox* online magazine has the goal of entering and thriving on the online entertainment market, reaching 1 030 000 total website visits on the first month after the website launching, with an increase of 60% for second month, and 2 minutes and 82 seconds of average visit duration are the marketing objectives. The average visit duration will remain

constant across the first year since the number of videos and articles read by visitors is expected to remain unchanged (Appendix 21). Nowadays, the competition is fierce in this market, so to achieve the objectives stated above the expenditures will total €184 074 in 2020.

10.4.1.2. Target Audience Selection

With the view to attain the marketing objectives predefined, the most suitable target audience for FNG new service should be determined. For this purpose, the Awareness-Attitude-Behavior approach will be used to define the likelihood of brand purchase depending on potential customers' level of brand loyalty (Rossiter and Percy, 1997). Concerning *This is Fox* online magazine, purchases are defined as website visits and their average time spent within it. Despite *This is Fox* being an unknown brand, FNG is a well-known brand among the Portuguese market enabling *This is Fox* to capture audience attention. Hence, consumers switch among other brands fulfilling the need of online entertainment, but they do not include *This is Fox* on their repertoire. Therefore, target individuals are defined as Other Brand Switchers (OBSs). In addition, to better characterize the target audience is important to profile it taking into account that demographic criteria are not sufficient to build this characterization (Percy and Elliot, 2016). For *This is Fox* the target audience is defined as Portuguese consumers, aged between 25 and 34 years old. Also, psychographically, they are fans of FNG's content, digitally hyper-connected and easy-going people, who seek new information online. Additionally, the target audience is classified as individuals who are up on the latest fashions, are spontaneous and see themselves as very sociable. They are novelty-seeking and mainly motivated by self-expression, which means that they desire social activity and variety.

Therefore, for the purpose of understanding the target audience's decision-making process, it is crucial to build a Behavioral Sequence Model (Appendix 22). On this "diagrammatic summary" (Rossiter et al., 2018) it is possible to analyze the main phases of the process,

realizing in which of the marketing communications are more prone to influence *This is Fox* choice (Percy and Elliot, 2016).

10.4.1.3. Target Audience Action Objectives

It is crucial to determine the desired behaviors of the previously selected campaign target individuals (Rossiter and Percy, 1997). Thus, being *This is Fox* a new brand and OBSs the target audience, brand trial is the action objective. In the long run, repeated purchase is expected to be defined as the objective since *This is Fox* would be already present on consumers' minds (Rossiter and Percy, 1997). Therefore, the trial goal was set based on the total number of expected website visits for the first month (1 030 000) being each website visit duration on average of 2 minutes and 82 seconds. Furthermore, post-purchase behavior, in particular, recommendations of pleased consumers, should be considered as a supplementary action objective. Thus, as the impact of indirect online and offline conversations is about 25% on sales (WARC, 2018b), the expected increase originated by Word-of-Mouth is 25% of second month website visitors increase (60%) (154 500 website visitors).

10.4.1.4. Communication Objectives

To plan an advertising and promotion campaign some decisions need to be done with regards to the five communication objectives (Rossiter et al., 2018), (Rossiter, Percy and Bergkvist, 2018). First, the online lifestyle entertainment category need can be omitted as a communication objective since the need is already present on the minds of target consumers defined as OBSs. In what concerns Brand Awareness – universal communication objective – for *This is Fox* is crucial to promote Brand Recall leading consumers to remind the brand whenever category need arises – this would be easily attained by transferring the current high awareness of the brand Fox. Moreover, Brand Awareness takes precedence over Brand Attitude. Thus, for a new brand, in order to convince targeted individuals that *This is Fox* is the best alternative to satisfy the need of online lifestyle entertainment, it is necessary to create positive Brand Attitude

towards this new offering. This attitude will be driven by the underlying negative motivation reflected by the incomplete satisfaction when it comes to online FNG's exclusive and combined content. Moreover, the fourth communication objective, Brand Purchase Intention - "(...) buyer's self-instruction to purchase the brand - (...) depends entirely on whether the targeted action taker is making a high-risk (high involvement) or a low-risk (low involvement)" (Rossiter et al., 2018). Therefore, as there is not much to lose in acting towards *This is Fox* offering – meaning that it requires a low-involvement brand attitude from consumers – the objective can be omitted from the communication plan. Brand Purchase Facilitation is the last communication objective that should be considered and incorporated within this campaign, since, as *This is Fox* is a new offering, consumers must be informed about where they could act towards this service.

10.4.1.5. Brand Positioning for Communication Plan

The brand positioning statement for *This is Fox* campaign would be as follows: *(T)To Portuguese consumers who live in urban cities, aged between 25-34 years old who are novelty-seeking about FNG's content and enjoy sharing it with peers (OBSs), (C) This is Fox is a differentiated brand of online lifestyle entertainment (where user is the hero), (B) that offers a satisfying solution of online entertainment content related with Fox channels (incomplete satisfaction), enabling consumers to be part of the full experience of Fox community (intellectual stimulation). This is because, Fox proved to be a love-brand from the user perspective, driven by the high dedication of delivering to consumers a differentiated content that goes beyond the notoriety of its series and programs – reason to believe.* Furthermore, the key benefit priorly defined should be emphasized on brand marketing communications as an Important benefit for the target audience, Deliverable by the brand and Unique benefit to the brand (I-D-U model). Moreover, the equal benefits delivered by all brands across the category must be mentioned – entry ticket (Rossiter et al., 2018). *This is Fox* advertising should

emphasize that the brand solves the lack of online FNG's exclusive and aggregated content giving to consumers an opportunity to dive into the Fox world – fulfilling the need of being updated on Fox world novelties (from negative emotion to benefit to positive emotion: e-→ b →e+ in the Attribute-Benefit-Emotion model). Therefore, the availability of the internet and the entertainment content must be mentioned as the entry tickets.

10.4.1.6. Creative Strategy

For the purpose of developing an effective campaign, a creative strategy needs to be developed, embodying the elements of an ad (Rossiter and Bellman, 2005). The element that sets up all the creative strategy is the Key Benefit Claim (KBC) as it boosts the brainstorm of the potential creative idea. For *This is Fox* advertising should highlight that the online magazine offers online content related to the Fox world giving consumers the opportunity to dive into the Fox community. Thus, the creative idea should reflect the previously stated benefit and for this purpose, on the *This is Fox* campaign all the platform categories would be presented in a simple way, communicating immediately the online entertainment content that will be displayed. The categories' names will pop out along with images related to Fox World on the background backdrop. Furthermore, considering the Awareness communication objective already defined, *This is Fox* brand-name and online lifestyle entertainment category need should be associated and a repetition of this association is also required to attain the desired levels of awareness. Additionally, a sentence referring to the word “you” should be used across all the communications, establishing a personal connection between consumers and the brand (e.g. “All the novelties you desire are here!”). Furthermore, since *This is Fox* is a Low-Involvement/Informational brand, per Rossiter-Percy' grid, the KBC should be highlighted in a deeper way and, as a negative motivation is implicit, it is critical to use a simple problem-solution format. Stating extremely the *This is Fox* KBC is a way to pull consumers' curiosity

disrupting the belief that FNG does not deliver exclusive online entertainment content. All the elements of this strategy can be summarized into a Creative Brief (Appendix 23).

10.4.1.7. Media Strategy

The previously defined goals of Brand Awareness and Brand Attitude will lead to media strategy construction. Hence, as *This is Fox* requires a Low-Involvement/Informational attitude, the asserted benefits of the service are easily learned (Percy and Elliott, 2016). However, to reach the intended levels of Brand Recall, frequency needs to be the main concern throughout the media plan. As such, the most suitable primary mediums to be used are Television and Internet (Percy and Elliott, 2016). Concerning Television, that is still a medium with high impact in Portugal and is the FNG medium that, until now, better establishes a connection with the audience – FNG channels are among the most-watched in Pay-TV (Appendix 24) – a 30 seconds ad will be displayed in prime-time across all FNG channels. Therefore, in order to effectively generate Brand Recall for this new service, the ad will take the format of a mystery ad. This means that *This is Fox* brand-name will only be disclosed at the end of the commercial, enhancing consumers' curiosity (Rossiter et al., 2018). Thus, the ad storyline was built upon the creative idea stated above (Appendix 25). Additionally, the Internet will also be used to reach the intended frequency of the media plan. This medium allows advertisers to target groups of individuals with specific characteristics, accessing, through their online activity, how they are engaging with a particular brand. Thus, for *This is Fox* campaign, a Google search ad campaign will be used, using keywords related to FNG series and programs. In addition, YouTube pre-roll ads and social media promoted posts will also be used to increase the number of times the brand is seen by the target audience. This selection was based on the fact that competitors' platforms' main traffic sources are Search and Social Media (SimilarWeb, 2019a).

Moreover, still with the goal of fulfilling the need for frequency increase, secondary mediums - Radio and Out-of-Home – will be used. With the objective of capturing consumers' attention

for the new offering, besides the mystery ad format used for the complete ads, a teaser campaign will be displayed on Television, Out-of-Home and Social Media, replacing the word “Fox” by other words (Appendix 26).

10.4.1.8. Integrated Communications Strategy

In order to set up an Integrated Marketing Communications plan, a coherent message should be delivered across all used channels. Therefore, *This is Fox* message needs to deliver consistently the idea that this new service enables consumers to enter the Fox world. Additionally, the campaign design, as well as the online magazine and the app layouts, need to be in line so that a brand identity can be built. To be clear to the audience that this is an FNG’ new offering, all of these elements need to be aligned with Fox’s brand style guide.

10.4.1.9. Campaign’s Schedule and Budget

On January 2021 the teaser campaign will run on the first 15 days of the year and afterward the online magazine will be launched along with the complete campaign. The online magazine launch campaign will be displayed during 5 months across the previously explained media channels (Appendix 27). Furthermore, the communication budget level needs to be set having in mind the concrete predefined marketing objectives, however, “there is no ideal formula for making the best budgeting decision” (De Pelsmacker et al. 2018). For this reason, the percentage of sales technique was used to define the campaign budget in spite of the competitive marketing spending is not being considered. This method was used due to the unavailability of values to run other budgeting approaches. So, 30% of expected first-year total sales (€613 580), adds up to €184 074. From this value, 62% was allocated to the online magazine campaign and the remaining will be used for the app launch campaign. In order to break down the budget, allocating it across selected mediums during the 5 months, the values provided by an advertising industry expert were used (Appendix 28). In this sense, it is noteworthy that for Television and Social Media there is no cost involved since FNG owned media channels will be used and as it

is assumed that this new campaign, that promotes FNG content, will take out time from the FNG's own promotion time (own series campaigns) opportunity costs will not be considered.

10.4.1.10. Campaign Tracking

Campaign tracking must be done to ensure that the communication efforts are the cause of consumers' actions towards *This is Fox*, excluding the effect of other marketing mix factors on sales (Percy and Elliott, 2016). Also, competitors' efforts need to be tracked, and this is even more important being that the percentage of sales was used as a budgeting method. Therefore, it is crucial to continuously track website visits and average time per visit as they represent the principal goals of this campaign. Also, in order to assess the main channels that lead the traffic to the website, click-through-rate will be used as a measure. Jointly, using an online search topic to track PR coverage and analyze the levels of engagement with social media posts are also two important KPIs to be monitored.

10.4.2. Communications Plan (B2B)

The ultimate goal of this project is to increase FNG profit via entering and thriving in the online Advertising Market and for this purpose, a B2B campaign should be developed. This campaign has as target the individuals in the predefined segment B, which means that they are already familiar with the Fox brand, becoming easier to capture their attention. Therefore, the marketing objective for this campaign, in the first year, is to reach 41 campaign contracts (1 big, 15 medium and 25 small) amounting up to €613 580 of revenue. Thus, with this campaign, trial is the action objective preceding the long-run objective of repeated purchase. Given this, as it is a new offering, is expected that the target audience will take a lower risk through the first months, trying it by placing smaller campaigns on *This is Fox* platforms. Furthermore, B2B buying decision process stages are more detailed than on the B2C market, since it is normally a higher importance decision. On the Internet Ad-market, there is not an exact science when it comes to the buying process however, an optimal consumer decision journey is described in section 1.1.

Moreover, assuming online advertising as the Category Need and the expertise of the target audience within this category, the need can be omitted as a communication objective. However, Brand Awareness and Brand Attitude would be addressed by this campaign. Brand Recall fostering is crucial since the goal is to make the target audience remember *This is Fox* when they need to advertise through online channels – as soon as the remaining criteria, such as budget availability, traffic profile, etc., were already met by all the remaining competitors of *This is Fox*. Additionally, it is crucial to create a positive Brand Attitude towards *This is Fox* offering, driving it with an underlying negative motivation (problem removal). Furthermore, Brand Purchase Intention communication objective needs to be incorporated since *This is Fox* requires from media agencies a High-Involvement brand attitude – target audience needs search and conviction before purchase. Lastly, the Brand Purchase Facilitation can be omitted, as the target audience is already informed on where they could act towards this service. Adding to that, *This is Fox* B2B campaign should emphasize the variety of themes addressed on the website, along with the added value that the Fox brand can deliver. This would give to media agencies an opportunity to target a range of different segments within a platform that offers a safe content environment (from attribute to benefit: $a \rightarrow b$). As the entry tickets, the campaign should highlight the advertising formats available on the platforms. Considering the Brand Recall objective previously mentioned, the online advertising need should be associated with *This is Fox* brand – repeating this association – since the target audience is not familiar with FNG's presence in this market, as it is proved by primary research results. Moreover, by adapting the commercial proposal to each agency, a personal connection with the brand is being encouraged. Adding to that, the brand needs to be presented along with refutational benefits since it requires High-Involvement/Informational Brand Attitude strategy – the target audience must be convinced about the brand's key benefits, accepting it. The campaign needs to focus on the target audience's prior attitude towards the Fox brand, highlighting that this new offering

makes Fox thrive on the online advertising market – praising the benefits of the offer (Percy and Elliott, 2016). To make this new offering known, a B2B teaser campaign will be presented in FNG’s showcase (October/November 2020). Since teaser campaigns are effective for new brands, it will be used to enhance the target audience’s curiosity about FNG’s 2021 new offering while addressing the sense of exclusivity for being the first ones to get to know it. However, this teaser will only reveal the name *This is Fox* creating FOMO (Fear of Missing Out) within the target group. In mid-March 2021, the complete campaign will be presented to the target audience and, since the audience is smaller than 100 prospects, the FNG would rely on personal selling, leaving behind digital brochure as a sales aid (Rossiter et al.,2018). Thus, one-to-one meetings will be scheduled with the targeted audience in order to present a commercial proposal brochure with all the detailed engagement numbers presented and some customized examples of possible advertising formats. After the process of presenting *This is Fox* offering by FNG commercial team, normally, a negotiation process between this team and the media agency takes place. Moreover, as marketing communication in B2B is more rational and deeply reliable on products’ quality and performance (Fill, 2002), a price off promotion strategy – straight reduction in selling price - will be used to stimulate immediate purchase and to “move sales forward” more rapidly than would otherwise occur (Rossiter et al., 2018). For this purpose, as previously mentioned, a discount to media agencies will be applied. Lastly, in order to test the campaign success, sales revenue and repeated purchase – reflecting customers' satisfaction – should be tracked.

10.4.3. *This is Fox* App Communications Plan (B2C)

As is showed in appendix 19, on June 2021, *This is Fox* app is expected to be launched. However, the launching date will be more accurately defined later on since it depends on the good results of the online magazine. Along with this, all the communication campaign elements for *This is Fox* App will be analyzed on a later stage in order to carefully elaborate an effective

plan. However, the marketing objectives forecasted can already be established. Thus, 10.000 downloads (Benchmark with nit.pt app downloads) and 3 minutes of session length (Localytics, 2018) – average time spent in an individual app across all sessions per month – are the expected goals on the first month after the launch. Moreover, the average churn rate - the percentage of people who do not return to an app one month after download – is expected to be lower than 40% in the second month. Furthermore, the campaign should be built upon the claim that the new offering is an extension of the previous one with the goal of solving the less user-mobile friendly website capabilities and the impossibility of being 100% involved in the Fox world, maximizing the number of touchpoints within Fox world. Concerning the media strategy, the Internet (YouTube pre-roll ads, Google search ads and promoted posts from FNG owned social media) will be the primary media channel since it will capture the consumers' curiosity and by being mainly displayed online, consumers will be closer to the desired action of downloading the app. The platform will also be a vehicle of communication together with the events sponsors' social media (Appendix 27). Then, to run this campaign the budget was set up to be 38% of marketing expenditure for the first year – ideally, it should be computed depending on previous campaign results as well as on competitors marketing efforts – adding up to €70 362 (Appendix 28). The campaign will start on June 2021 along with Fox Sunset Stories event announcement and, in the long-run, this campaign will also taking advantage of Fox Horror Stories event disclosure on October 2021. Finally, to track the campaign influence on the use of the app, the number of downloads needs to be screened along with the churn rate. Also, the active users on different periods of time is crucial to understand if the app is only used during the events.

10.5. Processes

An important step to create the desired customer experience is the design of the right processes since poorly designed processes can lead to lower levels of customer loyalty and revenues (Frei

and Morriss, 2012). As such, to help *This is Fox* deliver its value, flowcharts and a service blueprint were designed.

The flowcharts considered to illustrate the service process were divided into two phases, one before the acquisition (Exhibit 5), and one after the acquisition (Exhibit 6).

The acquisition process is initiated when the commercial team presents the advertising idea (whether in the showcase as proposed in section 9.4 or through any other promotion channel).

Here, the agency is in the consideration and evaluation stage (to better understand the agency decision journey see exhibit 7). If the agency finds *This is Fox* interesting in a way that it can deliver the specificities it is looking for, the process proceeds. After evaluating, the agency might not consider *This is Fox* as an option. If it does, both FNG and the customer start a negotiation process that at the end comprises a presentation of a proposal by FNG's commercial team. One of the specificities of a B2B environment is that closing a sale can be complicated as there can be many influencers and decision-makers incorporated in the buying decision process (Lingqvist et al., 2015). Thus, the approval of FNG's proposal by the agency takes into consideration not only the agency's interests but also its own customers' interests, that is, advertisers. If an agreement that respects all parties' interests can be negotiated, FNG presents a purchase order to the agency. Subsequently, the materials needed for the campaign are sent to FNG so that it can set up the campaign on *This is Fox* and afterward, the agency can validate the campaign and advertisers can give their approval. Only with the approval of both the agency and the advertiser the campaign is released on the platforms.

The after-acquisition flowchart is related to the after-sales step that is an essential step to create a bond with the customer. Here, FNG starts by collecting and presenting the campaign results to the agency. If the campaign went as expected, the customer is satisfied and pays the bill; if it did not go as planned FNG must be flexible and provide a solution for instance, by providing

an offset for the next purchase order or by lowering the price agreed on. These will guarantee customer satisfaction and keep the possibility of entering the loyalty-loop.

To allow a more detailed understanding of the service structure, a service blueprint was designed mapping the full customer journey. The blueprint designed for *This is Fox* allowed to identify the key activities involved in creating and delivering this service (Exhibit 8). A number of FNG collaborators are involved in delivering the final service however, the customer only has interaction with the commercial team. The backstage activities performed by other teams and the support processes are essential and support the front-stage steps but do not interact directly with the customer.

10.6. People

The delivering of this solution would not be possible without having people thus, the role of employees and customers must be understood as both have a place in the service exchange. In terms of employees, one can identify five teams that have a role in delivering this service. The commercial team is the cornerstone in the selling and negotiation process with customers, they are the frontline employees essential in delivering service excellence and competitive advantage. Thus, they not only find prospects and close sales but are also responsible for captivating and building good relationships with customers and partners. The production team is essential in offering two important attributes of the service to the customer - captivate the audience in terms of variety and in terms of volume – by producing premium content with high frequency. They are also the ones that work with the material the agency sends to FNG for the campaign. The IT team programs the campaigns and articles on the platforms and takes care of technical problems that might arise on either of the platforms. In the backstage, there is also the marketing team responsible for promoting the brand *This is Fox* to the end-user, essential for FNG to deliver a good service to agencies. Inside this team, a community manager is essential to build relationships with the end-users through social media as well as to monitor feedback

and engagement coming from these. Lastly, the Legal team also has the responsibility to elaborate on the purchase orders to send to customers.

All the aforementioned teams complement each other and are fundamental in delivering *This is Fox*. To note that only the production team will have to be constituted as full-time equivalents as all the other teams are already present at FNG in sufficient size.

To bear in mind that customers (both agencies and advertisers) are also co-creators and without them, the service would not be delivered. These have an important role in delivering the campaign material so that FNG is able to make it visible to the audience and achieve the customers' campaign goals.

10.6.1. Incentive System

In order to motivate employees to be productive and deliver service excellence, incentives were designed for them. For the Commercial team, it was taken into consideration the precise goals they have and thus, a monetary incentive system must be provided as a way to motivate such accomplishments. Indeed, no new incentive systems will be planned as the one currently present at FNG is appropriate, that is, trimestral commissions (information provided by the company). The Production team is also a crucial element in delivering service excellence, for this reason, incentives must be considered as a way to motivate them. Considering this team usually has more subjective goals than the Commercial team, incentives should be non-monetary namely, feedback from peers that read the articles and prizes for efficiency and creativity. In a similar way, the Marketing team must be motivated through prizes for goal achievements. The IT team should be motivated through peer-reviews based on their efficiency in collaborating with the rest of the teams. In the same way, the Legal team should be motivated through peer-reviews from the Commercial that can evaluate the efficiency these have in crafting purchase orders as these two teams collaborate directly with each other.

10.6.2. Training

Training increases employee satisfaction and a sense of belonging. In this way, all employees from the previously mentioned teams should receive training. Once a year training to keep employees updated with the company's strategy should be given. Moreover, additional training should be particularly designed for two types of employees, considering their involvement in delivering this solution. These are the Commercial team and the Production team. Interpersonal and technical training should be provided at least once a year to these two teams. For the Commercial team, this training should focus on sales techniques and mechanisms to understand the customer such as effective listening, while the Production team training should focus on providing techniques to facilitate and improve content production such as content optimization or how to generate ideas.

To note that before the launch of *This is Fox*, training to acquire service knowledge is of extreme importance. In addition, any new employee that enters in any of the aforementioned teams should receive training about *This is Fox*, as well as organizational culture training.

10.7. Physical Evidence

The physical service environment relates to the style and appearance of the physical surroundings and other experimental elements that play a key role in shaping the customer experience and enhancing their satisfaction. *This is Fox* website and app are the service environment components of this solution. For the end-user, the content, as well as the user-friendly layout of the website and the app, will help to perceive the platforms as interesting to spend time on. For agencies and advertisers, the layout in terms of advertising space options as well as the content displayed (safe content) is what shapes their experience.

11. Key Success Factors

After addressing *This is Fox* solution and all the detailed components of its marketing mix, it is crucial to assess the key elements required to accomplish the desired goals of this solution – the

Key Success Factors (KSF). Therefore, effective KSF are defined as vital factors to the organization's success, benefitting it as a whole, since they are directly linked to the business strategy. Therefore, within the online advertising market, the **audience's volume and profile** represent a major element as it determines the media agencies' interest in investing in digital advertising solutions. Moreover, **relevant content in terms of quality and creativity** – aligned with its frequency – is also important for the company in order to maintain FNG notoriety as a brand that delivers innovative and irreverent experiences. Finally, another factor that should be given proper attention to is the **user-friendly platform** characteristic. The company will only be able to deliver the best end-user experience if the platforms are easy and safe to use and with fast processing time. Consequently, if this factor is observed, attaining the desired objective of growing faster via entering the online advertising market will be easily accomplished, as media agencies will value the service quality provided by the platforms.

12. Profit and Loss (P&L)

Considering the previously defined elements of the Marketing Mix, the insights of the primary and secondary research, and information given by FNG Portugal, the results of the solution for the upcoming five years were predicted, considering 2020 the year zero. The following sections explain in detail all the parcels and assumptions taken into account in the P&L (Exhibit 9). To note that due to the lack of information available, all the revenues related to programmatic advertising are being disregarded.

Revenues

The revenues were calculated based on the expected sales for each bundle. Based on an interview with an industry expert, it is assumed that advertising agencies buy three types of campaigns, according to the number of impressions purchased: Big Campaigns, with 500 000 impressions, Medium Campaigns, with 100 000 impressions, and Small Campaigns with 15 000. As such, it is expected that over the first year, the website will run one Big Campaign, 15 Medium Campaigns, and 25 Small Campaigns. All of these campaigns can have different

durations throughout the year, depending on the time needed to reach the target of impressions. It is expected that all these campaigns will be bought by advertising agencies and thus, they will enjoy a 60% discount on these purchases, given the high quantity of impressions bought. From these 46 campaigns, 11 are expected to be bundled with television as such, agencies will enjoy an extra 10% discount. Adding to that, 8 of the 12 branded content articles are bought by advertising agencies. However, given that these articles are bought per unit, and not in large quantities such as the impressions, the agency discount is reduced to 20%. Regarding advertisers, it is assumed they will only buy branded content articles, subject to no discount. Adding to that, it is expected that 15 event sponsors will buy the *This is Fox* Events bundle, also subject to no discount (Exhibit 10).

It was calculated a revenue growth rate based on the past five years of FNG's revenues and it is assumed to be the revenue growth rate for this solution as well. As such, from the first year onwards, the revenues are expected to grow 5.94% yearly (Appendix 29).

Marketing Costs

In order to reach the established marketing objectives detailed in section 10.4.1.1., marketing costs accounted for a budget of €184 074 for 2020, representing 30% of first-year sales. For 2021, marketing costs were estimated to be 20% of the projected sales of the subsequent year and from then on, this percentage will remain at 10% until 2025 (Appendix 30).

Operating Costs

Operating costs comprise personnel, training, and IT maintenance. Regarding personnel expenses, a monthly salary of €951 was assumed to be paid to employees, considering the Portuguese average salary in 2019. In accordance with the salary structure in Portugal, 14 months of salaries per employee were considered, with a social security tax rate of 23.8% (Trading Economics, 2019). The five years forecasted do not consider any salary raise. In terms of training expenses, it was considered 20 hours of training at €5 per hour, per person, and per

year for the employees that will be working only with the *This is Fox* brand, that is, the Production team (assuming all the others are already receiving training from FNG). In addition, for the same cost per hour, six hours of initial training will be spent with the new employees. To note that employees who already work at FNG but will also contribute to *This is Fox* are not considered on these operating costs given that these will not bring any extra costs for the company. IT maintenance considers yearly costs related to the website (CMS housing, template, licenses and domain) and the app (Apple Store and Google Play Store fees) (Appendix 31).

Cannibalization effects

Television is the main business of FNG, it is the market leader in its segment, and, for this reason, it is possible to say that this new solution will not cannibalize the company's main business. Moreover, *This is Fox* does not have the power and the reach that television has, and clients are given the possibility of buying this solution combined with television, one never excludes the other.

Depreciation

Regarding depreciation, the website and the mobile app are both intangible assets which, by definition, do not depreciate. Any amortization of these assets is accounted for in the Operating Costs making it unnecessary to account for in the Depreciation line of the P&L.

CAPEX

For the CAPEX, according to an industry expert, a development cost of €56 800 was considered. Such costs include the costs of developing the website and the app (for further details see appendix 32).

Profits and Financial Measures

With the revenues and associated costs accounted for, it is possible to finally calculate the profitability of this solution. As such, for the first year of operations, it is expected a profit of €249 257. This translated into a payback period of one year and two months, to retrieve the

initial investment. In terms of the Net Present Value of this product – and using a discount rate of 10.8%, that represents the estimated Weighted Average Cost of Capital (Appendix 33) – it is €953 212 which represents the product's current net worth. Adding that, the Internal Rate of Return, that is, the discount rate that would make the NPV equal to zero is 97%. Given the extremely high unlikeliness of such a high rate, it is safe to assume this solution will never have zero current value.

Finally, considering an annual revenue in 2018 of €23 147 717 (Sabi, 2019) and the information received by the company that advertising revenues represent 20% of the total revenues and from this, one percent comes from online advertising sales, the current online advertising revenues are €46 295. Given that in the first year of operations this new offering is expected to generate €613 580 in revenues, this represents a 1225% increase, regarding the current online advertising revenues. As such, one can conclude that *This is Fox* can indeed help FNG thrive in the online advertising market.

13. Control Measures

Key performance indicators (KPI's) can be selected according to the type of transaction: B2B or B2C. The success of both is crucial for *This is Fox* and it must be tracked throughout its implementation. Thereby, some measures were selected accordingly.

13.1.B2C

Depending on the channel – website or app – different KPI's can be selected to assess the success of the solution. In terms of the online magazine, the total **website visits** will be a first useful approach to get to know if people are interested in the website and if the communication about it is being effective and bringing people to the website. However, one must understand not only how many visits the website had but also how many visitors indeed accessed it thus, **unique website visitors** should be an indicator also to consider.

A complementary KPI is the **click-through rate** to understand the effectiveness of the website campaigns by seeing how many people clicked on the online ads placed along the articles. **Bounce rates** are also crucial to consider as it is not only necessary to bring people to the page, but also to retain them. This rate represents the rate at which people leave a website without opening any other page. With this, it is possible to understand if the page is delivering relevant content or if users find it uninteresting and give up right after the first impression. Another KPI's that might be useful to understand how *This is Fox* is being received is through the **average time per visit**, that can help to distinguish the audience that found what was looking for and read the articles from the ones that visit several pages but did not find anything enough attractive to spend time there.

It is also helpful to get to know where visitants are coming from, in order to better understand which parts of the communication are being more effective. **Traffic sources** will allow to understand if people are going directly to the website, or if they are coming through referrals, search, social media or other channels.

In terms of users' activity within the website, the **number of shares and comments** on the articles will allow to understand which topics are more attractive; the number of users that **created account** will indicate if users are interested in being part of the community and visit the website regularly.

For *This is Fox* app, other KPI's should be considered. First of all, the **number of downloads** of the app on the App Store and Play Store will let FNG know if people are willing and open to use the app. However, more critical than downloading the app is keeping it on the phone. Hence, measures such as the **churn rate** (people that uninstall or stop using the app), **retention rate** (people who came back to the app for a second time) and **active users** will be more accurate to understand the success of the app. Moreover, the total **number of visits** and the **average session length** are helpful to acknowledge the success of the app. These two last

measures should be discriminated by events periods and the rest of the year, such that it will be possible to know what is more relevant for users and the main reasons why they use the app.

13.2.B2B

Being the purpose of this solution to increase sales revenues on digital, several KPI's will allow FNG to evaluate the success of *This is Fox* near media agencies and advertisers. The **sales revenue** is the main and foremost measure that will immediately tell whether the project is working or not. However, the **retention rate** of the business customers will let FNG know if they are satisfied or not with the results. Once a relationship is formed with a customer **client lifetime value** is also relevant as it will let FNG know how much each customer will generate during the lifetime of the relationship.

14. Contingency Plan

It is key to be prepared for unexpected events while launching *This is Fox*. Despite the potential of this project, as proved by primary research and the P&L results previously presented, there is always some risk involved and FNG must be ready to take some action steps in case some unpredicted events occur. Therefore, five scenarios were considered and some solutions are suggested to overcome them.

Low traffic on page: In the case of audiences' numbers being lower than predicted, FNG must act quickly and increase the campaign on digital owned media, especially social media, to promote the magazine. However, it is also crucial to understand the reasons why people are not feeling attracted to *This is Fox* and the best and most inexpensive way to do so would be using FNG's social media to ask users which content they prefer and offer it on the magazine.

Low interest from agencies: If even with good results in terms of audiences and engagement, agencies and advertisers are still not very interested in investing directly on *This is Fox*, managers should focus on improving the media packs (product) and understanding how they

could be more attractive to their target. While doing so, it would be necessary to focus on programmatic advertising to keep revenues.

Low number of downloads of the app: If users are not downloading the app, a bigger event where more people could participate could be a solution. Since it is mandatory to have the app downloaded to enter the venue, the number of people with the app would increase. Adding to that, the company can take advantage of sponsors and ask them to promote the app before the events would also be important.

Low level of engagement with app articles: It could also happen that few people are reading the content through the app. In that case, some hooks could be created alongside the website articles that direct the viewers to exclusive content in the app.

App used mainly to attend events: If the app is used only to attend events, meaning users are only interested in using the app in those cases and prefer to read the articles online, the design and content of the app could be improved so that the events would be its central focus and more features regarding the events could be added.

15. Conclusion

From the insights collected near media agencies and advertisers, and considering FNG's opinion, the solution built seems to fulfill the needs from both sides whilst delivering an attractive content to the final consumers. *This is Fox* will not only be a mean from which FNG can grow faster via entering and thriving in the online advertising market; it arises also as a new brand that will strength the current brand portfolio and increase FNG notoriety.

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Exhibit 1 – Potential/risk matrix

Risk			FOX Adventures	I'm the chef online game	This is FOX blog	FOX Events App	This is FOX blog + App	WEIGHT	
Investment (for Fox)	<50K€ = 1; 50-200K€ = 2; 200-750K€ = 3; 750K-1M€ = 4; >1M€ = 5	R	4	4,33333	1,33333	1,66667	2	25	
Market Saturation (for Fox)*	(High) 1 - 5 (Low) (Ready for Execution) 1 - 5 (Need to develop new technology)	R	4,66667	4,66667	1,33333	2	2	8	
Level of Technology needed*		R	5	5	1	2,33333	2,33333	12	
Level of personnel specialization*	(Low) 1 - 5 (High)	R	5	5	3	4	4	12	
Easy to Copy	(Very Easy) 5 - 1 (Very Difficult)	R	1	1	4,66667	3	3,33333	5	
Copyrights and patent issues (regarding FOX series)	(Low) 1 - 5 (High)	R	3,33333	1,66667	2,33333	1,66667	2,33333	8	
Consumers' willingness to adopt	(High) 1 - 5 (Low)	R	3,33333	3,33333	2,33333	2,66667	2,33333	15	
Relevance for agencies and brands	(High) 1 - 5 (Low)	R	2,33333	2,66667	2,33333	2,66667	2	15	
								100	100%
Potential									
Time to market	<3months = 5; 3 - 6 months = 4; 6 - 9 months = 3; 9 months - 1y = 2; > 1y = 1	P	1,33	1,67	3,67	3,33	3,33	8	
Complexity for users	(High) 1 - 5 (Low)	P	2,33	2,33	4,67	4,33	4,33	5	
Return On Investment (for Fox)	(Low) 1 - 5 (High)	P	2,00	1,33	2,67	3,33	4,00	25	
Buzz*	(Low) 1 - 5 (High)	P	4,33	3,67	3,33	3,67	3,67	13	
Applicability to other markets (for Fox)	(High) 5 - 1 (Low)	P	4,33	3,67	2,67	2,33	2,33	5	
Cross-Selling opportunities (advertising pack)	(High) 5 - 1 (Low)	P	2,67	3,33	4,33	4,33	4,67	13	
Innovation Degree	(High) 5 - 1 (Low)	P	4,67	4,33	1,67	3,00	3,00	6	
Target Audience Size	(Wide) 5 - 1 (Narrow)	P	2,33	2,33	4,33	3,67	4,67	15	
Consumer Experience	(Innovative) 5 - 1 (Normal)	P	4,67	4,00	2,00	3,33	3,00	10	
								100	100%

Notes:

Market Saturation (for Fox)	Number of companies and potential competition for each idea
Level of Technology needed	Level of technology that is necessary to develop to each idea and whether FOX has that technology easily available or not
Level of personnel specialization	FOX Human Resources know-how and whether there is a need to outsource or create a new team
Buzz	Potential for shareable content by users and media coverage

	FOX Adventures	I'm the chef online game	FOX blog	FOX Events App	This is FOX blog + App
Potential	2,9	2,7	3,3	3,5	3,9
Risk	3,7	3,7	2,0	2,4	2,4

Exhibit 2 - Potential-Risk Graph

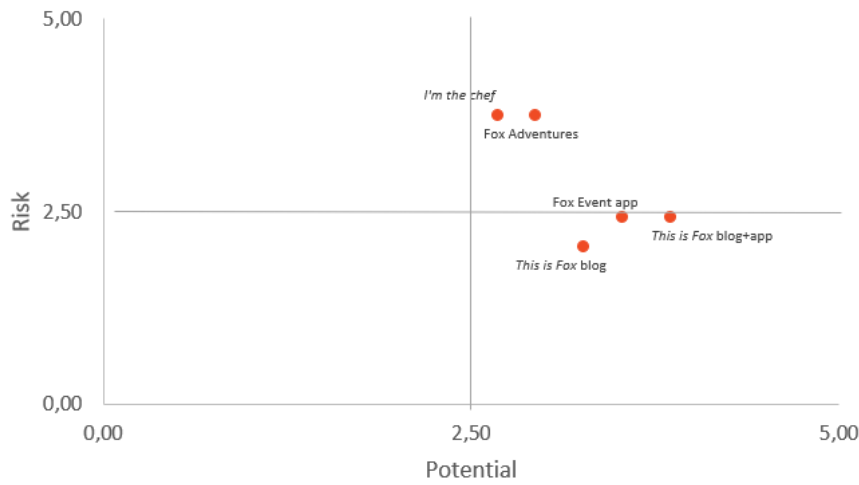


Exhibit 3 – Segmentation Grid: Media agencies

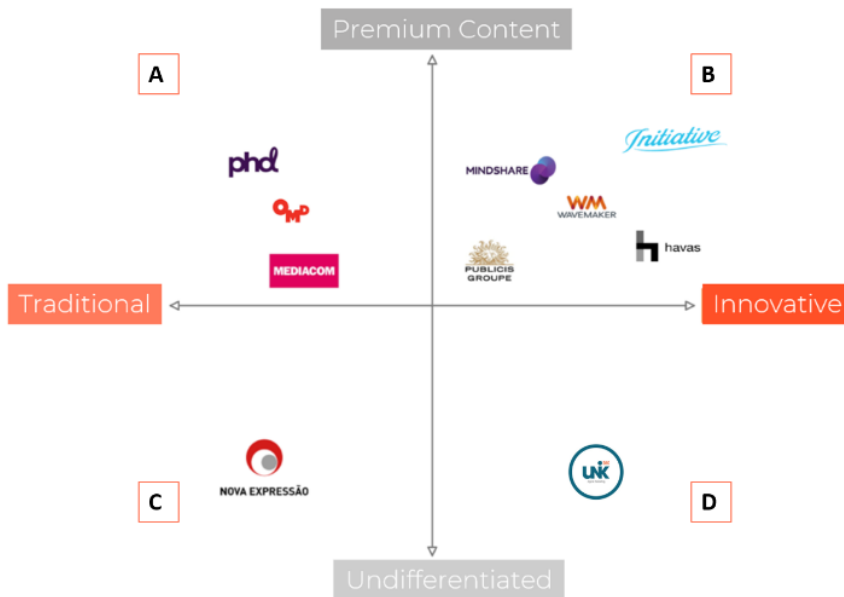


Exhibit 4 – Attribute map for *This is Fox*

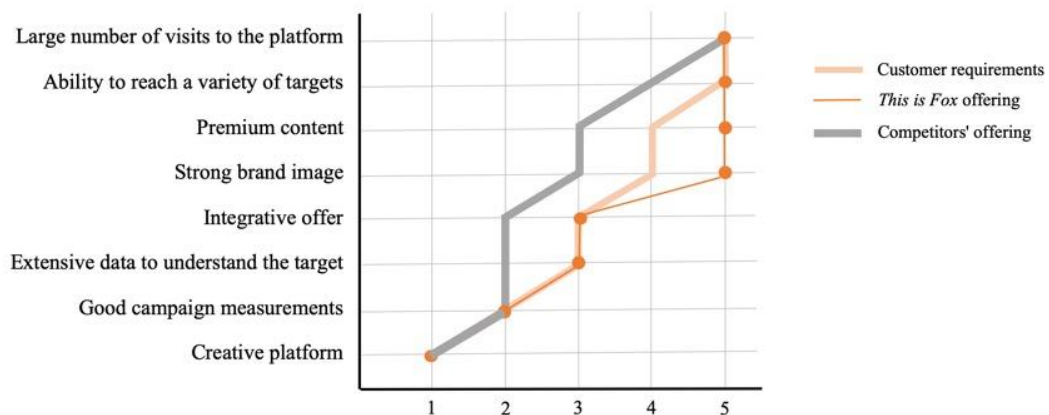


Exhibit 5 – Flowchart for the Acquisition process of *This is Fox*

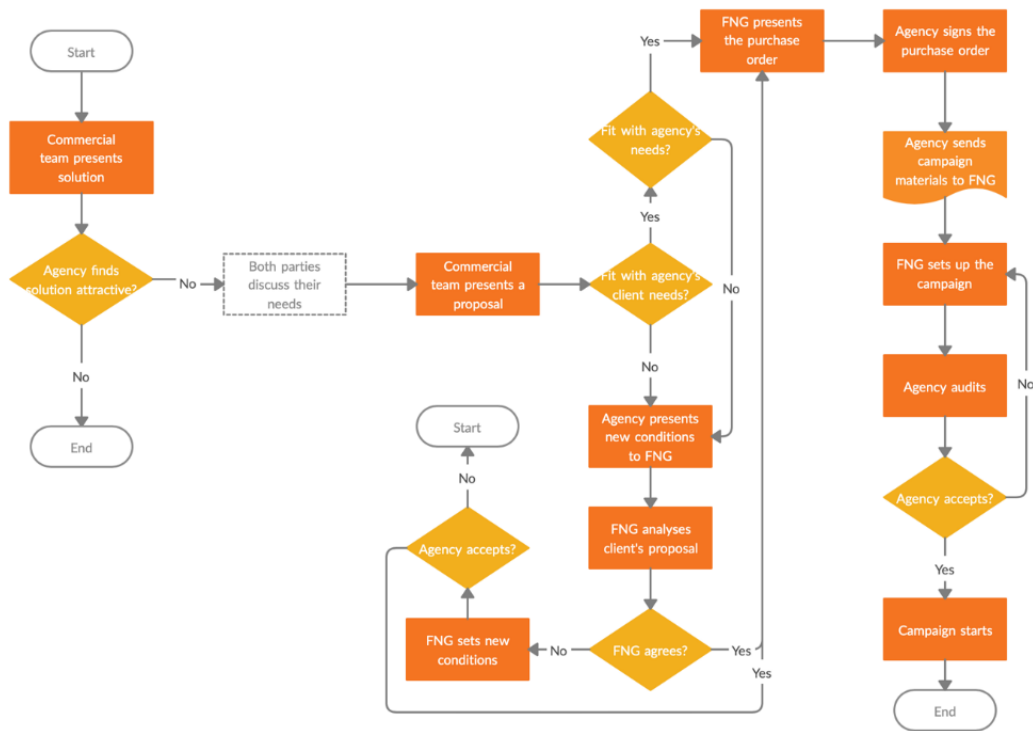


Exhibit 6 - Flowchart for the Post-Acquisition process of *This is Fox*

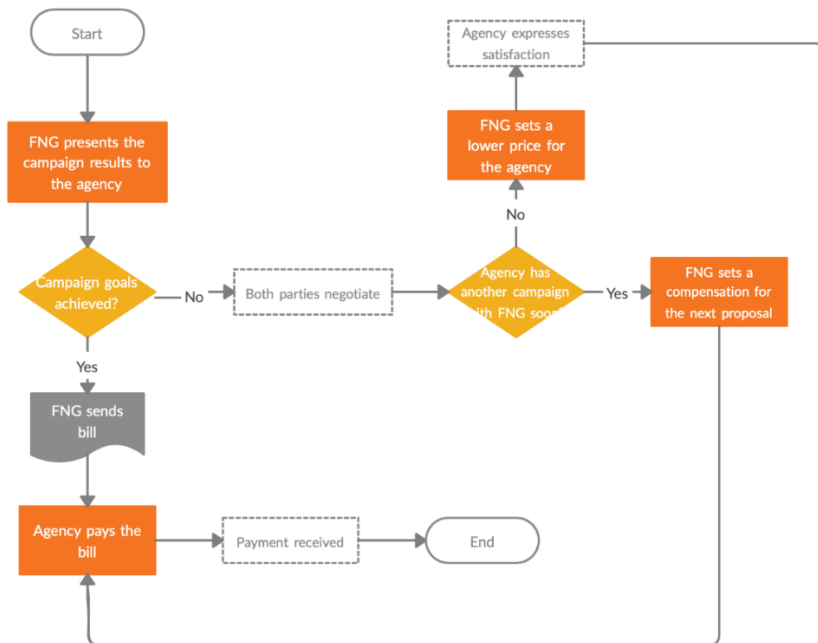
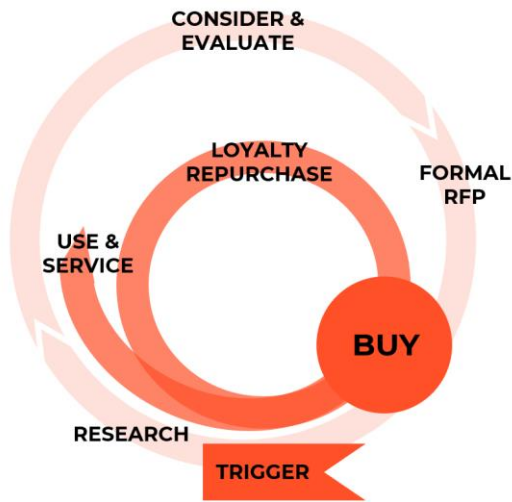


Exhibit 7 – Agency decision journey



TRIGGER
Clients (advertisers) demand for ad space

RESEARCH
Agency searches for media options

CONSIDER & EVALUATE
Look at the different media options and evaluate them (including *This is Fox*)

FORMAL RFP
Agency does a request for proposal to FNG

BUY
Agency buys *This is Fox*

LOYALTY REPURCHASE
Agency keeps buying if results are satisfactory

Exhibit 8 – *This is Fox* blueprint

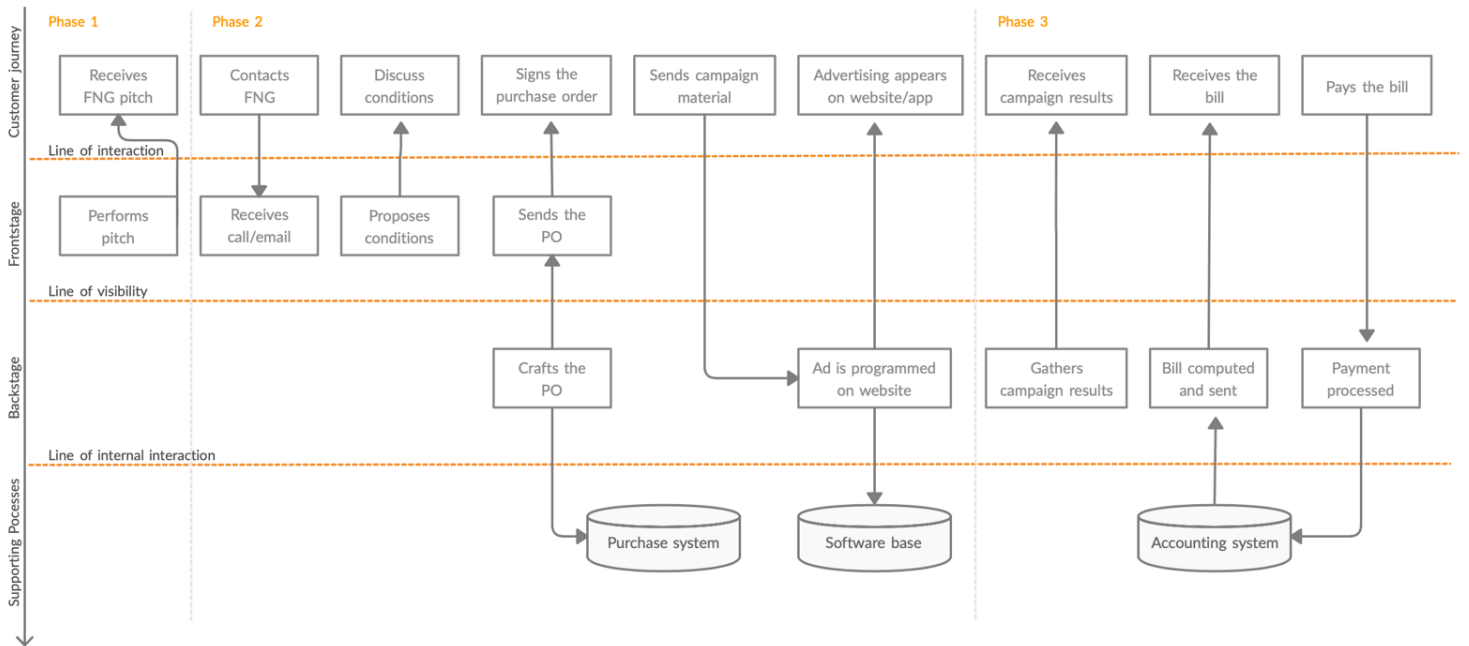


Exhibit 9 – Profit and Loss

	0	1	2	3	4	5
	2020	2021	2022	2023	2024	2025
Sales Revenue		613 580 €	650 027 €	688 640 €	729 546 €	772 881 €
Big Campaigns		78 480 €	83 142 €	88 081 €	93 313 €	98 855 €
Medium Campaigns		331 600 €	351 297 €	372 165 €	394 272 €	417 692 €
Small Campaigns		157 500 €	166 856 €	176 767 €	187 267 €	198 391 €
Event Sponsorship		30 000 €	31 782 €	33 670 €	35 670 €	37 789 €
Direct Advertisers		16 000 €	16 950 €	17 957 €	19 024 €	20 154 €
Cost of Services		- €	- €	- €	- €	- €
Gross Revenue	- €	613 580 €	650 027 €	688 640 €	729 546 €	772 881 €
Gross Margin	0	1	1	1	1	1
Marketing Costs						
Media Costs	133 150 €	94 040 €	49 813 €	52 772 €	55 906 €	59 227 €
Creative Agency Costs	50 924 €	35 966 €	19 051 €	20 183 €	21 382 €	22 652 €
Cannibalization Effects	- €	- €	- €	- €	- €	- €
Operating Costs						
Training expenses	910 €	700 €	700 €	700 €	700 €	700 €
Maintenance - IT Infrastructure	1 010 €	2 599 €	2 599 €	2 599 €	2 599 €	2 599 €
Personnel expenses	54 920 €	164 761 €	164 761 €	164 761 €	164 761 €	164 761 €
Total Operating Expenses	240 914 €	298 065 €	236 924 €	241 014 €	245 348 €	249 939 €
EBITDA	- 240 914 €	315 515 €	413 103 €	447 625 €	484 198 €	522 942 €
Depreciation	- €	- €	- €	- €	- €	- €
EBT	- 240 914 €	315 515 €	413 103 €	447 625 €	484 198 €	522 942 €
Taxes Paid		66 258 €	86 752 €	94 001 €	101 681 €	109 818 €
Taxes to pay		66 258 €	86 752 €	94 001 €	101 681 €	109 818 €
Taxes forward		- €	- €	- €	- €	- €
Profit After Taxes (NOPAT)	- 240 914 €	249 257 €	326 352 €	353 624 €	382 516 €	413 124 €
Depreciation	- €	- €	- €	- €	- €	- €
Operating Cash-Flow	- 240 914 €	249 257 €	326 352 €	353 624 €	382 516 €	413 124 €
CAPEX						
Development costs	56 800 €	- €	- €	- €	- €	- €
Net Income (FCF)	- 297 714 €	249 257 €	326 352 €	353 624 €	382 516 €	413 124 €
Discounted Cash Flows	- 297 714 €	224 900 €	265 688 €	259 758 €	253 525 €	247 055 €
Accumulated Discounted Cash Flows	- 297 714 €	- 72 814 €	192 873 €	452 632 €	706 156 €	953 212 €
Accumulated Cash Flows	- 297 714 €	- 48 458 €	277 894 €	631 518 €	1 014 034 €	1 427 158 €

Exhibit 10 – Revenues for *This is Fox*

Campaign Size	Nr of Campaigns	Type of Campaign	Bundles	Impressions (in thousands)	Unit Price	Agency Discount	Bundle Discount	Discounted unit price	Revenue
Big Campaign	1	TV + This is Fox + Branded Content	Pre-Rolls + Billboards + MREC (cost per thousand impressions)	500	420 €	60%	10%	151 €	78 480 €
			Branded Content (unitary cost)	-	4 000 €	20%		2 880 €	
	5	TV + This is Fox + Branded Content	Pre-Rolls + Billboards + MREC (cost per thousand impressions)	100	420 €	60%	10%	151 €	90 000 €
			Branded Content (unitary cost)	-	4 000 €	20%		2 880 €	
Medium Campaign	5	TV + This is Fox	Pre-Rolls + Billboards + MREC (cost per thousand impressions)	100	420 €	60%	10%	151 €	75 600 €
	2	This is Fox + Branded Content	Pre-Rolls + Billboards + MREC (cost per thousand impressions)	100	420 €	60%		168 €	40 000 €
			Branded Content (unitary cost)	-	4 000 €	20%		3 200 €	
3	This is Fox	Pre-Rolls + Billboards + MREC (cost per thousand impressions)	100	420 €	60%		168 €	126 000 €	
Small Campaign	25	This is Fox	Pre-Rolls + Billboards + MREC (cost per thousand impressions)	15	420 €	60%		168 €	157 500 €
Eventos	15	This is Fox Events	Fixed Fee including: Map + Push Notifications + Pre-roll + Billboard + MREC	-	2 000 €	0%		2 000 €	30 000 €
Advertisers	4	This is Fox	Branded Content (unitary cost)	-	4 000 €	0%		4 000 €	16 000 €
Total									613 580 €

	2021	2022	2023	2024	2025	2026
Total Revenues	613 580 €	650 027,32 €	688 639,64 €	729 545,58 €	772 881,38 €	818 791,37 €

Glossary

Bounce rate – Used as a measure of the effectiveness of a campaign or website. It is represented as a percentage and compares the number of visitors to a website who arrive and immediately leave with those who spend time on the site (IAB, n.d.).

Click through rate (CTR) – Given as a percentage, it considers the users who click on an ad versus the number of total users who view a site or advertisement ($CTR = (\text{clicks}/\text{impressions}) \times 100$). (IAB, n.d.)

Cost per complete view (CPCV) - Price paid by an advertiser every time a video ad runs completely. “Rather than paying for all impressions, some of which may have been stopped before completion, an advertiser only pays for ads that finished” ($CPCV = \text{Cost} \div \text{Completed Views}$). (IAB, n.d.)

FTA - Free-to-air television broadcasting that does not require any payment (in contrast to Pay-TV). In Portugal, there are seven free-to-air channels: SIC, TVI, RTP1, RTP2, RTPMemória, RTP Notícias and ARTV.

Impression – Refers to each time an advertisement loads onto a user’s screen.

Product placement - Refers to the “practice of including a brand name product, package, signage or another trademark merchandise within a motion picture, television or other media vehicles for increasing the memorability of the brand and for instant recognition at the point of purchase” (Panda, 2004).

Programmatic - “the automated serving of digital advertisements in real-time based on individual advertisement impression opportunities” (Chen, 2019).

Zipping – A way in which television viewers can avoid a commercial by fast-forwarding through a commercial break while watching a pre-recorded program (WARC, n.d.).

APPENDIX

Index

Appendix 1 – FNG Target Audiences	81
Appendix 2 – FNG EBIT	82
Appendix 3 – Online advertising revenues	82
Appendix 4 - Media Agencies Interview Guide	83
Appendix 5 – Grid interviews media agencies.....	85
Appendix 6 - Advertisers Interview Guide	95
Appendix 7 – Grid advertisers	97
Appendix 8 – Key decision maker 1 Potential/Risk Evaluation.....	102
Appendix 9 – Key decision maker 2 Potential/Risk Evaluation.....	103
Appendix 10 – Group Potential/Risk Evaluation	104
Appendix 11 – This is Fox magazine.....	105
Appendix 12 – Content example: 4 weeks of content ideas.....	106
Appendix 13 – This is Fox logo	108
Appendix 14 – This is Fox Brand Identity Prism B2C.....	108
Appendix 15 – FNG Brand Identity Prism.....	108
Appendix 16 – This is Fox Brand Identity Prism B2B	109
Appendix 17 – FNG Brand Architecture.....	109
Appendix 18 - Roadmap for the future.....	110
Appendix 19 – Media bundles.....	111
Appendix 20 - Action Plan	112
Appendix 21 - Marketing Objectives of This is Fox online magazine	112
Appendix 22 - Behavioral sequence model for Online Entertainment (B2C)	112
Appendix 24 – Share of Audience for the Pay-TV channels of major media groups operating in Portugal.....	114
Appendix 25 – TV spot storyline (30 seconds) – frames from a video produced from scratch.....	115
Appendix 26 - Teaser campaign (examples of what can substitute the word “Fox”) ...	116
Appendix 27 - Schedule for B2C Campaigns’ Implementation	117
Appendix 28 – Campaign Budget Breakdown	118
Appendix 30 – Marketing Expenses.....	119
Appendix 31 – Operating Costs	120
Appendix 32 – Development Costs.....	121
Appendix 33 – WACC.....	121
Appendixes References.....	122

Appendix 1 – FNG Target Audiences

1. **FOX** is a channel that offers the best international series at each moment. Its main target is a 18-35 year-old early adopter, urban and demanding audience.

2. **FOX Life** is a channel that offers unique productions of different genres and styles - comedy, drama, glam, lifestyle and mystery. Its main target is a 25-44 year-old female audience.

3. **FOX Comedy** is an uncomplicated, irreverent and humorous channel. The quality of the award-winning series and the creativity of adult animation makes FOX Comedy a unique and differentiated channel for a younger audience.

4. **FOX Crime** is the only entertainment channel specialized in crime, with thriller and thriller related content, featuring series and other programs on police and mystery topics.

5. **FOX Movies** is a channel exclusively dedicated to movies to all audiences. From the latest box office hits to the classics it features comedies, dramas, action movies and science fiction.

6. **National Geographic** is a channel that invites viewers to "live the curiosity" through clever innovative and inspiring programming that challenges how we see the world and what drives us to progress.

7. **Nat Geo Wild** is a channel inspired by the nature and richness of our planet that allows viewers to experience the most intimate encounters with wildlife, giving a privileged view of the environment and the incredible creatures that inhabit it.

8. **24 Kitchen** is a source of entertainment as well as information, where good food and the best local and international gastronomic programming are always present.

9. **Baby TV** is the first television channel with content specially developed for children with ages between 0-3 years old. It stimulates interaction between parents and children, offering programming conceived by specialists in children's psychology and development.

Appendix 2 – FNG EBIT

Year	2013	2014	2015	2016	2017	2018
EBIT	902 590 €	809 270 €	1 003 723 €	1 932 906 €	2 362 166 €	2 749 694 €

Source: www.sabi.bvdinfo.com

Appendix 3 – Online advertising revenues

PLATFORMS	SITE FOX TV NG 24KITCHEN	FACEBOOK FOXs NG 24KITCHEN	INSTAGRAM FOX FOX Life FOX Comedy 24Kitchen NG	YOUTUBE FOX FOX Comedy 24Kitchen NG
REVENUE TYPE	PROGRAMMATIC BRANDED CONTENT SPONSORSHIPS	POSTS		SPONSORSHIPS
REVENUE	< 1% AD SALES REVENUE			

Appendix 4 - Media Agencies Interview Guide

Introduction

My name is_____ and I am currently working on my thesis project in a group of 5 people. We are conducting a research about Online Advertising Market in order to come up with a solution for Fox Networks Group to grow faster by entering and thriving on this market. Therefore, for this interview we will use a non-direct technique, which means that there are no specific questions. After I ask the first question you can answer whatever will come to your mind about this topic. There are no right or wrong answers. Moreover, the interview will not take longer than 45/60 minutes and I would like to ask you permission to record the whole interview for our posterior analysis. All the information is confidential.

Initial Question

Can you please tell me what do advertisers value the most when buying advertising space? And why?

Discussion Topics

- Market trends
- Channels: online and offline
- Fit between brand and channel: media selection criteria
- Budget
- Campaign duration
- Campaign goals
- Stages of buying process
- Media Options Available vs. Needs

Fox Related Discussion Topics

- Reasons for choosing Fox
- Fox points of improvement

- Competitors on Online Advertising Market

Ideas Presentation

- Fox Adventures
- I am the Chef Online Game
- This is Fox Blog
- Fox Events App

This is Fox Blog + Fox Events App

Appendix 5 – Grid interviews media agencies

Interview	Company	Position	"What do advertisers value the most when buying advertising space? And why?"	Media selection criteria	Channels: online
Interviewee 1	Mindshare	Head of Client Service	-----	According to the different goals our client has it is our job to find what are the most efficient media channels to get to those goals. Then, the creative agency creates the adequate content for that specific target to be impacted. It is not the same to sell a car or a detergent so we must adequate our offer.	When we do a digital campaign we know exactly who is watching. We put a number of tracking pixels in the add so we know who we are reaching, if it is our target or not, or if it is an actual impression. Nowadays we have increasingly more sophisticated tools to do this. (...) If we do not measure we do not know in what conditions the impression was transmitted. So, with these metrics, we are able to understand if that campaign had the intended sales results and in the end understand whether the campaign resulted or not. What matters to the client is if we reached the metrics we set at the beginning.
Interviewee 2	Wavemaker	Head of Digital	Big nacional players usually look for visual options such as Youtube because they want to work on their brand image and video is the best for that. Brands usually also value reach, the frequency with which they can communicate with their target, and measures to understand if people have advertising memory of the brand. Other brands are only focused on selling and they look more for social media with formats that support the selling and conversion.	When the goal is selling search, social media because of the low cost (...) other options not so common is programmatic in inventory of low quality (...) There's advertisers/agencies that buy a certain solution because it is 'cool' no matter the results, although they might ask for the results and if you don't know how to answer or your results are very short they start computing the ratios and understand that what they have to invest in brand awareness this solution does not payback, and change to other solutions. When we want to work on the brand we go for Youtube, online video.	(Most effective supports for selling) Social media because it has a low cost to enter and allows a variety of segmentations and optimizations. Inventory of programmatic of low quality where I buy many clicks and views at a low cost and in the end when computing the ratios it tends to compensate.
Interviewee 3	Nova Expressão	Head of Digital Development	There's a point that is always relevant and that each time is more valuable that is data. Of course traffic to the website and the own content is very important but what can be most relevant is part of the data that channels have. (...) Data is always a valuable asset for brands. Well explored data can be an added value(...)because then all that you can do with other communication channels can be more valuable.	-----	For us it has turned into a technology business where data is getting a big importance. Of course content is important but data per se is very relevant.
Interviewee 4	PHD	Client Service Director	Regardless of the channel, what advertisers favor is the audience share, to guarantee that, a given outlet, digital or not, gives as many shares as possible. Because they want the highest payback. They also care more and more, especially on digital, with the quality of content and brand safety, to guarantee that contents do not conflict with the brand positioning. For example, CMTV has some tendency for disgrace. Regardless of the great coverage of the audience, an advertiser may not want to be next to those contents. So, on one side, coverage, on the other the safety side and credibility of contents must be present.	I believe we must look to the different media outlets not as TV, digital, etc., but as multiplatform, to look at all the offer a brand has. And, in the end, when we do an action, try to understand which platforms they have and where can we better touch several targets. We can still take advantage of multiplatform, which we are not doing yet.	Digital... quite often people say "let's go to digital and we make sure things are seen". I believe any of us, as a digital user, knows that it is not true. From seeing a MREC or a banner and click on it is a big distance. (...) The difference [from TV] is that on digital we are able to measure the immediate action.
Interviewee 5	Wavemaker	Innovation and Entertainment Executive	We cannot generalize anything.	We as planners analyse the campaign and understand the options that give the best performance to the campaign, the best exposure, the best conversion but it depends on the phase that we're analysing. (...) There's a combination of different factors but what we do is, after receiving the briefing, our strategy is to think about all touch-points that are appropriate for the target of the campaign.	The different formats of digital are programmatic, social, and digital display of direct purchase.(...) Google entered in big (online advertising), who says Google says Facebook. Nacional publishers that have digital solutions although they always have a space for them (Google and Facebook), they do an effort so that digital investment is not only done by two big players.(...) Social is a more closed environment so we have people's interests more accurate. (...) On digital we have an advantage that is called data, that allows us to understand a person.
Interviewee 6	Havas	Senior Digital Performance Manager	When brands contact agencies they are mainly looking for two things: creating or increasing brand awareness and also increasing on their sales.	-----	For an online content strategy that attracts traffic, a lot of content has to be generated every day or even more than once a day, and this content has to be relevant to consumers. (...) The digital solutions offered could have an integrated approach with TV. (...) On programmatic advertising Fox can block some advertisers for example due to plastic restrictions on National Geographic. As a publisher you only sell advertisement space to the brands you want.
Interviewee 7	Nova Expressão	Managing Director	When we buy advertising, we buy audience. The only possible criterion to buy advertising is buying qualified audience. It is trying to find the maximum touchpoints possible with the brand's target or product we are advertising. The goal of any agency is to maximize the touchpoints for the campaign.	Absolutely scientific criteria, because the market is very well organized.	Online is very easy, in the next minute we can know what we did right and wrong and correct it in real time.

Interview	Company	Position	Channels: offline	Budget	Campaign goals	Media Options available vs. Needs
Interviewee 1	Mindshare	Head of Client Service	If we match the target that we want to reach with the audiences of a channel and there is a match then we talk to Fox to develop a campaign, or we say we want to do a campaign for certain channels because those are the channels with the highest affinity with the target. Then, we have a number of tools that tells us what is Fox's website position in the rankings for that specific target, the position of each channel for that target, the affinity and from then we talk to Fox.	-----	What our clients always wants is to reach their target and have results. These results can be sales, audience, or brand awareness (...). When we advertise, our goal is sales/audiences.	-----
Interviewee 2	Wavemaker	Head of Digital	-----	-----	We have different objectives nowadays, from working the brand including the interaction of the brand with the customer, to generating sales. Then brands also want reach, frequency with which you can speak with the customer, and campaign memory.	-----
Interviewee 3	Nova Expressão	Head of Digital Development	-----	-----	-----	-----
Interviewee 4	PHD	Client Service Director	Sometimes we hear "people do not watch TV, only digital". No. People maybe consume more digital than TV on the traditional definition of TV (excluding streaming platforms), but that is true to what concerns content, because in terms of advertising... nothing tells us that advertising on TV is more or less seen than on digital. (...) TV has a lot of weight and even though its consumption is decreasing, it is not decreasing as much as we think. IF we think on younger people in urban areas, they watch less TV. But Lisbon and Porto is not the whole country. Not everyone can afford Netflix. We must be careful when we take these conclusions.	-----	Regardless of the media, advertisers want to stand out from the competition. (...) Advertisers look for coverage, differentiation... and costs optimization, because they want a payback in sales. In the end, advertisers want to sell.	Right now, the advertising market is very saturated, especially television.
Interviewee 5	Wavemaker	Innovation and Entertainment Executive	A campaign to be successful has always to go on TV because it allows us an immediate coverage and is effective. TV is the one that complements with all the other options namely, outdoors and digital. (...) TV has more coverage and lack of segmentation.(...) If I put a campaign on air in one of our three channels (TVI, SIC, or RTP) I achieve a coverage of at least 70% of my target, this on the first week...then we complement nacional channels with Pay-TV. Usually the channels more associated with our target audience and our products are entertainment channels, FOX and AXN, and news channels, TVI24 and SICNoticias.	-----	Usually campaigns are always integrated so we rarely do campaigns with only one communication channel. (...) Campaigns have different moments of communication: the awareness moment, the consideration moment, and the conversion moment - the final purchase.	-----
Interviewee 6	Havas	Senior Digital Performance Manager	-----	-----	-----	-----
Interviewee 7	Nova Expressão	Managing Director	Offline is harder, depends on the media outlets, but there are also studies, except for outdoor. Every morning we know the TV spots' audience of the previous day. We know exactly whether the GRPs were achieved. Audience results are provided by Marketest and GfK. On radio and press it is used a telephone survey.	-----	-----	-----

Interview	Company	Position	Reasons for choosing FOX	Points of improvement FOX	Idea 1: FOX Adventures
Interviewee 1	Mindshare	Head of Client Service	-----	In one hand you have the website's traffic. On the other hand we need to understand what the website brings. If we look at the national media landscape what people see the most is news, their emails and social media, putting aside the regular day to day things like home banking. If we look at Fox, it is not a news channels, it is a content channel. You dont have the need to visit Fox on a regular basis to see the latest news so, the websites that are in the top of the rankings are mostly news websites (putting facebook and google aside). Sapo is the website that attracts the most traffic since it is a platform with multiple things including news. When you look at Fox's website what do you see? There is nothing there, only the programming grid. What they must do is create a way for people to go tho their website and that can only be done by changing the website in order to star having attractive content.	-----
Interviewee 2	Wavemaker	Head of Digital	Fox is a love-brand from the user perspective so it is very focused on the glamour behind its channels, the Fox environment, the sunsets, the series, and all of this makes advertisers interested in Fox. Moreover, with the variety of channels Fox has it allows advertisers to advertise per category, and thats fantastic.	What is Fox on TV? A group with many content of series mainly but then on the digital it doesn't translate in any of the inventory they have on TV. (...) More, specially for younger generations, Fox doesn't have a culture that pushes to online. Moreover, in terms of online video which is something that we also want Fox has no inventory online...	I am afraid that it is a niche niche and that it easily dies, the money you will invest doing that, you might have difficulties having advertising that covers the development costs. Without considering that it will be difficult to replicate that several times even having many series.
Interviewee 3	Nova Expressão	Head of Digital Development	People are brand lovers and Fox is a love-brand.	In terms of advertising I think they could take advantage of the content, that is, explore some kind of content, some exclusive series, whatever that makes people logg in so that Fox has access to information. We as an agency would always see that as something positive because knowing the audience to who we are speaking to is always valuable, even if I would be reaching just a few people I would prefer to know who am I speaking to. I don't know what kind of data they have access but they could have an exclusive online debut of a series where people have to register.(...) Google has a pioneer model that is the ads that are played before the videos and during...that can be a good path to explore if the content is indeed relevant.	-----
Interviewee 4	PHD	Client Service Director	Fox did an amazing jobs in terms of marketing with advertisers, agencies and audiences. A way to get consumers closer in few years.	I guess they can still work more on the digital area, the websites... that's not only their problem, but the problem of all the media that were not born digital. Fox can work better the multiplatform issue. They have been very focused on their channels in the last years. (...) The way to get people closer with the new Whatsapp campaign... they will have to do the same thing in their website and social media, which they haven't done yet, because it is not their main business.	We have a very small market. And in that context it is a bit different. We need brands to make projects a reality. (...) If it is something never done, brands will be interested. The game happened already...(...) The game is very restrictive in terms of age
Interviewee 5	Wavemaker	Innovation and Entertainment Executive	They do differentiated formats (...) Fox is one of the first TV channels that started doing TV with differentiated models, so they have this know-how they just have to pass it to the digital.	They can offer a longer visualization, instead of only three seconds...In terms of advertising it always passes by video, and usually publishers offer around 15 to 30 seconds. (...) One thing that Fox clearly has to do is make sure that it has a digital well structured that is appealing to people and so generates more audience.(...) Or what Fox can do is on every communication proposal they do leverage with the digital.(...) Not having audience, as a counterpart they have to offer the digital everytime they do a proposal.(...) Fox does N events, everything that they communicate about the events should go to the digital.	-----
Interviewee 6	Havas	Senior Digital Performance Manager	Fox could have niche placements that would allow them to reach more specific customers than the ones reached by Cofina.	Fox needs to create content on their website or on other online platforms in order to increase the traffic/ platform visits in order to motivate advertisers to invest on Fox platform. For instance for 24Kitchen, you could use promoted Facebook and Intagram posts and also email marketing to lead people to 24Kitchen website. For Fox it should be something more related with the series and entertainment content. (...) 24 Kitchen has a great visual content and it is an amazing opportunity for food brands to advertise. 24Kitchen has no branded content on its Instagram, which means 24 Kitchen Instagram is not being used for profit. It is an opportunity for Fox to have the same brands that advertise on TV placed on 24 Kitchen Instagram recipes.	-----
Interviewee 7	Nova Expressão	Managing Director	Fox has an interesting segmentation, for a younger urban group. Thus, it is a good alternative when we want to do that. On the other hand, there is an increasing distance of this group from traditional media. (...) Fox is the most seen series channel right now. (...) Fox is the market leader in its area. CMTV is the most seen, but that is not comparable.	What does Fox has in terms of digital content? Not much. There is the answer. Without content there is no possible advertising solution. Sapo is relevant because they have aggregated interesting contents.	Branded content only works if you have a very strong main content. There are some legal rights you must be careful with (copyrights). It is very difficult to

Interview	Company	Position	Idea 2: "I am the Chef online game"	Idea 3: This is FOX	Idea 4: Fox events app
Interviewee 1	Mindshare	Head of Client Service	-----	-----	-----
Interviewee 2	Wavemaker	Head of Digital	Is that another idea or it can be an add-on of the website? Why would you create another idea if you have a platform where you can apply that? You have to have alternatives for the blog, in case it is not going well you can activate a plan B(...) Nowadays you can find a programmer on the cloud maybe from China or India(...) in theory the cost would not be that high.	You should use a series to leverage the reading of the content. Being Fox a love-brand I think brands would accept their solutions knowing the quality they have. I think the project is very interesting, and then according to the content and if the idea actually grows you already can generate other simpler revenue sources like banners and videos. Be aware that NiT or Observador already write chronics of each episodes of certain series. One thing that is fantastic is that then you can promote it in free to air, live, and generate traffic, so you don't need that much time to test the concept. You could even do the project in two phases, for instance, in two weeks you pull people from TV to the blog to test the concept and you should do this just to test one topic and then do the same for the other topics.(...) The advantage is that, against smaller websites being Fox they automatically win.	I am not against the app but I am an advocate that apps should have a very obvious position where I can do there something that I can't anywhere else. I am Fox's target but I don't go to the parties, it's too niche. Now if you tell me that the parties are only an add-on, it makes more sense but the problem is: you don't want traffic on your website? Because in terms of communication you will disperse easily.(...) Because your focus is to sell advertising, right? I am not saying it is not possible but it takes time in terms of cost structure.
Interviewee 3	Nova Expressão	Head of Digital Development	-----	Branded content is always interesting when there's a minimum of traffic in the website, something that is not easy nowadays but it can be an idea to explore. At the end we are talking about having good content where people can go there because of the content and then I would always make people have to register so that it always has a hook so that you can create a database. If you have exclusive content people will register, for instance, an exclusive season that will be available two days before and people have to register to watch.(...) People are brand lovers and Fox is a love-brand, if people see interest in their content they will go to the website, however you will have to always have a hook such as register to have access to exclusive content or contests.	You could explore on how to have more information there, that is, almost as if it was a repository but not exactly a repository, more as an extension. The app can work as a card if it has a QR code. But then it cannot die like that because it stays with a database that needs to be explored.(...) It can be personalized (the content), because if I went to Z party I have the record so that when the person turns the blog on the content will be personalized based in my Fox universe browsing. And then as an agency it is much more appealing to methat everything is segmented. (...) Apps usually have that problem if usage(...) content is what makes people use it on a regular basis.
Interviewee 4	PHD	Client Service Director	24 kitchen is a niche.	-----	We have some clients that sponsor the Halloween party and that goes to social media. Think that a brand that comes in will not want to be next to others. No brand will accept to do a Halloween look with other. (...) There are several events we know as an agency that will be happening. That gives advertisers a security: they are investing and it will happen every year. These consistency notion is important.
Interviewee 5	Wavemaker	Innovation and Entertainment Executive	-----	-----	-----
Interviewee 6	Havas	Senior Digital Performance Manager	-----	-----	-----
Interviewee 7	Nova Expressão	Managing Director	-----	This needs a sustainable business plan to generate revenues (...) In Portugal, every time you start a project, the issue is that the market is very limited. You can't sell content to anywhere else besides Portugal. We are 10 Million, we are a few. I would say it is very risky to do this, unless there is an intention of combining it with the Marketing of the channels. If so, it can work. If it is an independent profitable experience I have doubts it will work.	-----

Interview	Company	Position	Idea 5: This is FOX + Fox events app	Trends	Industry overview	Recommendations
Interviewee 1	Mindshare	Head of Client Service	-----	-----	We use Fox or any other TV channel or platform to get the message from a given brand to the final consumers. How do we do this? Through regular advertising, the advertising spots you see in the commercial breaks; we also do sponsoring, create content that is relevant not only for the channel but also for the target we are trying to communicate. We can also use digital platforms mostly through banners, however these have the limitation of the ad blockers. Due to this, social media has a very strong impact since even if the consumer blocked my ad, it is still going to be impacted in social media. (...) We can also build 360° degree campaigns and we do it increasingly more often since it makes sense to have a campaign not only in TV but also in the whole ecosystem. (...) TV in our country is still very important and with immediate results. It is the media channel with the highest coverage in the shortest amount of time, we can quickly reach the whole country.	When you look at Fox's website what do you see? There is nothing there, only the programming grid. What they must do is create a way for people to go to their website and that can only be done by changing the website in order to star having attractive content. Imagine negotiating the previews of some series only during a certain time frame, get bloopers of series, for example. (...) Fox needs to understand the objective of the website. Is it for advertising? If it is then I must think to whom am I talking to, who is my target. Before anything else, they must understand the purpose of the platform. If we think, why to people go to Fox's website? If it does not have numbers, hardly we [the agency] will use it since there are a number of other possibilities with better results. As such, personally I would firstly think what is the objective of the website and what it has to offer in terms of publicity. Think what is unique about that platform and what it needs to differentiate itself so that people want to go there.
Interviewee 2	Wavemaker	Head of Digital	-----	-----	-----	Try to understand what is the potential payback of the idea in 6, 12, and 24 years, more than that it's futurology and you will not be able to forecast.
Interviewee 3	Nova Expressão	Head of Digital Development	-----	Nowadays, everything that is mobile universe works almost better than computer, people spend a lot of time on their smartphones.	-----	Databases can be very interesting to explore, to those that buy advertising cross data from people that are part of the Fox universe and watch their channels or use the platforms that Fox provides, or even cross with data from international markets and make some kind of intersection to understand the behavior of people. For instance, we can search users that have a similar behavior of those that are on Fox's database and then extrapolate the volume of users and reach the users with similar behavior. Even if they only have one thousand users if we get other users with similar behavior maybe we can reach 20 or 30 thousand, that's why I consider data so rich.
Interviewee 4	PHD	Client Service Director	-----	-----	-----	I think it is difficult to sell digital without selling on air, when you are not talking about a digital native project. Every media that as a platform with superior results will use social media as a complement. (...) It's part of their DNA do to something totally different, a digital event, a virtual reality concert, a meet and greet with actors, tecnologically. (...) Think long term on their positioning.
Interviewee 5	Wavemaker	Innovation and Entertainment Executive	-----	The tendency nowadays is a communication of one-to-one, is you opening your computer and your on digital and because there's two months that you have been searching for cars I give you an ad of cars. So more than ever the trend is delivering what I know that the consumer is searching for.(...) Everyone nowadays talks about big data and in fact it is truly important.	TV we consider it is only needed 3 times so that you can watch the ad, radio you have to hear 5 times, and digital more or less 5 times too, depending on what we are communicating.(...) At Xaxis we have a thing called predictives that allows me through behavior anticipate what the customer will need in the next three months. (...) A brand wants to do a campaign, they provide us a briefing, and what we do is understand the product, the budget and see where I can have the biggest coverage, biggest audience, and on digital the biggest conversions.	-----
Interviewee 6	Havas	Senior Digital Performance Manager	-----	A new trend that is growing now is the SEM (Search engine marketing) but on internal site search engines. Normally when we mention SEM we are considering search engines such as Google, Bing, etc but in this case is a search engine for example inside Continente website. (...) Also, some brands use website visitors of other brands. For instance, Oreo could pay to 24 Kitchen in order to do Youtube ads targeting the audience who visited 24 Kitchen website and searched for deserts recipes. This will allow Oreo to have a more detailed segmentation. Fox can also provide to other brands their events audiences, but for this you should take into account the RGPD legislation.	When advertisers look for an agency for establishing a partnership, they do a pitch for several media agencies and taking into account the proposal of each agency they choose one. (...) Advertisers normally have already some ideas but they receive agencies feedback and proposals, checking if it is in line with what they are looking for. Advertisers have the final decision and then agencies advertise advertisers' brand on the chosen media channels.	You should not use Fox current website to create something new. You should use a new name because consumers have already a predefined idea of what Fox website offers so it would not be natural to finding out something completely different there. If you find it interesting to create a new platform it should have a concrete and unique objective, even because a platform with a lot of content, mainly video, is hard to manage (technically requires very demanding platform management). So, I suggest for you to use satellite websites, which means use Fox name always. For example, fox.pt, foxblog.pt. etc..
Interviewee 7	Nova Expressão	Managing Director	-----	-----	-----	-----

Interview	Company	Position	"What do advertisers value the most when buying advertising space? And why?"	Media Selection	Channels: online	Channels: offline
Interviewee 8	Publicis	Head Of Media	Usually brands more than choosing directly which media channels they want to work with, they start by analysing who is their target, which media channels they consume and within those means what are the ones that have more affinity and more coverage. (...) Firstly we start to see who are our consumers, where they are and how can we impact them and then we must establish the brand objectives.	If I'm doing a launch and want to reach as many people as possible, usually brands choose TV as it is still a media channel that allows us to have a massive reach in the quickest way. In these cases TV is a must-have, unless it is a very young brand and then we may consider only to do a digital campaign.	The online in Portugal has the problem of lack of scale, websites have low audiences and usually don't reach millions of people. In Facebook, Instagram and Google is where we actually can reach a lot of people. Adding to this, in local websites, due to the lack of scale, we are not able to do a characterization of who visits the website. If I do a campaign on Facebook I can do a segmentation that in normal websites it is not possible.	After choosing the medium, TV in this case, we do a selection of the channels. If I have a product for housewives maybe I'll go for open channels; if I have a product more specific for a higher class of consumers or a more urban product then we use both cable and open channels.
Interviewee 9	Initiative	Account Executive	Every brand has different goals...Clients want to impact everyone, however impact everyone is almost impossible.(...) Nowadays digital is desirable for all of our clients.The goal of every brand is to be present in every channel, but not having budget to do all of this they usually end up preferring the digital because with five thousand euros we can do a campaign on digital.(...) Some clients only look for reach and it doesn't matter to them who your reaching as long as it is a website with a lot of traffic.	_____	The online world is the one that is growing more in terms of changes year by year. The main issue is the problem that digital channels are having that are being drawn by the Facebook and Google universe.(...) We can segment by interests.(...) It is more difficult to guarantee results when it is local placements than when we have platforms that guarantee we have every placement behind our audience.	Nowadays we have campaigns where 48/49% is Pay-TV consumption, however inside the Pay-TV we have around 300 channels, while the other 51% are four channels that guarantee 51% of audience but regardless of having or not afinate targets campaigns have to always be in SIC, TVI and RTP only to guarantee coverage. And then Pay-TV is where we close.
Interviewee 10	Mediacom	Media Manager	Advertisers are focused on their return on investment and for that reason they are now investing more on programmatic advertising because it delivers a more optimized return. (...) Advertisers always want to advertise in new platforms/formats in order to see if it is possible to achieve better results.	If we saw that it is a campaign that need more visibility we use more impactful formats which means more intrusive formats. Some campaigns can also start with a high impact format and then be complemented with a standard format later on. (...) There is a platform from Marktest called YUMI where we analyze the audiences, targets performance on each TV channel, etc. and then, taking into account that performance, we define in which TV channel the brand will be present in. For online channels we use softwares that allow us to analyze the traffic for each website in order to decide if we will place the brand on Sapo or Cofina's website, for example. Moreover, we also do benchmarking with client's historic to see how previous campaigns worked and how can we improve the following one based on these insights. But on digital there are few historical records when compared with TV. (...) When we buy directly from a publisher the segmentation is only based on the website placement and it does not deliver as optimal results as programmatic does.	Regarding the metrics, CPM (impressions) is the most used one when we are buying online advertising space. With the CPM we are buying the number of people impacted by the ad, while with the CPC we are buying the number of clicks (analysing the interaction and not only the visualization), meaning that we are optimizing the investment. For programmatic advertising, we also use CPC and CPM but not as absolut values, we use an average of these values since we are advertising in publishers networks.	Currently there is a market CPM predefined but for TV the negotiations is done client per client. TV requires a more direct negotiation dependent on the annual investment volume we expect to allocate with a particular brand in this channel. This turns out to be an investment commitment by the agencies to the media.
Interviewee 11	Wavemaker	Media Executive	Advertisers look for results as that is what brands are also look for. So, clicks, views or sales.	Fit with the target and the brand or product.	_____	Branded content is currently trending in online channels but it has to be as organic as it can. Otherwise, people leave the website.
Interviewee 12	OMD	Deputy Managigng Director	It depends a lot on the campaign goals and briefings. (...) Another buying method has to do with contents and diferentiating actions that we can do together with channels. Not only the traditional spots purchase, but a content-related content, such as an exclusive content between brand and channel, soft sponsoring (buying advertising in the shows)... there are several options.	Usually when we buy space and decide to go for TV, it's mainly due to coverage goals and generate awareness for brands. Obviously we want that at the smallest cost possible. But not only that, but also the channels that have higher affinity with the targets we are working with (...) This affinity, especially on Pay-Tv, has an increasing importance, because all cable channels, together, worth a lot (not as much as FTA's, but almost). But we can't buy all Pay-Tv channels. So we try to find the best channels mix that will give us better coverage and affinity in terms of content. The contents must be relevants and fit with our target interest.	_____	_____
Interviewee 13	Mediacom	Managing Partner	What brands look for in digital nowadays is segmentation, targeting, in a performance perspective; in a branding awareness perspective what ofr is essentially content.	_____	_____	_____
Interviewee 14	Mindshare	Digital Strategy manager	We try to understand if it fits the clients expectations: either sell more, increase awareness, improve engagement with current clients or increase the number of clients.	Fit with the brand; target audience; programatic: if the idea is to target a specific target without waste of budget or contextual: if we are looking for people that we predict that will be in that website or social media page. Media strategy is what helps selling and not the creative idea.	The greatest advantage of online is that everything can be measured. So the main goal is to understand if what was planned delivered the expected results to the client.	_____
Interviewee 15	Initiative	Digital Executive	It depends of the sector but there is one common goal: results. We seek for solutions that have big impacts on the viewers eyes we want a "big stain" in a website and not only a small ad.	Fit between the target and the media platform selected; fit between the target and the time scheduled for the campaign to be "on air.	_____	The TV is still the most important channel for advertising in Portugal. Any digital idea that you develop should be leveraged offline (on TV).

Interview	Company	Position	Budget	Campaign goals	Media options available vs Needs	Reasons for choosing Fox
Interviewee 8	Publicis	Head Of Media	_____	_____	There's a lot of local offers needed, besides Observador and Expresso I think it misses a lot in terms of apps. Our market is still very connected with standard formats, very old-school, I think this is the only way to capitalize digital investment is really the creation of unique content.	Fox is one of the partners that bet on content production for the brands choosing them. Fox is maybe the most dynamic partner that is transversal to every channel, not only linked with TV but also events, so the experience is different...they always do events that involve not only agencies but also advertisers, the brand managers and them end up having a relationship that many can't have because indeed, brands and us (agencies) feel that Fox is a partner that always wants to give something more than just pure advertising. This is an advantage as it makes brands desire to have Fox productions, and is without doubt the partner that allows to work 360°. Many times we do not reach Fox with a closed idea right away, they end up giving us an involvement like let's create a production by Fox. When we work with other partners we almost have to present the closed proposal and with Fox we can have a debate and a sharing of ideas which we don't have with others.
Interviewee 9	Initiative	Account Executive	If advertisers have a lower budget they end up investing on digital because it is cheaper. However brands with high available budget also invest on digital channels since they want leads for their website. (...) Both for TV and online there are set prices. However, depending on the advertiser, media owners can offer different prices – it depends on the power of negotiation of the brand. (...) When we buy CPC or CPM packages the campaign only ends when it reaches a predefined number of click or impressions.	Awareness, traffic and/or leads.	Sometimes, media groups present to agencies innovative formats and then, we present it to advertisers possibly interested on it. But these new offerings are more based on format types, for example, a newspaper such Observador that now also has a radio channel.	_____
Interviewee 10	Mediacom	Media Manager	_____	_____	_____	_____
Interviewee 11	Wavemaker	Media Executive	Often there are clients with very demanding briefings, but do not have the spot production, because it requires high costs. So we work together with the channel to find a content solution. (...) Sponsorships represent a lower cost usually.	_____	The space is very saturated and we must find ways to differentiate ourselves.	When we are talking about a younger target, a channel such as Fox Comedy is extremely important. (...) Fox has been a constant partner. They position themselves on the market in a very differentiated and proactive way, we work a lot as partners, they are always available to offer us solutions that we do not have. (...) It is a group with a broad range of options in terms of channels, for several targets, which is very important for brands. And then they all have the events, which is another opportunity for brands to be present and promote themselves, often with the compensation of presence on air. They have a big share of investment of all brands. They are a very interesting option. (...) They are very good in terms of marketing. (...)
Interviewee 12	OMD	Deputy Managing Director	_____	_____	_____	_____
Interviewee 13	Mediacom	Managing Partner	_____	_____	_____	_____
Interviewee 14	Mindshare	Digital Strategy manager	_____	_____	_____	The brand is really strong and that's a huge advantage.
Interviewee 15	Initiative	Digital Executive	_____	_____	There's a lot of local offers needed, besides Observador and Expresso I think it misses a lot in terms of apps. Our market is still very connected with standard formats, very old-school, I think this is the only way to capitalize digital investment is really the creation of unique content.	Fox is one of the partners that bet on content production for the brands choosing them. Fox is maybe the most dynamic partner that is transversal to every channel, not only linked with TV but also events, so the experience is different...they always do events that involve not only agencies but also advertisers, the brand managers and them end up having a relationship that many can't have because indeed, brands and us (agencies) feel that Fox is a partner that always wants to give something more than just pure advertising. This is an advantage as it makes brands desire to have Fox productions, and is without doubt the partner that allows to work 360°. Many times we do not reach Fox with a closed idea right away, they end up giving us an involvement like let's create a production by Fox. When we work with other partners we almost have to present the closed proposal and with Fox we can have a debate and a sharing of ideas which we don't have with others.

Interview	Company	Position	Points of improvement FOX	Idea 1: FOX Adventures	Idea 2: "I am the Chef online game"
Interviewee 8	Publicis	Head Of Media	Fox broadcasts every already 'packaged'. While in other channels I can create content, can do something in a soap opera, afternoon show... I can use that to do brand activations. In Fox everything comes internationally and there is low flexibility.	It is an interesting idea but maybe more for Fox Comedy given that it has a younger audience. I dont see it for Fox Life fans, which are usually middle aged women. Even though it has the gaming component that poeple already use, for example on Facebook but there is something meaningless that you can do quickly. (...) I expect a low adherence if you try to go for older audiences. (...) Nowadays either people are very big fans and do whatever it takes or they are not that much of a fan are moved by very little.	_____
Interviewee 9	Initiative	Account Executive	I think it is in qualitative terms that they should improve their digital parts. If they produce relevant content, their website should be a content agregator, that is, working on content that can become timeless and then in the future called again and be promoted again so that people go there, and I think nowadays on digital with all the tools we have Fox could capitalize on everything they don on TV and apply it on digital. Because I don't think it is a question of how the website should be but what the website should have.	_____	The costs of development... 24Kitchen is a niche but if we gather food influencers, nutricionists and etecetera there's a big potential and that's where Fox has to look because they have more potential than bloggers.
Interviewee 10	Mediacom	Media Manager	_____	_____	_____
Interviewee 11	Wavemaker	Media Executive	"Given the fact that the website only delivers the programming grid of the different channels, it would be interesting to include some content for series geeks."	"It sounds like FOX's type of thing, but it would have lots of costs related with production, copyrights and updates. Still, I'm astonished that they didn't find it very attractive"	Using the 24 kitchen shows, you could make an app instead of a website. Where you could have small games with branded content. It would be a simpler idea with simpler execution and lower costs. Tia Cátia's game, for example! Something for people to be entertained in the metro.
Interviewee 12	OMD	Deputy Managigng Director	They have Fox play available, they should stimulate the online, even work on more integrated offers. They still have aspace to grow, because video and entertainment are the most consumed products online, and other platforms, such as Netflix and HBO, have been gorwing in terms of audience.	_____	_____
Interviewee 13	Mediacom	Managing Partner	"With what concerns the component of performance, that is connected with segmentation and targeting, Fox doesn't do that. Comparatively, there are other big players in the market that do this such as Sapo, that has invested a lot in technology to be able to have segmented digital offers." "Their website is not developed because, as fas as I know, they dont have any traffic generation mechanism for the website, which is a buidling block to be able to set a strategy to monetize the website in terms of advertising"	"Makes sense. However, for the experience I have, if we want to put people searching for something we need to have a very strong hook regarding what we are offering. It is a nice idea but I think it needs a stronger lure for people to participate" "You need to think that besides the costs of developing the app you will need to do a big push in terms of communication to guarantee people download the app. Here you would obviously have Fox's plarforms but it would still be interesting to have some investment in the promotion of the app, for example in social media ou on youtube."	Sounds interesting and it costs less than the first idea.
Interviewee 14	Mindshare	Digital Strategy manager	_____	"Gaming is trending and growing for every age so that's a plus. AR and VR area reality right now. However, there could be an issue when relating specific brand with each series (copyrights and compatibility issues mainy). Another limitation is the time frame. The advertising space would be sold for a limited time frame until people get bored and go play anoher game. There would have to be a very strong hook to bring brands to the game but also to bring people that want to play it more than once - knowing who my character is might be a one time thing. I would add some levels to give it a more 'gaming' outlook"	Bringing people to the TV is a very "Fox" idea. They really like to include the community fox in their content. A minus of this idea could be the target audience that is really limited since not everyone likes to cook. I see this as an offline campaign like the one they are having right know rather than a game and the offline campaign.
Interviewee 15	Initiative	Digital Executive	_____	"This idea would need a very good partner. I it is a good idea but I would need a better reason than knowing "my character" in order to go outside looking for objects. You would need a stronger hook to make the game work"	Very interesting. You could even include brands that would offer the products needed to conclude the recipe! It is a very nice idea. You could simplify the idea, instead of making a game, it could be a micro website where people would construct their dishes - it would display a pizza and the ingredients aside that could be included in the pizza. People love to share their recepies and their cooking tips. Simplify the game and it can work amazingly! You could also make a simple challenge where you share the possible ingredients that can be used in a recipy, and allow people to use their creativity, cook their recipe and participate with a picture of the dish. The winner would then be featuring an episode of 24 kitchen cooking their recipe alongside with Tia Catia or Filipa Gomes for example. The chefs would share the challenges on their social media.

Interview	Company	Position	Idea 3: This is FOX	Idea 4: Fox events app	Idea 5: This is FOX + Fox events app
Interviewee 8	Publicis	Head Of Media	I think it is a good idea, specially for 24kitchen since it is very trendy nowadays the biological and healthy eating markets. As these as topics that are already covered on tv, you could do a mix of tv content and real life and the place where people would see this is the website. However, in order for the website to work it is important to consider that the Fox universe has very distinct audiences and create content that pleases everyone is a challenge. Adding to this, it must be a platform with daily content, you can't do an article per week for example, it must be constantly updated so that people want to visit the website regularly.	_____	_____
Interviewee 9	Initiative	Account Executive	Even on their website (24Kitchen) they have people that could create way more content. (...) The question is, before working on this they have to work on the page traffic and that requires a strong social media work. The first question of advertisers is "how many people access that website?" so there's always this barrier where clients want to know the average views of the articles, how many people interact on social media, and there has to be a foundation to sell.(...) Fox has more potential than bloggers. It ends up being an aggregator of different types of information like Sapo and that's the interest thing here, Fox working as a whole, independently of having traffic from 24Kitchen or Fox Comedy they're all working for the traffic of one website, and there you gain much more than if you had everything separate. Having exclusive articles of food influencers once a week.	_____	The blog works well both on website or on na app. The app would be an extrapolation of the website just as the Observador app, but then you would have the add-on of the events.
Interviewee 10	Mediacom	Media Manager	-----	-----	-----
Interviewee 11	Wavemaker	Media Executive	That's the path I was following in my thinking right now. By including exclusive content that people can only watch there, you can leverage the website demand when selling advertising spots (banners, etc.). The channel that would work better with this model, in my opinion, would be the 24 kitchen. It would be very clever to include their creative activations in the digital as well. Include the Vox-pop videos or the comedy fox events, for example	It would be clever to create such an app because people that are always using their phone, would be constantly targeted by advertisers during the party.	With the possibility of joining both ideas, you have the possibility making app install campaigns. It would be interesting to deliver notifications when new series air, and also, have a part in the app where people can make a checklist of the series and episodes they have already seen.
Interviewee 12	OMD	Deputy Managinng Director	It would bring more national content, it would be interesting, because in terms of offering and TV contents it is very international, and so it could be a way to invite brands on a national level. (...) I think there must be always a link to the series and contents of the channels, because in terms of offer about cuisine, beauty... there is a lot. There must be a differentiated strategy to explore that universe that is their essence. otherwise it would be one more website, there is a lot of many others... I think it could be interesting for brands to sponsor national products, since sometimes we would like to be present in some contents and we can because it's international and expensive. It could be a good way for brand to enter those contents online. TV can promote this website, which is also interesting. Without promotion people will not know it. (...) They have already a very strong brand. It is different to launch a blog from zero than to start with all this credibility and image, so relevant, especially for these younger and active targets.	The app must have some continuity, otherwise it will lose relevance. The apps we have, most of them, we must have a reason, a motivation that is not a party happening twice a year.	It may be interesting. (...) you can do everything, but if you don't communicate them you will not have results. If you don't "feed" it with content and don't communicate it, it will die soon. Be careful with that. (...) I think it is a good idea. Two great ideas. It has potential to grow, that is the way to go. And they may have the advantage of producing national content. (...) I see some interest on integrate it, having the same target. The closest the proposal the better. When you separate is way more complex. If you integrate TV, that is great. Different ways to reach the audience. If it is a pack it is better.
Interviewee 13	Mediacom	Managing Partner	I think it is an excellent idea and we have some great examples in the market. I don't think you should focus on the teaser and talk too much about the series because you can do that with the current website. But why not a platform about lifestyle that is connected to the series in a way that there is an interesting fit between the series and real life. Bottom line, it could be a platform that would bring people to Fox's universe but those people don't need to be necessarily interested in Fox's series. (...) This brings the consumers and the brand together, not in an institutional way. You can also have branded content, which is a way for Fox to monetize the website and if it actually grows and reaches good audiences it is very easy to sell it to brands.	_____	So it is basically an add-on what you have already with the blog but it is very interesting since it allows to gather data. (...) As I previously said, everything that involves installing apps as an associated effort rate. There must be an obvious reward otherwise consumers will not install it. It is a good idea in terms of data gathering but you are limiting it. (...) From the moment the party is full, people will have no incentive to install the app. Perhaps it makes more sense to have an app that is a mirror of the blog and as an add-on it has the events component and not the other way around. But all in all is a very interesting idea, everything that concerns segmentation works very well, it has better engagement rates.
Interviewee 14	Mindshare	Digital Strategy manager	Of all ideas this would be the most feasible, intemporal and interesting for the agencies. Everyone likes trips, fashion, lifestyle so it would be much easier to develop content including these topics together with the brands (clothing, lifestyle, furniture) in a creative way that would include the consumer's favorite series.	It would be interesting for brands to advertise their products in-App. But it shouldn't be limited to events because it would limit your time of action and also the brands that would be interested in being included in these events	I can only see these two ideas complementing each other. Not working solo. It would be crucial to use Fox's social networks and offline channels to bring people to the website and use the events app as a way to be closer to consumers and brands and level-up their events' game. I would sell it separately, with a premium value during events and would also offer the kind of content present in each platform. In my opinion you should start with the website, with some branded content propositions, make it grow until it is stable and then go strong with the events app.
Interviewee 15	Initiative	Digital Executive	It is a very feasible idea!	Currently they use their sponsors to raffle their events' tickets. If you need to create a new app, then you need a whole new communications' strategy in order to get people to download it - call to action. You need a very good reason for people to keep their app. Even if it is creating more parties/events. You should include a map of the event where you can check where the bars are or where something secret is hiding.	Both can work together but in different phases. I would start with the blog. You could include challenges on the web to get the tickets that would be related to content shared in the blog like a quiz or something like that. There has to be a very good hook between both ideas otherwise they sound like two different solutions. People love to get things for free and love challenges.

Interview	Company	Position	Trends	Industry overview	Recommendations
Interviewee 8	Publicis	Head Of Media	Nowadays there is this trend where increasingly less people go directly to websites, this is, they either go through news aggregators or through social media.	_____	Cooking nowadays is not a niche, it has a great relevance, however 24kitchen doesn't. It ends up being a brand with more power outside the tv. (...) Fox could do a campaign where 24kitchen would do a recipe of the day and do a push outside the website, on Facebook for example or on Instagram. Imagine that everyday they had a recipe that could be done in 10 min that would come from the tv channel. This is something that does not need a big budget since you would only do a push on their own social media and the recipe would be on the website. (...) This can have two objective: a daily reminder for consumers that 24kitchen exists and help increase the website visits. (...) Fox can differentiate itself by having content no one else has. It offer a distinct content where people would feel engaged, not just a replication of what they do on TV, something different
Interviewee 9	Initiative	Account Executive	The traditional advertising is dying, obviously that it's important to have a spot or a funny advertising but in terms of content is that.... Is creating content that people can go there see and identify with the brand.	_____	I think that with the content that Fox has they could almost have a Fox Lifestyle, a Fox etcetera, per category, and there is the content from advertisers.
Interviewee 10	Mediacom	Media Manager	Programmatic advertising is increasingly being used by brands. For programmatic advertising we do not buy directly from a publisher. Instead of that, we buy advertising space regardless of the audience since on programmatic buying process we buy space from a publisher network. (...) The campaign is served to individual X at timing X because they are more likely to click or lead regardless on which website they are visiting. With programmatic advertising there is a higher return since we are impacting people that are really interested by the product/service offered by that brand. Also on programmatic we can set the segmentation we want to, such as behavioral segmentation, for example. Basically, we are showing the campaign for the best audience that fits with the brand.	We receive the client briefing with all the guidelines for the campaign. Then, depending on the type of campaign (new product launch, promotional campaign, etc.) and on advertiser objectives (awareness, traffic and/or leads) we define the media channels to be used. Also variables such as time period of the year and available budget are taken into account during the media channels selection. (...) After the media channels have been selected we send the proposal to the media channels owners. Then, we adjust clients' budget with the prices asked by media channels owners.	_____
Interviewee 11	Wavemaker	Media Executive	_____	_____	Go to sapo.pt and check every type of advertising so you can check every possible type of advertising that you can sell. Create IDs like the ones in TVI where they include the series and the brand that sponsors it in a "card" that could be featured in the websites' layout. An idea for a big campaign after the boom of the website would be to change the whole layout to a brand related layout that would pay a premium price in order to have that opportunity (JN and vodafone example)
Interviewee 12	OMD	Deputy Managigng Director	_____	_____	_____
Interviewee 13	Mediacom	Managing Partner	_____	_____	_____
Interviewee 14	Mindshare	Digital Strategy manager	_____	_____	Your proposition shouldn't be something limited in time. In my opinion it should be as timeless as you could imagine. Otherwise it would be considered as an activation (mainly for the FOX brand) and not as a strong solution to increase revenue on digital advertising.
Interviewee 15	Initiative	Digital Executive	AR is a major trend that is already thriving worldwide. It will be the future for younger people that get easily bored when impacted by ads.	There has to be a very good relationship between media agencies and creative agencies. If possible working every step of the way together so the campaign can have the right type and format for the selected media.	Search for the most downloaded brands in portugal in order to have your insights aligned with your idea. Pay attention to the difference between the most downloaded and the most used.

Appendix 6 - Advertisers Interview Guide

Introduction

My name is_____ and I am currently working on my thesis project in a group of 5 people. We are conducting a research about Online Advertising Market in order to come up with a solution for Fox Networks Group to grow faster by entering and thriving on this market. Therefore, for this interview we will use a non-direct technique, which means that there are no specific questions. After I ask the first question you can answer whatever will come to your mind about this topic. There are no right or wrong answers. Moreover, the interview will not take longer than 45/60 minutes and I would like to ask you permission to record the whole interview for our posterior analysis. All the information is confidential.

Initial Question

Can you please tell me what do you value the most when you do an advertising campaign? And why?

Discussion Topics

- Market trends
- Channels: online and offline
- Fit between brand and channel: media selection criteria
- Budget
- Campaign duration
- Campaign goals
- Stages of buying process
- Media options available vs. Needs
- Agencies role in the final decision
- Campaign tracking

Fox Related Discussion Topics

- Reasons for choosing Fox
- Fox points of improvement
- Competitors on Online Advertising Market

Idea Presentation

- This is Fox Blog + Fox Events App

Appendix 7 – Grid advertisers

	Company	Position	"What do you value the most when you do an advertising campaign? And why?"	Media selection criteria	Channels: online	Channels: offline
Interviewee 1	Seat	Marketing and Communications Director	Since we communicate cars, we define the target that we want to reach.	It is not only about numbers, we also work on affinity, otherwise all of us would be investing on Correio da Manhã. That is not what happens because there are other factors, such as affinity, that matter. (...) There are media outlets and campaigns where we certainly can't be present. And there is cases, such as FOX, where we decide to be present in a different format. It depends on our communication strategy: the product we want to communicate, the way we want to communicate it and the audience we are trying to reach. It is not an exact science. (...) The big results, we get them through FTA's with traditional advertising. Thus, when I go for cable, I am looking for something different, I have a different strategy, also because my budget allows me to do so. So I play in this game, if complementarity.	TV is always the most valuable media. Digital has its own weight, but it does not overpass TV, and that will not happen anytime soon. I do not know if it is ever going to happen... (...) Digital has certainly a role, but it is a different role. In my understanding, it is a complementing role, often a content management role. We are now developing the Seat Art Cities project, with Vhills. And we are doing an activation action in our website, creating walls with Vhills' curatorship, that we will communicate online. (...) We do not live only from digital. And the ones who do do not have the same results.	We usually communicate on the FTA's, because our budget allows us to do so, but we also use as a strategy the cable channels, because we believe it makes sense. (...) People watch TV and watch soap operas and all those terrible programs, even if they do not admit it. When we do a campaign on TV our sales shot up, if we use FTA's. A different thing is when we want to reach a certain kind of audience and we do not have a budget that allows us to go for FTA's, then we have a more targeted campaign and we invest in specific cable channels.
Interviewee 2	Renault	Advertising Manager	On the one hand, we want to ensure performance, but we also don't want to lose engagement with the audience - there is a need for using storytelling. Sometimes we make content that is not 100% digital oriented and that's a big problem. The format cannot be the same on TV and digital platforms, they are different media with different characteristics. We need to keep the concept of communication but do the content from scratch to digital because it's a different world. (...) What we are looking for is a true integration of the media with the physical actions (parties, showrooms, car shows in the malls, etc.) and Fox does it perfectly.	We know that all media channels can serve the 3 big objectives but some of them are more efficient in terms of ROI for a specific objective. For instance, the digital channels work well when we aim to achieve conversions. For awareness we know that TV has a lower cost of reach when compared with digital. It is according to the campaign objectives that we define our media mix. Knowing that most of our campaigns have a mix of television and digital. (...) When choosing a TV channel to run a campaign, an audience is taken into account. That is, we will see the affinity of our target with the target of a particular program in this channel.	On online platforms we can be more precise in choosing the target. We can locate and impact people according to their interest groups, and this target is much deeper than the target based only on demographics. (...) We use Sapó, Impresa, Global media, MSN, Emailing, Cofina, Google and Facebook, etc. This choice is based on the target. In digital we don't buy space based on what we expect to have, we buy based on what we want to have. For example, we want X impressions, so we buy from platforms that we know deliver this number of impressions.	Every year we negotiate with Fox, SIC, TVI and say we'll put X€ a year on these channels - it's agreed in advance.
Interviewee 3	Central Cervejas	Brand Manager	When we look for the touchpoints on a campaign we want to find our target in the most efficient way, directing our message to the right target, having a relevant content to appeal to that target, that allows us to reach the maximum people possible, with the lowest cost. Relevance and efficiency.	The choice of the channel depends mainly on the its audience typology. (age, social status), we check the audience per time and shows and we always have a fit with our target, called affinity. Affinity is computed between what the channels audience reflect and what we are looking for as our target. So the choice has to do with the results I expect to reach and the relevance I have. Depending on the brand it can make sense FOX and cable channels or FTA's. It is not an exact science. I can't tell I will reach my target better on FOX or AXN, nothing tells me it is exactly like that, but it is a proxy, an estimation, through which we choose our media.	We split digital in social media and all the rest. (...) TV appeals more and more to an older target. So, the younger the target, the harder will be to find it on TV and when they are, they watch it differently: skip ads, go back to previous shows and change channel. The time they spending watching ads is almost zero. The money I am investing on TV brings less return and is less efficient than if I direct a campaign on digital. First, I get to know whether people are being reached or not, I get to know how many people interact with the content and I can work with the different kind of ads on digital, understand which one works better and worse. I have a group of platforms I can active to understand where my target is. And I have a lower cost per contact. (...) On digital, I can create relevant and unexpensive content.	TV, outdoor, Sometimes radio, but less. Agencies almost do not recommend press. (...) TV is still very good for a mass product and when I want to reach part of the national target makes total sense. But it has production costs that digital does not.
Interviewee 4	Unilever - Ben&Jerry's	Brand Developer	Nowadays we focus a lot on digital, although sometimes we have contracts with agencies where we need to guarantee the purchase of TV spots too.	The choice depends on the goal of the campaign however TV is always considered not only due to the product (ice cream) that is consumed when your in front of the TV but also because TV is still a cheap option for advertising.	We consider a lot online options when doing our campaigns because it allows us things that TV doesn't. We opt often for banners, display, youtube specially those questionnaires before the videos, and we also go for social media with "hard posts" (...) It is posts done on social media without having an account there and when someone click on the post it directs to the brand's website. (...) Digital also allows us to do specific campaign targeted to different moments, for instance if I want you to see an certain ad after seeing another makes me what to go for digital.	TV in Portugal is a good option because the cost per reach is pretty low comparing to other European countries.
Interviewee 5	Unilever - skincare	Head of Marketing Personal Care	The advertising campaign must have a goal, which is very different according to campaign. I can promote the purpose of my brand on long-term, such as Dove real beauty, that has a long-term goal, which is building values attached to that brand. It can also be a short-term sales goals, talking about a new product to incite an immediate sales goal. What I am expecting from my campaign is to fulfil my goal, which is very diverse.	The media mix depends on the campaign goal. (...) So they now our goals, what we have to make them real, with what. It is the media agency that makes a media mix proposal. We adjust one channel or another that may not make sense, but the great part comes from this job of the agency. Every year there are always some changes, but not a big questioning of what of chosen, if the work was done correctly. Usually there are no big surprises... if there is a good brief and a good job from both sides. (...) We share right away an idea of what we expect from a certain brand, the brand manager is the one who designs it firstly, but we give freedom to the media agency to change and add media. It is a co-construction. But the brand owner has the ownership to decide. (...) Through the way we are organized we discuss deeply media mix by media channels: does it have FTA or not? Cable or not? Within cable obviously we will want to be on big channels and Fox will be there for sure.	We miss reliable KPI's for digital, metrics that bring as much confidence as other media. That is the classic war between TV's and digitals. Digital data is shaly and the players do not agree on the best way to share the data in a reliable way. We have some platforms where we chack check my digital investment vs competition, but they do not include Google and Facebook, two giants.. I feel there is this attempt from each platform to have its own data, which results in a lot of complexity and distrust. That is overall on digital, a lot with influencers. What is lacking is reliable data. (...) Programmatic increased the challenge, each website must have its website well managed to serve programmatic campaigns content.	
Interviewee 6	Compal+Sumol	Marketing Manager	The achievement of the campaign goals: brand awareness or coverage (number of individuals reached). The more integrated the campaign and the more touchpoints it has, the better the odds of us wanting to enter.	We usually opt for offline campaigns rather than online due to the results given by TV for example. However, because of the increased use of multi screens, TV solutions have been more and more enhanced by integrated offline solutions.	When we go to online is usually in a bigger campaign with more dimensions than just the traditional offers (with the offline included).	In TV there are FTA channels that allow us to work in a broader way and Pay TV channels that attract a more qualified audience.
Interviewee 7	L'Oréal - Professional Products	Brand Manager	The message I have and who I want to reach. The goals of the campaign are also one of the main decisions we take and are very important to be taken into account - I need to be sure that I will have results after my Investment.	When I think about a campaign I immediately imagine where I want to see it. Then, I need to check if it makes sense, if my target is there.		

	Company	Position	Channels: offline	Budget	Campaign goals
Interviewee 1	Seat	Marketing and Communications Director	We usually communicate on the FTA's, because our budget allows us to do so, but we also use as a strategy cable channels, because we believe it makes sense. (...) People watch TV and watch soap operas and all those terrible programs, even if they do not admit it. When we do a campaign on TV our sales shot up if we use FTA's. A different thing is when we want to reach a certain kind of audience and we do not have a budget that allows us to go for FTA's, then we have a more targeted campaign and we invest in specific cable channels.	We have a value, and inside it we prioritize the channels in which we want to communicate (...) The split is defined according to our targets.	_____
Interviewee 2	Renault	Advertising Manager	Every year we negotiate with Fox, SIC, TVI and say we'll put X€ a year on these channels - it's agreed in advance.	About 15% of global market investment is allocated to digital in terms of advertisers' media budgets in Portugal but Renault allocates about 30% of our digital investment (twice the global investment). This is explained by the fact that we have an "always on" strategy, that is, we are always communicating digitally. We have digital placements 365 days a year working.	In general, when we define our campaigns we have 3 big objective in our mindset: awareness, consideration or conversion. We could have campaigns that include the 3 objectives at the same time or we could have campaigns only focused on one objective. For example, promotional campaigns have as main objective conversion. TV and digital are the media channels that offer higher efficiency to achieve awareness and conversation goals, respectively.
Interviewee 3	Central Cervejas	Brand Manager	TV, outdoor. Sometimes radio, but less. Agencies almost do not recommend press. (...) TV is still very good for a mass product and when I want to reach part of the national target it makes total sense. But it has production costs that digital does not.	Budget split comes by channel, together with the results I expect to reach in each. (...) Obviously, if I have to choose, I prefer more creativity, new ways of reaching, because my share of attention will be higher. And thus, the challenge of my brands is how can I create relevant content and not only an advertising message. I don't need to be creative in terms of the message, but on the way I transmit and amplify it. Obviously, on the other side, I have the budget: I would love to do amazing things, but I can't justify such investment, either because brands are small, or my target is small, or because the cost per contact is very high. And instead of doing something only once, very different and out-of-the-box, with that budget maybe I can reach the consumer 5 or 6 times. And what is more relevant? I don't know. Nowadays I don't know if it is better to impact my target 6 times, with frequency, or once with an outstanding message.	_____
Interviewee 4	Unilever - Ben&Jerry's	Brand Developer	TV in Portugal is a good option because the cost per reach is pretty low comparing to other European countries.	_____	_____
Interviewee 5	Unilever - skincare	Head of Marketing Personal Care	_____	_____	_____
Interviewee 6	Compal+Sumol	Marketing Manager	In TV there are FTA channels that allow us to work in a broader way and Pay TV channels that attract a more qualified audience.	_____	At Compal we have strong innovation dynamics that need strong and constant campaigns to amplify the constant launches of new flavours or new lines of products.
Interviewee 7	L'Oréal - Professional Products	Brand Manager	_____	_____	_____

	Company	Position	Media Options available vs. Needs	Agencies role in the final decision	Campaign tracking
Interviewee 1	Seat	Marketing and Communications Director	_____	We define a briefing that we send to the media agencies. In our case, we use a very transparent way of work: an audit media agency is always in copy of the emails. The process flows automatically. The media agency shares a plan with us, makes a proposal, that we validate. The audit agency validates in terms of pricing if that is right or not. Because there is a pool to check if we are working well. I work this way... and why? Because I do not have to know the price of the market. We have prices and contracts, mainly with great players (FTA's), but I also want a total transparency such that media agencies are not putting us where they have higher rappel, but where my investment will be better channelled.	_____
Interviewee 2	Renault	Advertising Manager	Right now, there is a whole performance-oriented development to ensure the best results for customers. But I think there is a missing part of storytelling or engagement with people. When you have a goal of advertising, it's hard to entertain and be truly effective and viral. I think that's what brands need and look for and that's what Fox does very well.	When we contact agencies we already have a predefined idea for the campaign. We do a briefing and we deliver it to the agency. We receive the agency's feedback – and we like the agency to think beyond the briefing as long as the new proposal is founded – and we have the final decision.	We work with platforms that guarantee us this return on investment otherwise the performance of the campaigns would be very complicated to manage.
Interviewee 3	Central Cervejas	Brand Manager	To be honest, we do not know everything on online. Online is very broad and developed and many companies are not following what is possible to do online. I can't state I know all the online offer, and even the ones I do, we work them a bit poorly. We should take much more advantage than what we do. Nowadays there are no lack of conduits, what is missing is our ability and agencies's ability to follow trends and take advantage of online.	All campaigns are bought via agencies. We have a media agency that suggests a media plan for each campaign. This agency evaluates the touchpoints we ask, which are typically always the same. We are talking about TV, digital and outdoors.	Media agencies make a preliminar evaluation of the campaign, i.e., the target I will be reaching, the percentage of my target I will get, the budget I will allocate to each media outlet, cost per contact. There is a pre and a post-evaluation - a confirmation of what has been (and not) a success of the campaign. This comes mainly from awareness and reach, so the target that I impact, cost (per contact and total) and the positions we had according to the media availability. Digital is the one that I, during the campaign, can change, if I check it is not working. If I want to change something on TV, that is impossible. Digital allows me to do so.
Interviewee 4	Unilever – Bem&Jerry's	Brand Developer	_____	The company has always a final decision to approve or disapprove the agency's proposal. In terms of choosing the channels it is given a lot of room for the agency to decide the best option considering the budget and the campaign goals. The agency is the one that must understand if a certain option is appealing and suitable for what the company asks for.	_____
Interviewee 5	Unilever – Skin care	Head of Marketing Personal Care	_____	The media agencies have several tools based on market research. The possibilities of segmentation are huge and the marketing problem is way more complex and challenging because everything is fragmented. These media agencies have data to structure the best way possible this type of information: for each channel, I know who is there. Considering the brand briefing, where I show the media agency everything I have to do during the next year - strategic framework, priority of categories and brands, projects for the jobs to be done - we talk about structure and assets and communications pieces we can use. (...) These relations between brands and agencies do not change very often.	When I buy a TV campaign, it is impossible to lie to me...I can see if it is on air. I have a plan where I know when will the spot be shown. The same with outdoors, radio... with minimum effort, I can check. When I buy a digital campaign, this is not true. I may or may not be part of the target and I can't check if the target saw it (...) fake clicks, fake followers...The questions is not if I am being misleded, but by how much am I being misleded. (...) IAB defines viewability criteria. For IAB, a video to be considered seen needs to be only 2 seconds with 50% of pixels... and it counts as a view.... but who saw it? Who understood what is there? These discussions around viewability have been the enemy of digital. The main problem of digital is transparency and goods KPI's. Every time a campaign goes for programmatic, brands wash their hands of where they are appearing (except for sites like terrorism, of course).
Interviewee 6	Compal+Sumol	Marketing Manager	There is the need to include more multi screen campaigns in our ecosystem. It is a reality! You are not watching TV for more than 10 minutes straight	Our agency (Initiative Media) does our campaign planning. We have a creative idea, send them the briefing with the available budget to our media and receive a proposal in accordance with the objectives of the campaign defined before. (...) The agency makes the better fit possible between the target of the brand and the different media targets and present us a possible media strategy. Before delivering it to us they usually interact with the possible channels to negotiate and understand the length of possible negotiation. (...) The decision is ours!	_____
Interviewee 7	L'Oréal - Professional Products	Brand Manager	_____	There are two ways. The most used in our brand is to decide in terms of type of media we think makes the best fit and then leave it to the agency to understand which channels are the best - they have the metrics, we don't. However, the "accepted" way of doing it inside the group is to deliver a briefing, with the objectives, the message, the budget and the target audience, to the agency with all the guidelines and let them check and deliver the best action plan for our creative idea.	_____

	Company	Company	Reasons for choosing FOX	Points of improvement FOX	Idea 5: This is FOX + Fox events app
Intwerviee 1	Seat	Marketing and Communications Director	Naturally we create content with FOX channels, that play an important role to what concerns specific targets. (...) We have very good projects with FOX, in terms of advertising and in terms of content. And we have a continuous innovative presence there. FOX has this capacity of doing different things and leave TV and the traditional format and go to real life. And what I like the most is the content they create. Because they have the skills to make different proposals, their willingness to do things beyond traditional formats. I like innovating and they are the partner to do those things (...) to create something never thought before. (...) Their products have quality, but they also have the ability to innovate, they have a good team, flexibility, which makes them succeed. (...) Their constant dialogue with audience is their added value.	FOX challenge lies on how to include content for brand to be present in their platforms, such as FOX Play. Because, for me, FOX digital is not the core. When I look at FOX, I look at the platforms they already have, and in which they are very good. The way they position themselves... I never visit their website to get information.	_____
Intwerviee 2	Renault	Advertising Manager	Strong storytelling expertise. Fox is a very important partner for Renault because cable is growing, already representing 50% of audiences. Fox channels are very important in the ranking of cable channels audiences (they are the most viewed), they have the most followed series by the Portuguese, which are anchored to the Fox audiences. And then it's a non-TV partner. Fox is for us a 360° partner. Fox is also good at doing content. An example of this is the series we make with them called "Family Scenes", which I would say it is the first series a brand makes on grid, in which we basically have a family in the car and telling family stories. This is interesting because for the first time I am proud of this branded content we made because branded content is not always well done. With this series we can do more than just advertising, we can do entertainment.	I confess that in digital I still do not consider Fox as a partner.	_____
Intwerviee 3	Central Cervejas	Brand Manager	When I develop a campaign, it has two stages: creation and amplification. What we usually look for with FOX is the second part, despite FOX having the ability to create some content. (...) We use FOX as a partner, because it has an interesting positioning, especially with a younger target. And it has the advantage of having very specific channels to several kinds of audience. We know that we will find a female target on Fox Life, a younger on FOX Comedy... and thus we can manage our campaigns better and split budgets into targets. Moreover, FOX can build relevant content. For instance if I want to do a mini Xmas campaign for brand awareness FOX can build something interesting and appealing for consumers with my logo, with a small investment. Furthermore, FOX has several other means, digital, events, TV channels, that allow me to have relevance next to my target, because I can impact them, with the same media outlet, on several touchpoints. It can also provide a series of tools more relevant for the target, namely the product of vox pops (interviews about the events, products, etc.), that make things more credible. This ease of building more "tailormade" and having a relevant target. (...) There is no other channel on Tv like FOX, with the flexibility, interest in creating and producing new things, with this audience. It is easy to find a small channel, with low relevance, that is flexible. But then I will not impact the target I want, because it is a niche. Fox has a considerable size, they are rooted on Portuguese people day-to-day. (...) The actions they make with National Geographic, exhibitions, events, sponsors to music festivals, cultures... these all give them credibility.	_____	_____
Intwerviee 4	Unilever - Ben&Jerry's	Brand Developer	We work a lot with National Geographic considering it reflects the values of the brand specially the part of respecting the environment and the social and economic values. We are usually present at National's Geographic magazines and every year we are at the National Geographic Summit it is a kind of agreement that includes all of this. We also work a lot with Fox in terms of their TV channels with sponsorship cards before the movies or during considering their audience that is an audience that we have interest. So it is a great fit between our brand and ends up being a channel that we always choose.	_____	The idea looks interesting however what I see is that Fox will need to have good contracts with the agencies. Because it is not me the one who should consider it interesting but rather the agencies with which I will work with. Because if the agency sees this idea as an interesting idea for my needs then I will accept it and put advertising on this idea. I could also put advertising in another platform as Observador, here what will depend is if the agency will suggest Fox's blog as a good option for my brand. If the agency proposes Fox's blog as an option I will think it is a good idea while if they don't I will not even remember of it. In terms of content, it looks excellent but in order for it to come to the brands it needs to be something that has a big relationship between Fox and medium agency so that it turns a priority idea of the agency for us (brand). In terms of the app I think that people will only install if you have diversity on it because that's what happens with other apps with articles as for instance Observador.
Intwerviee 5	Unilever - skincare	Head of Marketing Personal Care	As long as cable is on the media mix, Fox usually is part of it. (...) Fox has an advantage in qualitative terms. Sometimes we use their channels as a way to reach more specific audiences. By having several channels, we can use Fox for more qualitative channels. My perception is that they are one of the most active on proposing co-created solutions. They distinguish themselves by the bigger openness and willingness to do more than just selling advertising space.	_____	I find the idea very interesting. The more it is connected with the content the better. If I have a place where I can see the behind the scenes of a series I like, I want to go there. If you open too much and become generic you will lose, because Fox will never be a specialist in every area. I find your perspective interesting. It will be as stronger as the most connected to exclusive contents it will be. It needs to be specific. For example, Fox website will never be the biggest recipes website. But if it's a specific recipe from a specific show, that has a trick that the chef did not show but will tell on the website you are giving me an extra so that I want to go there. It is megalomaniac in terms of content production. It would need to start with a pilot: for each channel, which is the show that has more audience. Otherwise it can be difficult to manage due to the content dimension. Because if it falls on the generic it may lose to the ones that are in the market. (...) If the brief is to increase digital revenues, events will not do it. They are a very nice add on, but they will bring 1000, 2000, 5000 people by event, when I can have millions going to the website frequently, to check my contents. It is easy to get in love by the glamour of an event and its exclusivity, and it is interesting to work on that, but let's not mix the two things. To generate data about my user I can ask a registration to assess certain areas of the website. And that is what brands are buying. If after that you build a bridge to the events, it is nice for special activations, but that is not what makes me want to invest in their digital. (...) The website must generate traffic so that programmatic campaigns include it on the menu. (...) For punctual activations the events make sense, if there is a 24Kitchen event we may want to be with Knorr or Hellman's. But it will always be more secondary than essential. It may be interesting for Fox, to keep its equity as a channel. In terms of coverage there are less consumers, but they will have a stronger relation with Fox. But I do not see how the app is needed to pay the drink... because I will map the person anyway. What will I do with the information that the person paid the drink? If there is a reason why, nice. Data by itself does anything. Apps... we must be sure of what we want to do with them and its longevity. Because to invest on the app, someone installs it and then after the events deletes it... I wonder the utility of the app. (...) Apps make sense when we can imagine a longterm life for it. When it is temporary, the level of effort to make it work will not offset the return. (...) I prefer the investment on a mobile friendly website.
Intwerviee 6	Compal+Sumol	Marketing Manager	Fox not only has a qualified audience but also the broader audience that we look for.	_____	For our brand, a platform like that (website) would be more relevant specially if you could include 360° degrees executions - offline and online. Something where I could start an offline campaign of a new product in prime time on Fox's channels that would be enhanced on the offline by an article in This is Fox where a nutritionist would claim the benefits of consuming my product. The app itself (events part) is a great idea and it is really exciting but if I had to choose, I would go for the website since I cannot see a very interesting fit between the current events and our brand. Moreover, the app needs a very think-through campaign that makes people download the app. For example, the events already have a lot of people, if you make it mandatory to have the app in order to enter the first event (after the launch), you will have lots of downloads on your first week or so.
Intwerviee 7	L'Oréal - Professional Products	Brand Manager	Fox is an international love-brand. They have incredible personalities associated with them that are a great plus for any brand that wants to advertise.	_____	This idea is really clever! As a brand, it would be an added value to be related to the Fox's Channels, specifically with the personalities included in the brand FOX (celebrities and series characters). The written content has the plus of being accredited by Fox so even if a competitor says that they can "get you the look of Sofia Vergara", Fox would be the expert in this matter. To align series and celebrities' content with brand in a simple website is an opportunity that I hadn't thought about but that is completely accurate in the current market. I can imagine a content that would bring the backstage of 24Kitchen PT with my brand. Our presence in the events results from the deal made between the group (L'Oréal) and Fox where we bought a pack of things including the presence in the event. The map of the events would be a great plus for sponsors because we would have more visibility. The strong hook here is the exclusive content you can deliver.

	Company	Position	Idea 5: This is FOX + Fox events app	Trends	Others
Interviewee 1	Seat	Marketing and Communications Director	_____	_____	
Interviewee 2	Renault	Advertising Manager	_____	New formats are always emerging on digital, aiming to generate better results according to the objectives. For example, yesterday we were discussing that right now there is a format on YouTube that lets you create a form (almost like Facebook). There is also a huge evolution of video format and for that reason we are analyzing how we will optimize results with the use of video. For example, if the goal is conversion this YouTube form format allows you to mark the test drive right away without leaving YouTube and without leaving the video. This is fantastic because people are unwilling to go to the brand's website, leave the youtube page because people are unwilling to waste time and would eventually give up.	We will only invest in a new online Fox offering after testing it. Fox is a very important partner for us and as partners we also have to help build Fox's business so we would try it out.
Interviewee 3	Central Cervejas	Brand Manager	_____	Obviously we are always looking for different things to reach out target and communicate the message. Whether it is achievable or not, that depends.	Obviously, if I have to choose, I prefer more creativity, new ways of reaching, because my share of attention will be higher. And thus the challenge of my brands is how can I create relevant content and not only an advertising message. I don't need to be creative in terms of the message, but on the way I transmit and amplify it.
Interviewee 4	Unilever - Ben&Jerry's	Brand Developer	The idea looks interesting however what I see is that Fox will need to have good contracts with the agencies. Because it is not me the one who should consider it interesting but rather the agencies with which I will work with. Because if the agency sees this idea as an interesting idea for my needs then I will accept it and put advertising on this idea. I could also put advertising in another platform as Observador, here what will depend is if the agency will suggest Fox's blog as a good option for my brand. If the agency proposes Fox's blog as an option I will think it is a good idea while if they don't I will not even remember of it. In terms of content, it looks excellent but in order for it to come to the brands it needs to be something that has a big relationship between Fox and medium agency so that it turns a priority idea of the agency for us (brand).In terms of the app I think that people will only install if you have diversity on it because that's what happens with other apps with articles as for instance Observador.	_____	_____
Interviewee 5	Unilever - skincare	Head of Marketing Personal Care	I find the idea very interesting. The more it is connected with the content the better. If I have a place where I can see the behind the scenes of a series I like, I want to go there. If you open too much and become generic you will lose, because Fox will never be a specialist in every area. I find your perspective interesting. It will be as stronger as the most connected to exclusive contents it will be. It needs to be specific. For example, Fox webiste will never be the biggest recipes website. But if it's a specific recipe from a specific show, that has a trick that the chef did not show but will tell on the website you are giving me an extra so that I want to go there. It is megalomaniac in terms of content production. It would need to start with a pilot: for each channel, which is the show that has more audience. Otherwise it can be difficult to manage due to the content dimension. Because if it falls on the generic it may lose to the ones that are in the market. (...) If the brief is to increase digital revenues, events will not do it. They are a very nice add on, but they will bring 1000, 2000 , 5000 people by event, when I can have millions going to the website frequently, to check my contents. It is easy to get in love by the glamour of an event and its exclusivity, and it is interesting to work on that, but let's not mix the two things. To generate data about my user I can ask a registration to assess certain areas of the website. And that is what brands are buying. If after that you build a bridge to the events, it is nice for special activations, but that is not what makes me want to invest in their digital. (...) The webiste must generate traffic so that programmatic campaigns include it on the menu.(...) For punctual activations the events make sense, if there is a 24Kitchen event we may want to be with Knorr or Hellman's. But it will always be more secondary than essential. It may be interesting for Fox, to keep its equity as a channel. In terms of coverage there are less consumers, but they will have a stronger relation with Fox. But I do not see how the app is needed to pay the drink.... because I will map the person anyway. What will I do with the information that the person paid the drink? If there is a reason why, nice. Data by itself does anything. Apps... we must be sure of what we want to do with them and its longevity. Because to invest on the app, someone installs it and then after the events deletes it... I wonder the utility of the app. (...) Apps make sense when we can imagine a longterm life for it. When it is temporary, the level of effort to make it work will not offset the return. (...) I prefer the investment on a mobile friendly website.	_____	_____
Interviewee 6	Compal+Sumol	Marketing Manager	For our brand, a platform like that (website) would be more relevant specially if you could include 360° degrees executions - offline and online. Something where I could start an offline campaign of a new product in prime time on Fox's channels that would be enhanced on the offline by an article in This is Fox where a nutritionist would claim the benefits of consuming my product. The app itself (events part) is a great idea and it is really exciting but if I had to choose, I would go for the website since I cannot see a very interesting fit between the current events and our brand. Moreover, the app needs a very think-through campaign that makes people download the app. For example, the events already have a lot of people, if you make it mandatory to have the app in order to enter the first event (after the launch), you will have lots of downloads on your first week or so.	_____	_____
Interviewee 7	L'Oréal - Professional Products	Brand Manager	This idea is really clever! As a brand, it would be an added value to be related to the Fox's Channels, specifically with the personalities included in the brand FOX (celebrities and series characters). The written content has the plus of being accredited by Fox so even if a competitor says that they can "get you the look of Sofia Vergara", Fox would be the expert in this matter. To align series and celebrities' content with brand in a simple website is an opportunity that I hadn't thought about but that is completely accurate in the current market. I can imagine a content that would bring the backstage of 24Kitchen PT with my brand. Our presence in the events results from the deal made between the group (L'Oréal) and Fox where we bought a pack of things including the presence in the event. The map of the events would be a great plus for sponsors because we would have more visibility. The strong hook here is the exclusive content you can deliver.	_____	_____

Appendix 8 – Key decision maker 1 Potential/Risk Evaluation

Risk			FOX Adventures	I'm the chef online game	This is FOX blog	FOX Events App	This is FOX blog + App	WEIGHT
Investment (for Fox)	<50K€ = 1; 50-200K€ = 2; 200-750K€ = 3; 750K-1M€ = 4; >1M€ = 5	R	4	4	2	2	2	25
Market Saturation (for Fox)*	(High) 1 - 5 (Low)	R	4	4	1	1	1	8
Level of Technology needed*	(Ready for Execution) 1 - 5 (Need to develop new technology)	R	5	5	1	2	2	12
Level of personnel specialization*	(Low) 1 - 5 (High)	R	5	5	4	4	4	12
Easy to Copy	(Very Easy) 5 - 1 (Very Difficult)	R	1	1	5	3	4	5
Copyrights and patent issues (regarding FOX series)	(Low) 1 - 5 (High)	R	3	1	3	3	3	8
Consumers' willingness to adopt	(High) 1 - 5 (Low)	R	3	3	2	2	2	15
Relevance for agencies and brands	(High) 1 - 5 (Low)	R	3	3	2	2	2	15
								100
Potential								
Time to market	<3months = 5; 3 - 6 months = 4; 6 - 9 months = 3; 9 months - 1y = 2; > 1y = 1	P	1	2	2	2	2	8
Complexity for users	(High) 1 - 5 (Low)	P	2	2	4	4	4	5
Return On Investment (for Fox)	(Low) 1 - 5 (High)	P	2	2	3	3	3	25
Buzz*	(Low) 1 - 5 (High)	P	4	4	3	4	4	13
Applicability to other markets (for Fox)	(High) 5 - 1 (Low)	P	3	2	3	3	3	5
Cross-Selling opportunities (advertising pack)	(High) 5 - 1 (Low)	P	3	3	4	4	4	13
Innovation Degree	(High) 5 - 1 (Low)	P	4	4	2	3	3	6
Target Audience Size	(Wide) 5 - 1 (Narrow)	P	2	3	4	4	4	15
Consumer Experience	(Innovative) 5 - 1 (Normal)	P	4	4	3	3	3	10

	Score Table				
	FOX Adventures	I'm the chef online game	This is FOX blog	FOX Events App	This is FOX blog + App
Potential	2,7	2,5	2,9	3,1	3,1
Risk	3,1	3,0	1,8	1,8	1,9

Appendix 9 – Key decision maker 2 Potential/Risk Evaluation

Risk			FOX Adventures	I'm the chef online game	This is FOX blog	FOX Events App	This is FOX blog + App	WEIGHT
Investment (for Fox)	<50K€ = 1; 50-200K€ = 2; 200-750K€ = 3; 750K-1M€ = 4; >1M€ = 5	R	5	5	1	1	2	25
Market Saturation (for Fox)*	(High) 1 - 5 (Low)	R	5	5	2	2	2	8
Level of Technology needed*	(Ready for Execution) 1 - 5 (Need to develop new technology)	R	5	5	1	2	2	12
Level of personnel specialization*	(Low) 1 - 5 (High)	R	5	5	3	4	4	12
Easy to Copy	(Very Easy) 5 - 1 (Very Difficult)	R	1	1	5	3	4	5
Copyrights and patent issues (regarding FOX series)	(Low) 1 - 5 (High)	R	4	3	1	1	1	8
Consumers' willingness to adopt	(High) 1 - 5 (Low)	R	4	5	3	3	3	15
Relevance for agencies and brands	(High) 1 - 5 (Low)	R	2	3	2	3	2	15
Potential								
Time to market	<3months = 5; 3 - 6 months = 4; 6 - 9 months = 3; 9 months - 1y = 2; > 1y = 1	P	1	1	4	4	4	8
Complexity for users	(High) 1 - 5 (Low)	P	2	3	5	5	5	5
Return On Investment (for Fox)	(Low) 1 - 5 (High)	P	1	1	1	4	4	25
Buzz*	(Low) 1 - 5 (High)	P	4	4	3	3	3	13
Applicability to other markets (for Fox)	(High) 5 - 1 (Low)	P	5	4	2	2	2	5
Cross-Selling opportunities (advertising pack)	(High) 5 - 1 (Low)	P	3	2	5	5	5	13
Innovation Degree	(High) 5 - 1 (Low)	P	5	5	1	3	3	6
Target Audience Size	(Wide) 5 - 1 (Narrow)	P	2	2	5	4	5	15
Consumer Experience	(Innovative) 5 - 1 (Normal)	P	5	4	1	3	2	10

100

	FOX Adventures	I'm the chef online game	This is FOX blog	FOX Events App	This is FOX blog + App
Potential	2,7	2,1	2,8	3,5	3,6
Risk	3,5	3,7	1,6	1,8	1,9

Appendix 10 – Group Potential/Risk Evaluation

Risk			FOX Adventures	I'm the chef online game	This is FOX blog	FOX Events App	This is FOX blog + App	WEIGHT
Investment (for Fox)	<50K€ = 1; 50-200K€ = 2; 200-750K€ = 3; 750K-1M€ = 4; >1M€ = 5	R	4	4	2	2	2	25
Market Saturation (for Fox)*	(High) 1 - 5 (Low)	R	4	4	1	1	1	8
Level of Technology needed*	(Ready for Execution) 1 - 5 (Need to develop new technology)	R	5	5	1	2	2	12
Level of personnel specialization*	(Low) 1 - 5 (High)	R	5	5	4	4	4	12
Easy to Copy	(Very Easy) 5 - 1 (Very Difficult)	R	1	1	5	3	4	5
Copyrights and patent issues (regarding FOX series)	(Low) 1 - 5 (High)	R	3	1	3	3	3	8
Consumers' willingness to adopt	(High) 1 - 5 (Low)	R	3	3	2	2	2	15
Relevance for agencies and brands	(High) 1 - 5 (Low)	R	3	3	2	2	2	15

100

Potential			FOX Adventures	I'm the chef online game	This is FOX blog	FOX Events App	This is FOX blog + App	WEIGHT
Time to market	<3months = 5; 3 - 6 months = 4; 6 - 9 months = 3; 9 months - 1y = 2; > 1y = 1	P	1	2	2	2	2	8
Complexity for users	(High) 1 - 5 (Low)	P	2	2	4	4	4	5
Return On Investment (for Fox)	(Low) 1 - 5 (High)	P	2	2	3	3	3	25
Buzz*	(Low) 1 - 5 (High)	P	4	4	3	4	4	13
Applicability to other markets (for Fox)	(High) 5 - 1 (Low)	P	3	2	3	3	3	5
Cross-Selling opportunities (advertising pack)	(High) 5 - 1 (Low)	P	3	3	4	4	4	13
Innovation Degree	(High) 5 - 1 (Low)	P	4	4	2	3	3	6
Target Audience Size	(Wide) 5 - 1 (Narrow)	P	2	3	4	4	4	15
Consumer Experience	(Innovative) 5 - 1 (Normal)	P	4	4	3	3	3	10

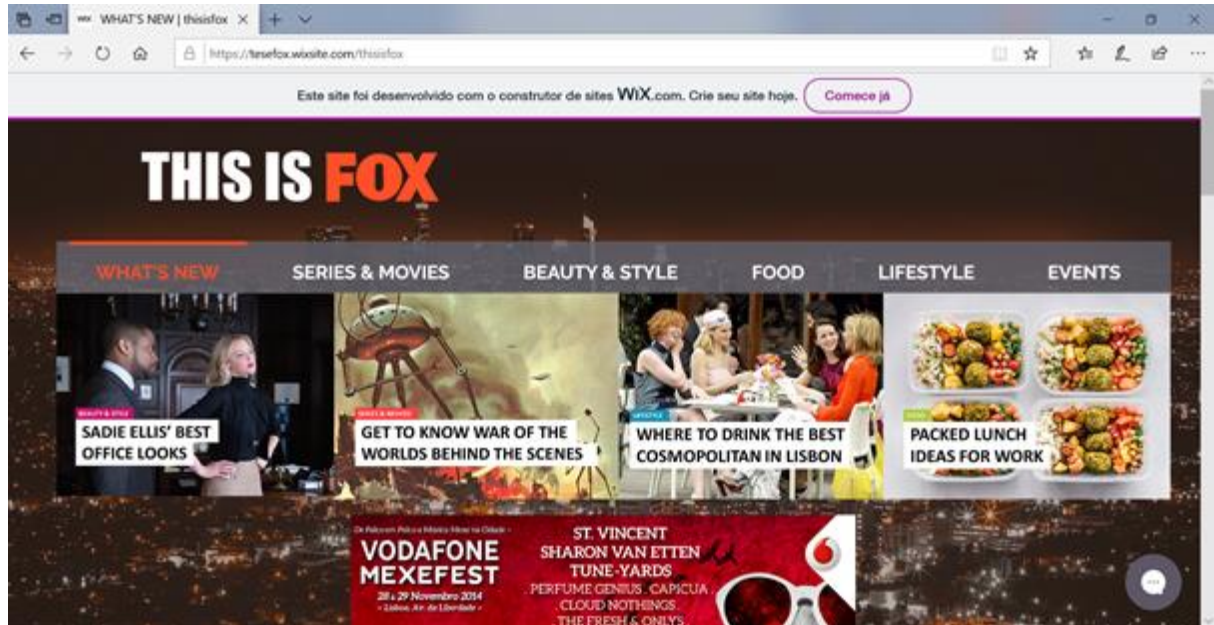
100

Score Table					
	FOX Adventures	I'm the chef online game	This is FOX blog	FOX Events App	This is FOX blog + App
Potential	2,7	2,5	2,9	3,1	3,1
Risk	3,1	3,0	1,8	1,8	1,9

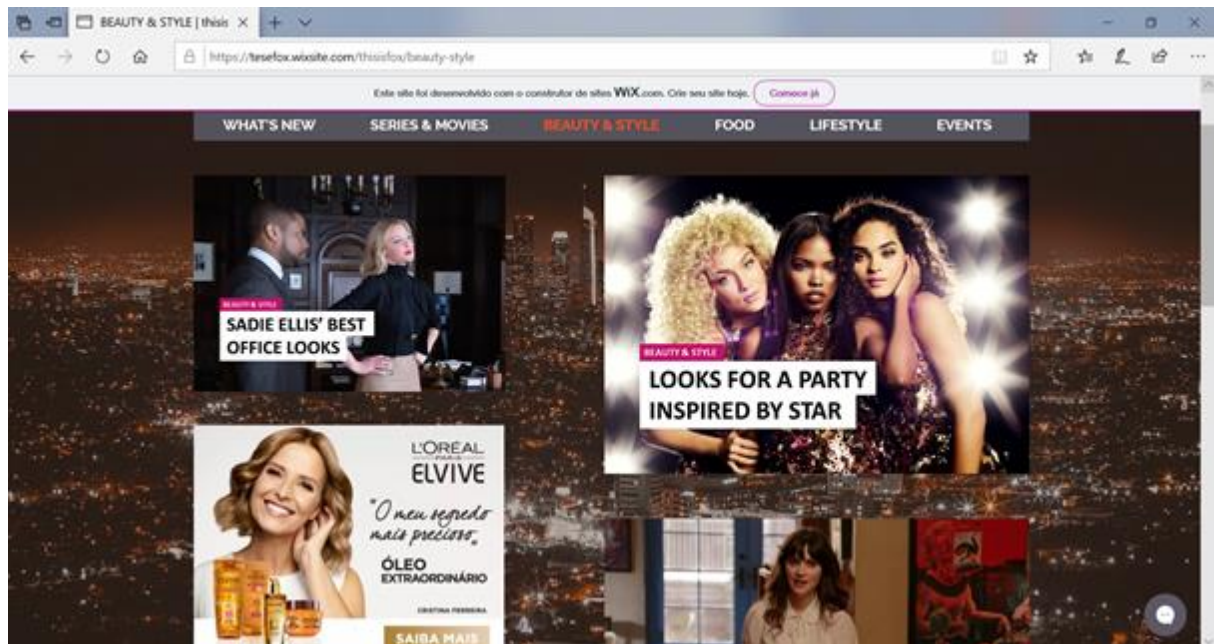
Appendix 11 – *This is Fox* online magazine

Mock-up page at <http://tesefox.wixste.com/thisisfox>

Entry page:



Beauty and Lifestyle Section:



Appendix 12 – Content example: 4 weeks of content ideas

<i>This is Fox</i> Content Suggestions					
	Series & Movies	Beauty & Style	Food	Lifestyle	Events
Monday	Announcing a new season of a series	Halloween party: makeup tips	Secret tricks from Filipa Gomes to cook merengue	Fox signs	Event announcement
Tuesday	The funniest moments of Friends	The best hair looks of Beverly from <i>Godlbergs</i>	Dietician article	Salvador Martinha's chronic	
Wednesday	The most romantic quotes of Meridith and Derek (from <i>Grey's Anatomy</i>)	Recreate Gloria's look from <i>Modern Family</i>	Tia Cátia interview	The most iconic places from <i>Hawaii Five-0</i>	
Thursday	Get to know the behind the scenes of "War of the Worlds"	Tips to get a hair like Bonnie from <i>Mom</i>	Best vegetarian recipes books	<i>Grey's Anatomy</i> topic article	
Friday	New about an actor of one of the series	The evolution of Sue Heck from <i>The Middle</i>	3 recipes with peanut butter	How to recreate <i>Modern Family</i> living room	

Monday	Check how much the cast of "The walking dead" has changed	Filipa Gomes tips for a pin up style	How to reuse potato peelings	Fox signs	
Tuesday	"Bob's burgers" recipe	Looks for a party inspired by <i>Star</i> series	Francisco Moreira's Kitchen essentials	Where can you surf like Kono Kalakaua	Best moments of a Fox event
Wednesday	Best Thanksgiving episodes	Black and white looks inspired by <i>American Horror Story</i>	Sandra Nobre life story	Road map of the most iconic NYC places	
Thursday	How do they do special effects of "War of the Worlds"	Old Looks from Agatha Christie that are back	Recipes with seasonal fruit	Article about <i>This is Us</i> issues in real life	
Friday	New about a Fox movie debut	Classic looks inspired by <i>Isles</i>	Tia Cátia favorite recipes with beetroot	Rural tourism in Portugal that Father Brown would love	

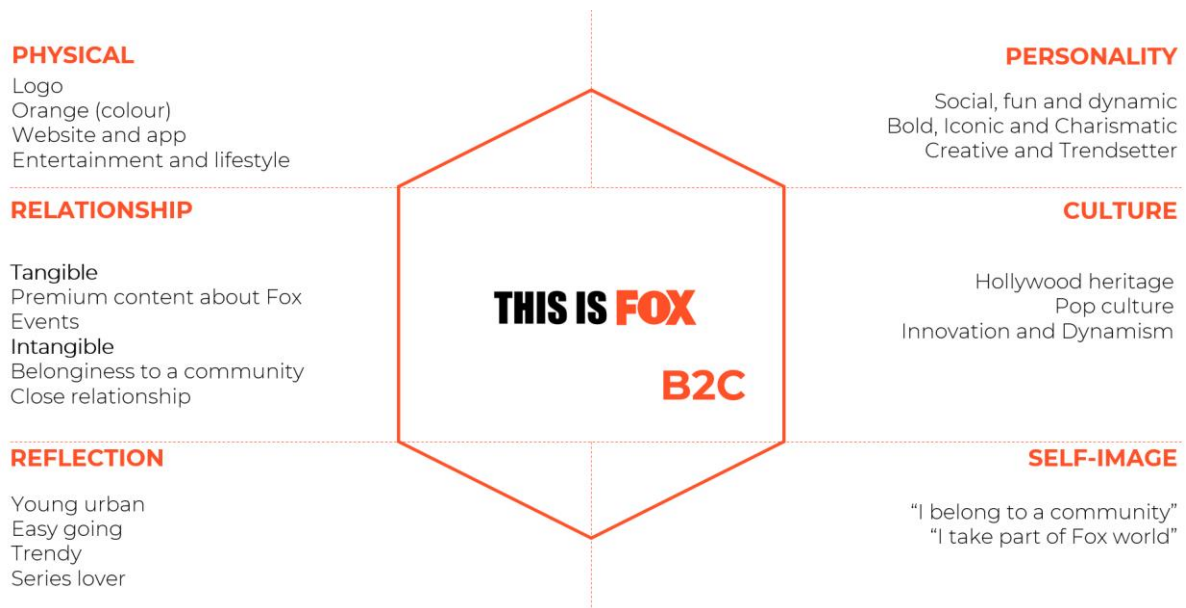
Monday	New about an actor of one of the series	Style battle: Carrie vs Samantha	Recipes with only 3 ingredients	Fox signs	
Tuesday	Teaser of a new episode	Get the look: Jess from New Girl	Favorite kitchen tools of Francisco Moreira	Gift ideas to "How I met your mother" fans	News about a sponsored event by Fox
Wednesday	Series with the most emotional weddings	DIY accessories from character Miss Fisher	Quick and easy recipes when you do not have time to cook	Places that could become your Central Perk in Lisbon	
Thursday	Best bloopers of 9-1-1	Season trends inspired by characters	Best restaurants to eat curry	Places to skateboard like Bart	
Friday	Teaser of the new "Say what" youtube video	Sadie Ellis best office looks	Dietician tips	Where to drink the best cosmopolitan like in Sex and the City	

Monday	Books that became movies	Fiona Gallagher's last Best looks	Table decoration ideas	Fox signs	
Tuesday	The best episodes to watch when you are feeling sad	Get the look: Linda Lovelace	Iara Rodrigues interview	Organize a thematic party inspired by Rainha do Sul	
Wednesday	New about na actor of one of the series	Makeup tutorial of Max Black from Two Broke Girls	Tips and tricks to cook rice	DIY home decoration inspired in RetrosHOW	
Thursday	Best Movies to watch on Fox Movies this Xmas	Rachel's favorite pieces	The trick to cook caramel that Francisco did not explain on the show	Be as organized as Mónica from Friends	Best moments of a sponsored event by Fox
Friday	Playlist with most iconic songs from Fox series	Beauty mask to get a skin like Rebecca from This is Us	Packed lunch ideas for work	Christmas traditions from series	

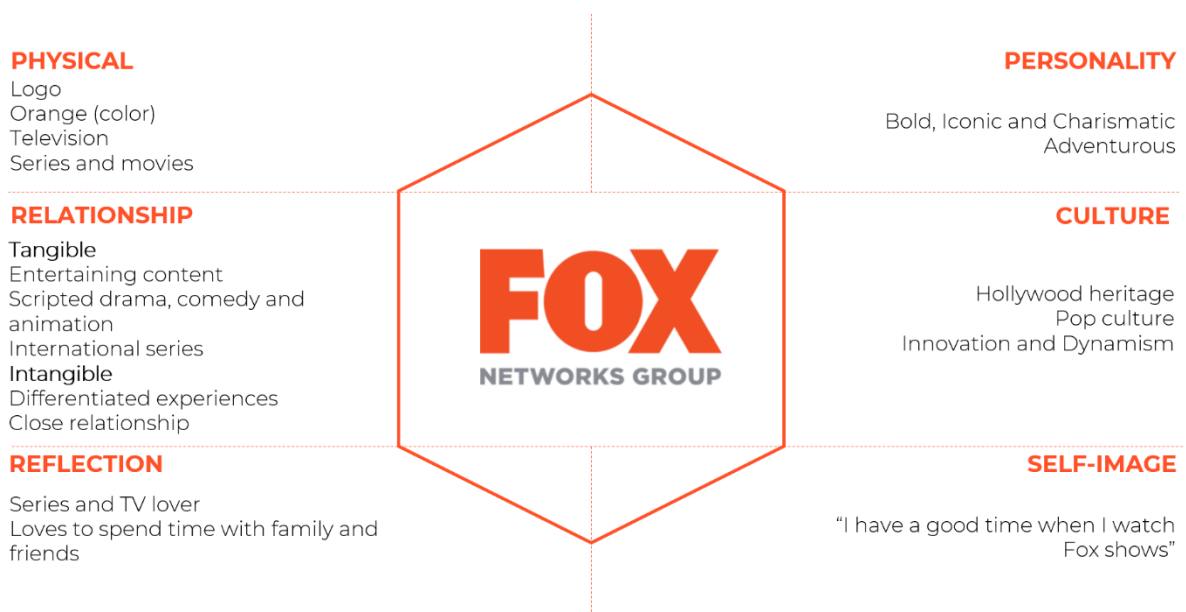
Appendix 13 – This is Fox logo

THIS IS FOX

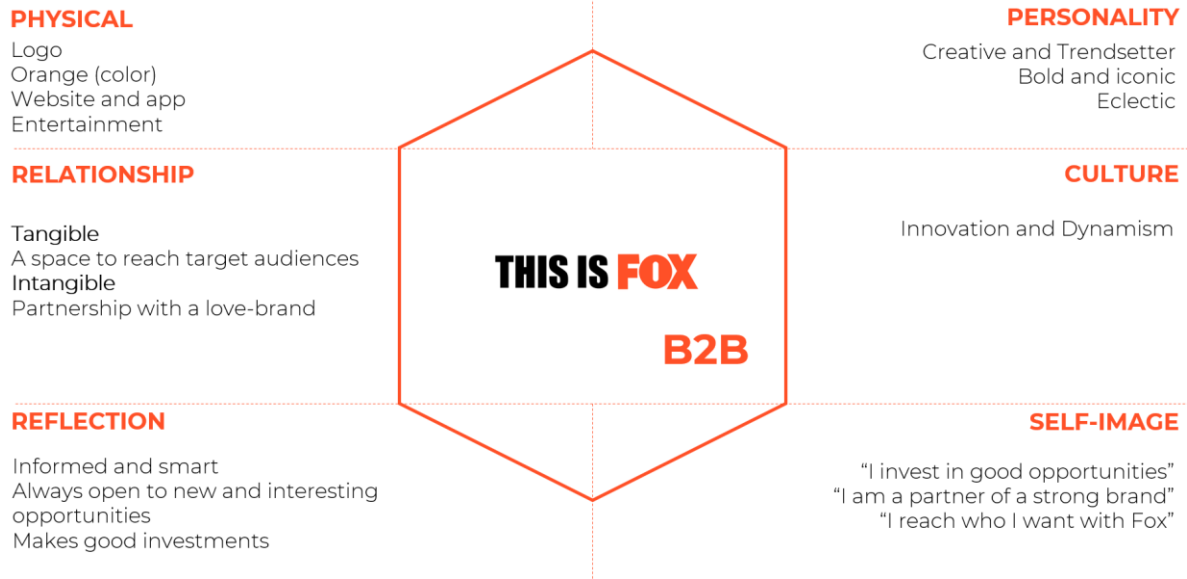
Appendix 14 – This is Fox Brand Identity Prism B2C



Appendix 15 – FNG Brand Identity Prism



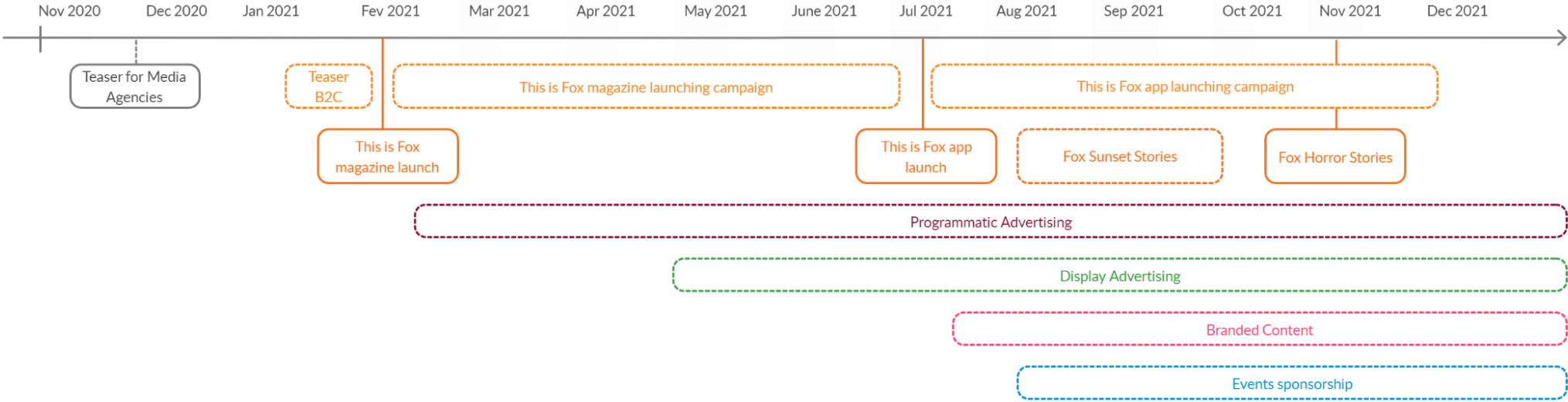
Appendix 16 – This is Fox Brand Identity Prism B2B



Appendix 17 – FNG Brand Architecture



Appendix 18 - Roadmap for the future

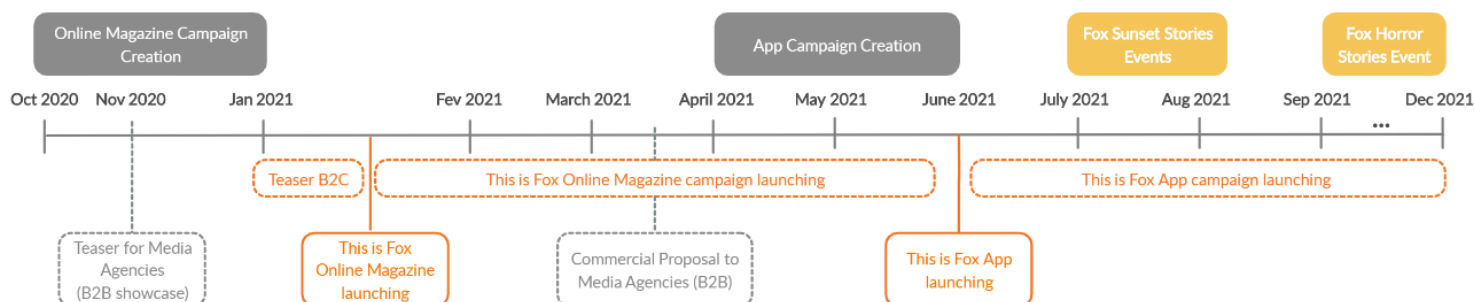


- - - - - This is Fox Online Magazine Launching
- - - - - Commercial Porposal to Media Agencies (B2B)
- - - - - This is Fox App Launching

Appendix 19 – Media bundles

Campaign Size	N. of Campaigns	Type of Campaign	Bundles	Impressions (in thousands)	Unit Price	Agency Discount	Bundle Discount
Big Campaign	1	TV + This is Fox + Branded Content	Pre-Rolls + Billboards + MREC (cost per thousand impressions)	500	420 €	60%	10%
			Branded Content (unitary cost)	-	4 000 €	20%	
Medium Campaign	5	TV + This is Fox + Branded Content	Pre-Rolls + Billboards + MREC (cost per thousand impressions)	100	420 €	60%	10%
			Branded Content (unitary cost)	-	4 000 €	20%	
	5	TV + This is Fox	Pre-Rolls + Billboards + MREC (cost per thousand impressions)	100	420 €	60%	10%
			Pre-Rolls + Billboards + MREC (cost per thousand impressions)	100	420 €	60%	
	2	This is Fox + Branded Content	Pre-Rolls + Billboards + MREC (cost per thousand impressions)	100	420 €	60%	20%
			Branded Content (unitary cost)	-	4 000 €	20%	
3	This is Fox	Pre-Rolls + Billboards + MREC (cost per thousand impressions)	100	420 €	60%		
Small Campaign	25	This is Fox	Pre-Rolls + Billboards + MREC (cost per thousand impressions)	15	420 €	60%	
Events	15	This is Fox Events	Fixed Fee including: Map + Push Notifications + Pre-roll + Billboard + MREC	-	2 000 €	0%	
Advertisers	4	This is Fox	Branded Content (unitary cost)	-	4 000 €	0%	

Appendix 20 - Action Plan



Appendix 21 - Marketing Objectives of This is Fox online magazine

	Jan 21	Feb 21	March 21	April 21	May 21	June 21	July 21	Aug 21	Sep 21	Oct 21	Nov 2021	Dec 2021
Website Visits % Increase	-	60%*	50%	40%	30%	20%	10%	10%	5%	5%	5%	5%
Website Visits	1 030 000**	1 648 000	2 472 000	3 460 800	4 499 040	5 398 848	5 938 733	6 532 606	6 859 236	7 202 198	7 562 308	7 940 424
Average Visit Duration	2min82seg**	2min82seg	2min82seg	2min82seg	2min82seg	2min82seg	2min82seg	2min82seg	2min82seg	2min82seg	2min82seg	2min82seg

*Foxtv.pt increased in 60% the website visits (general visits and not unique visitors) due to the last campaign *Estreia-te*

**Benchmark with engagement numbers of foxtv.pt, 24kitchen.pt, magg.pt and nit.pt of October 2019. The first two online platforms give the values of actual engagement with Fox in Portugal and the last two are the platforms in Portugal with the content that most closely resembles that of *This is Fox* (Source: Similarweb)

Appendix 22 - Behavioral sequence model for Online Entertainment (B2C)

DECISION STAGES	Need arousal	Information Search and evaluation of alternatives	Decision and Usage	Re-use
ROLES	Self (Initiators) Friends, family and media (Influencers)	Friends, family and media (Influencers) Self (decider)	Self (final decider and user)	Self (redecider)
LOCATION	Home, friends, internet, TV, outdoors	Internet	Internet	Internet
TIME AND TIMING	Anytime	Anytime after the aroused need	-	Anytime after the first usage
DECISION PROCESS	Self-fulfillment, leisure times, desire for shareability with peers, through advertisement	Online search (blogs, advertisements, company websites). Compare content and user-friendliness of different options	Decide and browse on the chosen platform	User will reconsider the brand if the last experience was satisfactory or to find interesting content on other time

Appendix 23 - Creative Brief for Communications Campaign of *This is Fox* Online Magazine

1. Behavioral sequence model (See appendix 22)

Creative Target Audience: Portuguese people aged between 25-34 years old who are mainly motivated by self-expression and are FNG's content fans

Primary and Secondary Media: TV, Internet, Radio and Out-of-Home

Action Objectives

Trial of *This is Fox* by OBSs who have not tried the brands, as it is new, and later on the repeated purchase would be the objective. Goal set: 1 030 000 total number of expected website visits and 2 minutes and 82 seconds average website visit duration on the first month.

2. Communications Objectives

Category Need: Omit

Brand Awareness: Brand Recall

Brand Attitude: Create (new brand, unaware by OBSs)

Brand Purchase Intention: Omit

Brand Purchase Facilitation: Incorporate (new offering so consumers must be informed where they can access the service)

3. Positioning Statement for Campaign

To Portuguese people aged between 25-34 years old who are novelty seeking about FNG's content and enjoy sharing it with peers (OBSs), *This is Fox* is a differentiated brand of online lifestyle entertainment (where user is the hero), **that offers** a satisfying solution of online entertainment content related with Fox channels (incomplete satisfaction), enabling consumers to be part of the full experience of Fox community (intellectual stimulation). This is because, Fox proved to be a love-brand from user perspective, driven by high dedication of delivering to consumers a differentiated content that goes beyond the notoriety of its series and programs – **reason to believe.**

The campaign should:

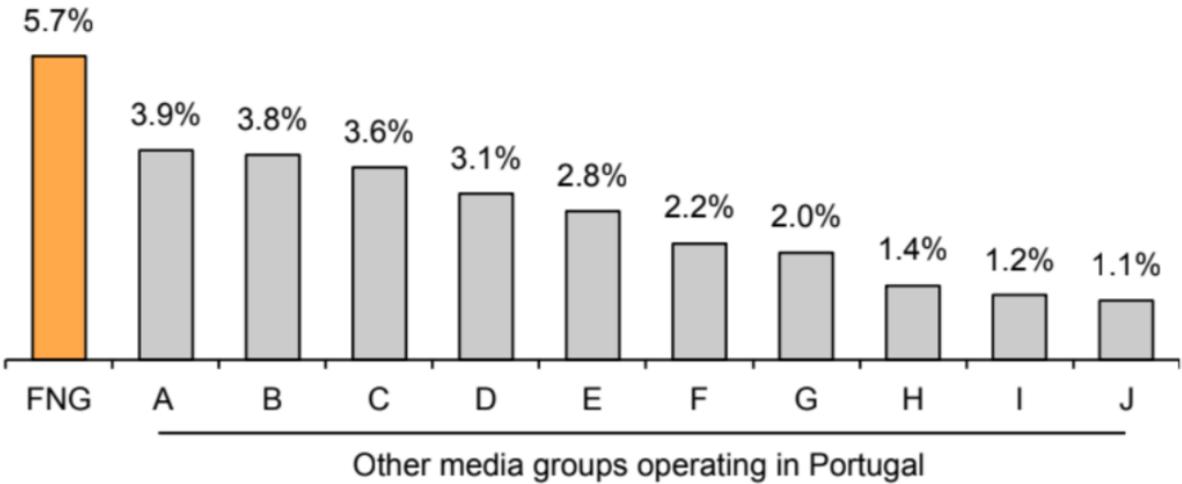
- Emphasize that the brand solves the lack of online FNG’s exclusive and aggregated content giving to consumers an opportunity to drive in Fox world – fulfilling the need of being updated on Fox world novelties (from negative emotion to benefit to positive emotion: $e- \rightarrow b \rightarrow e+$ in the Attribute-Benefit-Emotion model)
- Mention entry-ticket benefits: availability on the Internet and the entertainment content

There is none inferior benefit to be omitted.

4. Mandatory Content

This is Fox logo as well as the website URL must be displayed for at least 3 seconds (promoting Brand Recall and emphasizing Brand Purchase Facilitation).

Appendix 24 – Share of Audience for the Pay-TV channels of major media groups operating in Portugal



Appendix 25 – TV spot storyline (30 seconds) – frames from a video produced from scratch



Upbeat Drums and Percussion Background Music



Upbeat Drums and Percussion Background Music

VOICE OFF: "All the novelties you desire are here!"
 VOICE OFF: "Get into the world of Fox!"

Website URL displayed for 8 seconds



Upbeat Drums and Percussion Background Music



Upbeat Drums and Percussion Background Music

Appendix 26 - Teaser campaign (examples of what can substitute the word “Fox”)

Bus shelter examples



TV Teaser



Appendix 27 - Schedule for B2C Campaigns' Implementation

	2020			2021											
	October	November	December	January	February	March	April	May	June	July	August	September	October	November	December
Campaigns	Launching <i>This is Fox</i> Online Magazine								Launching <i>This is Fox</i> App						
Campaign Content Creation	[Grey Bar]														
Teaser Campaign															
Television			[Red Bar]												
OOH			[Red Bar]												
Mupis			[Red Bar]												
Metro/Train Station Posters			[Red Bar]												
Metro/Train Station Stairs			[Red Bar]												
Bus Shelters			[Red Bar]												
Social Media (Owned)			[Red Bar]												
Complete Campaign															
Television				[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]
OOH				[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]
Mupis				[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]
Metro/Train Station Posters				[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]
Metro/Train Station Stairs				[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]
Bus Shelters				[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]
Radio				[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]
Social Media (Owned)				[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]
Internet				[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]
Google Search Ads				[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]
Youtube Pre-roll Ads				[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]
Social Media Promoted Posts				[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]
This is Fox Online Magazine				[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]
Sponsors' Social Media (Earned)				[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]	[Maroon Bar]

-----This is Fox Online Magazine Launching

-----Commercial Porposal to Media Agencies (B2B)

-----This is Fox App Launching

Appendix 28 – Campaign Budget Breakdown

Campaign Budget Break Down (1st year)								
		Online Magazine		App		Magazine + App		Explanation
		%	Amount	%	Amount	Total Amount	Duration	
Creative Agency (Content creation)	27,66%	13,83%	€ 25 462,00	13,83%	€ 25 462,00	€ 50 924,00	-	
Primary Media								
Television	0%	0,00%	€ -	0,00%	€ -	-	-	There is no cost involved because FNG media channels will be used
Internet								
Google Search Ads	15,48%	4,89%	€ 9 000,00	10,59%	€ 19 500,00	€ 28 500,00	5 months	€4500 per month for magazine and €6500 per month for app (with key words related with FNG series and programs)
Youtube Pre-roll Ads	18,74%	10,59%	€ 19 500,00	8,15%	€ 15 000,00	€ 34 500,00	4 months	€12000 for the 1st month and €22500 for the remaining
Social Media Promoted Posts	6,52%	2,61%	€ 4 800,00	3,91%	€ 7 200,00	€ 12 000,00	10 months	€100 per promoted post x 3 promoted posts per week x 4 weeks per month x 10 months
Owned Social Media	0%	0,00%	€ -	0,00%	€ -	€ -	-	There is no cost involved because FNG media channels will be used
Secondary Media								
OOH	26%	26%	€ 48 750,00	-	€ -	€ 48 750,00	3 weeks	650 faces (across Portugal) x €25 per face per week x 3 weeks
Radio	5,11%	3,37%	€ 6 200,00	1,74%	€ 3 200,00	€ 9 400,00	3 weeks	€3200 per week for 30 seconds on air (RFM radio station) x 3 weeks
TOTAL Marketing Costs	100%	61,78%	€ 113 712,00	38,22%	€ 70 362,00	€ 184 074	-	-

Appendix 29 – Revenue Growth Forecast

FOX GROWTH RATE HISTORY

	30/06/13	30/06/14	30/06/15	30/06/16	30/06/17	30/06/18
Total Revenues	16 868 661	17 823 822	19 950 419	19 081 122	20 106 473	23 147 717
Growth (%)		5,36%	10,66%	-4,56%	5,10%	13,14%

Average Anual Growth (5y)	5,94%
----------------------------------	-------

Appendix 30 – Marketing Expenses

	%	2020	2021	2022	2023	2024	2025
% of next year revenues		30%	20%	10%	10%	10%	10%
Total Marketing Costs		€ 184 074	€ 130 005,46	€ 68 863,96	€ 72 954,56	€ 77 288,14	€ 81 879,14
Media Costs	72,34%	€ 133 150,00	€ 94 039,50	€ 49 812,78	€ 52 771,71	€ 55 906,40	€ 59 227,31
Creative Agency Costs	27,66%	€ 50 924,00	€ 35 965,96	€ 19 051,19	€ 20 182,85	€ 21 381,73	€ 22 651,83

Appendix 31 – Operating Costs

Yearly Operating Costs Descriminated	
Personnel	
Salaries (monthly)	951,00 €
Social Security	23,75%
Nr of Months Paid (per year)	14
Gross Salary (monthly)	16 476,08 €
Nr Employees	10
Personnel Expenses year 0 (divide by 3)	54 920,25 €
Personnel Expenses year 1 and onward	164 760,75 €
Training	
Initial Training (hours)	6
Yearly Training (hours)	20
Nr of Employees	7
Price of Training (per hour and person)	5 €
Training Expenses Year 1	910 €
Training Expenses Year 2 and on	700 €
Maintenance - IT Infrastructure	
Costs of housing the CMS	1 800 €
Cost per hour	30 €
Nr of hours per month	5
Nr of months	12
Template	100 €
Apple Store Fee	89,19 €
Google Store Fee	22,52 €
Plug-in license	600 €
Cost of keeping the Domain	10 €
Maintenancce Expenses Year 0	1 010 €
Maintenancce Expenses Year 1	2 599,19 €

Appendix 32 – Development Costs

Website*	
Content Management System	
Developing cost - Open-source CRM**	7 000 €
SSL Certificate	2 000 €
Webdesign	
Template acquisition	400 €
Responsive web design	3 000 €
Plug-ins	1 200 €
Webdesigner personalisation	9 600 €
App***	
Development	24 000 €
UI/UX designer	9 600 €
Total	56 800 €

*Costs in the market charged by freelancers

** where the cost can vary the most.

***Costs in the market charged by start-ups

Appendix 33 – WACC

WACC	
Cost of Equity (Re)	23,70%
Equity Risk Premium	27,54%
Beta	1,22
Risk Free Rate	-9,90%
Cost of Debt (Rd)	0,058%
Annual Interest Rate	8 766 €
Total Debt	11 938 400 €
Effective Interest Rate	0,073%
Tax Shield	79%
Equity (E)	9 998 672 €
Debt (D)	11 938 400 €
Total Market Value (V)	21 937 072 €
WACC	10,83%

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A Work Project, presented as part of the requirements for the Award of a Master's degree in Management from the Nova School of Business and Economics.

**“HOW CAN FOX NETWORKS GROUP GROW FASTER VIA ENTERING AND
THRIVING IN THE ONLINE ADVERTISING MARKET?”:
COMMUNICATIONS PLAN FOR THIS IS FOX**

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Work Project carried out under the supervision of
Professor Jorge Velosa
and the assistance of Nina Sodagar

05-01-2020

Index

- 1. Marketing Objectives2**
- 2. Target Audience Selection2**
- 3. Target Audience Action Objectives3**
- 4. Target Audience Behavioral Sequence Model.....4**
- 5. Communication Objectives4**
- 6. Brand Positioning for Communication Plan6**
- 7. Creative Strategy.....7**
- 8. Media Strategy8**
- 9. Integrated Communications Strategy.....9**
- 10. Budget and Campaign’s Schedule10**
- 11. Campaign Tracking10**
- References 11**
- Exhibits12**

1. Marketing Objectives

In order to come up with a communication plan, marketing objectives need to be considered in first place. Therefore, including specific sales or market share goals is important, beyond the overall brand's marketing objectives (Percy and Elliot, 2016), since marketing objectives generally focus on advertiser's profit increase (Rossiter and Percy, 1997). Fox Networks Group (FNG) has powerful brands and top-quality content already well-known in Portugal, however, *This is Fox* online magazine is a new brand with the “goal of entering and thriving on online entertainment market” (Daniela et al, 2020). Thus, the marketing objectives for this campaign, on the first month after the platform launch, is to reach 1 030 000 total website visits – having an increase of 60% on the second month - and 2 minutes and 82 seconds of average visit duration in order to engage with audience (exhibit 1). Consequently, in order to attain the objectives previously mentioned, the expenditures will total €184 074 in 2020. As is showed in the action plan (exhibit 2) the *This is Fox* online magazine would be launched on mid-January 2021 and after the first two months a commercial propose with the website engagement numbers can be present to media agencies (on exhibit 3 a B2B campaign plan is presented), pulling their interest in advertising on this platform.

2. Target Audience Selection

It is crucial to determine the most appropriate and promising target audience for FNG new offering, so that the campaign targets the audience most likely to increase potential sales – in this case defined as website visits and average time spent on website. To address this, the Awareness-Attitude-Behavior approach is used to determine the prospectively of a brand to be purchased accordingly with the level of brand loyalty of potential customers (Rossiter and Percy, 1997). Thus, *This is Fox* is a new brand, therefore, having no degree of brand loyalty among potential customers. Hence, the target audience for this B2C campaign are Other Brand Switchers (OBSs), meaning the customers who consume other brands but not *This is Fox*, not

including *This is Fox* brand on in their switching behavior towards online entertainment offers (Rossiter et al, 2018). Moreover, for a better understanding of the selected target audience it is relevant to profile it by describing target audience's characteristics (Percy and Elliot, 2016). For this purpose, geographically, targeted individuals would be defined as Portuguese people and, demographically, this group would be aged between 25 and 34 years old. Moreover, as demographic criteria are not enough to define the target audience (Percy and Elliot, 2016), psychographic criteria would be used to achieve a deeper understanding, and consequently, allowing a more accurate communication effort. So, targeted individuals, besides being fans of FNG's content, they are "digitally hyper connected and easy-going people, who seek for new information online. Additionally, target audience is classified as individuals who are up on the latest fashions, are spontaneous and see themselves as very sociable. They are novelty seeking and mainly motivated by self-expression, which means that they desire social activity and variety" (Daniela et al, 2020).

3. Target Audience Action Objectives

Concerning the target audience previous selected, the desired behaviors of these campaign-motivated individuals also need to be defined (Rossiter and Percy, 1997). Hence, as stated before, *This is Fox* is a new brand targeting OBSs so, based on an overall approach, the key action objective is brand trial and subsequently, after this new offering be strongly present in the minds of consumers, the repeat purchase would be the objective. Thus, on the long run, OBSs will eventually increase their repeated purchase rate becoming BLs (Rossiter and Percy, 1997). To better determine the expected customers' observable behavior as a result of being impacted by the campaign, a goal should be specified – quantitatively and time-period specific goal (Rossiter et al, 2018). "Therefore, the trial goal was set based on total number of expected website visits for the first month (1 030 000) being each visit duration on average of 2 minutes and 82 seconds." (Daniela et al, 2020). Furthermore, as action objectives definition depends on

the type of campaign's target individuals, when a campaign aims to target end-consumers "action objectives can be categorized as pre-purchase, purchase, or post-purchase." (Rossiter et al, 2018). Thus, a pre-purchase behavior occurs when a personal selling represents the end of the purchase process, which is a behavior that is not desired to pull with this campaign. Moreover, as the nature of the product or service is also a hint to select the most appropriate action objective, for a service with a low level of involvement, such as *This is Fox*, "the first purchase is indeed a trial purchase." (Rossiter et al, 2018). Lastly, the post-purchase actions, in this case, can be reflected as customer recommendation. So, as supplementary action objective for *This is Fox*, spontaneous recommendations from satisfied consumers should be taken into consideration. In this sense, with this campaign, from 60% website visitors increase on the second month, 25% is expected to come from online and offline conversations (154 500 website visitors) (Daniela et al, 2020).

4. Target Audience Behavioral Sequence Model

Understanding the decision-making process of the target audience requires building a Behavioral Sequence Model (exhibit 4). These flow chart assess the main stages of the target audience decision, the role-players, where, when and how target audience make decisions and take actions that lead to actual use of the service. Thus, this "diagrammatic summary" (Rossiter et al, 2018) is extremely useful in order to understand in which part of the targets' audience decision process the marketing communication might influence *This is Fox* choice.

5. Communication Objectives

Communication objectives are unobservable mental communication effects that cause the behaviors, and that's why they differ from action objectives (Rossiter et al, 2018). For planning a specific advertising and promotion campaign, among five communication objectives, there are some options that need to be done. First, Category Need relates to target audience's feeling of wanting a certain brand or product to fulfil a specific need (Percy and Elliot, 2016) – it causes

demand for the whole product or service category (Rossiter and Percy, 1997). Category Need occurs when a relevant motivation of purchase arises and the buyer accepts category ability to satisfy the perceived discrepancy between the current motivational state and the desired motivational state (Rossiter et al, 2018). Assuming, online lifestyle entertainment as the Category Need and the OBSs as target audience, the need is already present on the mind of consumers, so it can be omitted as a communication objective. Brand Awareness reflects target audience's ability to recognize or recall the brand, within a category, in enough detail to purchase it (Rossiter and Percy, 1997). This universal communication objective – present in all campaigns - can be defined as Brand Recognition, Brand Recall or both (Percy and Elliot, 2016), depending on the target customer's mental environment at the time of brand-item choice (Rossiter and Bellman, 2005). When buyer's brand choice occurs at the point of purchase it requires Brand Recognition, while if this decision happen prior to the point of purchase Brand Recall should be the objective (Rossiter and Percy, 1997). Thereby, for *This is Fox* Brand Recall promotion is needed once the goal is to lead consumers to remember the brand when category need arises – “this would be easily attained by transferring of the current high awareness of the brand Fox” (Daniela et al, 2020). Moreover, Brand Attitude - universal communication objective - is inoperable without prior Brand Awareness, as it is the buyer's evaluation of the capacity of a particular brand to satisfy a current relevant motivation (Percy and Elliot, 2016). It is the most complex communication objective because it relies on buyer beliefs, feelings and evaluations. For a new brand, it is necessary to create Brand Attitude towards it, convincing the unaware target audience that the new offering is the best alternative for satisfying the needs (Rossiter and Percy, 1997). Therefore, it is crucial to create a positive Brand Attitude towards *This is Fox* offering, driving it with an underlying negative motivation – incomplete satisfaction reflected by the lack of online FNG's exclusive and aggregated content. Moreover, the fourth communication objective, Brand Purchase Intention is defined as the buyer's self-instruction to

act towards a brand purchase (Rossiter and Percy, 1997). Thus, define Brand Purchase Intention as a communication objective for a campaign depends on the level of targeted action-taker perceived risk (high or low) on the moment of brand choice (Rossiter et al, 2018). *This is Fox* requires from buyers a low-involvement brand attitude (there is not much to lose for making the wrong choice), so Brand Purchase Intention could be omitted as a campaign communication objective. The last objective that needs to be considered is the Brand Purchase Facilitation, defined as the guarantee that the purchase of the brand will not be threatened by the lack of buyer's knowledge regarding the other marketing factors – 4Ps (Rossiter et al, 2018). Once again, as *This is Fox* is a new offering, “consumers must be informed about where they could act towards this service” (Daniela et al, 2020), so this communication objective must be incorporated into the campaign.

6. Brand Positioning for Communication Plan

In order to address Brand Positioning, the following three models should be use in sequence. Starting by the T-C-B general positioning model, with the purpose of formulate the positioning statement for the brand, this model depends on the definition of the target (T) customer for the brand, of the category (C) in which the brand is positioned, and of the key benefit (B) offered by the brand (Rossiter et al, 2018). Therefore, concerning the T-C-B model, the positioning statement for *This is Fox* is as follows: (T)**To** Portuguese people aged between 25-34 years old who are novelty seeking about FNG’s content and enjoy sharing it with peers (OBSs), (C) ***This is Fox*** is a differentiated brand of online lifestyle entertainment (where user is the hero), (B) **that offers** a satisfying solution of online entertainment content related with Fox channels (incomplete satisfaction), enabling consumers to be part of the full experience of Fox community (intellectual stimulation). This is because, Fox proved to be a love-brand from user perspective, driven by high dedication of delivering to consumers a differentiated content that goes beyond the notoriety of its series and programs – **reason to believe**. Furthermore, the key

benefit prior defined should be emphasized on brand marketing communications as an Important benefit for target audience, Deliverable by the brand and Unique benefit to the brand (I-D-U model). Moreover, the equal benefits delivered by all brands across the category must be mentioned – entry ticket (Rossiter et al, 2018). *This is Fox* advertising should emphasize that the brand solves the lack of online FNG’s exclusive and aggregated content giving to consumers an opportunity to dive in Fox world – fulfilling the need of being updated on Fox world novelties (from negative emotion to benefit to positive emotion in the Attribute-Benefit-Emotion model). Therefore, the availability on internet and the entertainment content must be mentioned as the entry tickets.

7. Creative Strategy

A successful campaign cannot be developed without a Creative Strategy that proceeds from a Creative Brief and incorporates the “deep structure” components of an ad (Rossiter and Bellman, 2005). Thus, the Creative Strategy starts with the Key Benefit Claim (KBC) - unique statement of the main benefit offered by a specific brand (Rossiter and Bellman, 2005) – that stimulates the brainstorm of the potential Creative Idea, setting up the rest of the strategy. Consequently, without the Creative Idea the brand would fail in setting apart from competitors within the same category (*This is Fox* KBC and Creative Strategy on exhibit 5). Furthermore, when developing a Creative Strategy, advertising tactics need to be considered either for Brand Awareness or for Brand Attitude (Rossiter and Bellman, 2005). For this consideration, brands should be placed in the Rossiter-Percy grid and this placement depends on target audience evaluation of brand as a possible candidate for the next purchase within the same category (Rossiter et al, 2018) Thus, to attain Brand Recall objective previously stated, the category and the brand name should be associated, and this association should be repeated. Moreover, a personal connection with the brand should be highlighted and for that reason the sentence “All the novelties you desire are here!” is present in all the communications. Furthermore, creative

tactics for Brand Attitude need to be used and as *This is Fox* requires a Low-Involvement Informational Brand Attitude strategy with a primary purchase motivation being negative-ending thus, the emotional appeal is not quite as important as delivering the suitable benefit claim support. This means that a simple problem-solution format should be used, and the benefit claim should be stated extremely. For *This is Fox* the KBC needs to be highlighted in order to pull consumers by curiosity proving that *This is Fox* will deliver online FNG's related content, breaking through the current disbelief. The benefits will be easily learned, nevertheless the repetition is crucial due to Brand Recall generation objective (Rossiter et al, 2018). The Creative Brief presented in exhibit 6 summarizes this strategy.

8. Media Strategy

A media strategy depends upon the communication objectives, mainly on Brand Awareness and Attitude predefined goals. Therefore, in order to structure the media plan, there are some tradeoffs to be made in choosing whether to emphasize reach, frequency or continuity. For *This is Fox*, despite Low-Involvement/Informational Attitude only needs a brief processing time as benefits claimed are learned in few exposures (Percy and Elliott, 2016), due to the intention to reach Brand Recall objective, the biggest concern is the frequency. As, in this case, increasing frequency with which the target audience sees the advertising is necessary, then the number of people reached needs to be cut back or the number of advertising cycles needs to be reduced (Rossiter et al, 2018). With these criteria in mind, the most appropriate primary mediums to be used are Television and Internet (Percy and Elliott, 2016). Concerning Television, "that is still a medium with high impact in Portugal and is the FNG medium that, until now, better establishes a connection with audience (...), a 30 seconds ad will be displayed in prime-time across all FNG channels." (Daniela et al, 2020). For this purpose, a mystery ad format will be used, meaning that the brand-item is only revealed at the end of the commercial, so the audience is kept guessing about the brand's identity until the end of the ad. This format is proven to be

effective in order to generate Brand Recall for a new brand since after seeing the ad few times, viewers tend to mentally insert the brand name early (Rossiter et al, 2018). The storyline for the Television ad, that gives life to the creative idea, can be seen in exhibit 7. In addition, the Internet use enables advertisers to reach very specific target audiences while measuring the number of times someone clicks on an ad accessing its impact on audience. Also, the opportunity to test and change online ad's characteristics in very short time frames, boosts the flexibility in execution (Percy and Elliott, 2016). Therefore, for *This is Fox* announcement, Google search ads will be used, so that every time consumers show interest in the keywords bought by advertiser, *This is Fox* ad appears alongside the search engine's result page (Rossiter et al, 2018). Furthermore, pre-roll ads on YouTube and promoted *This is Fox*'s posts from FNG social media will also be used to stimulate brand exposure. Moreover, as secondary media that will reach the same target audience, Radio, as no visual content is extremely required since there is a verbal brand-name recognition towards Fox, and Out-of-Home will be used in order to boost Brand Awareness (Rossiter et al, 2018). Additionally, on an early stage, a teaser campaign - incomplete ads will be launched and, later on, the complete ads will provide to audience the linkage between the brand name and the category (Rossiter et al, 2018) - will be developed, being effective in audience curiosity enhancement (exhibit 8).

9. Integrated Communications Strategy

In order to meet a common set of communication objectives, supporting brand's positioning, is important to have truly integrated plan of all types of marketing communications selected for the brand (Percy and Elliott, 2016). Thus, an Integrated Marketing Communications (IMC) means that the brand should deliver to the audience a clear and consistent message, independently of what channels are used to convey it (Fill, 2002). Bearing in mind that IMC requires a holistic approach (Smith and Taylor, 2004), *This is Fox* communication efforts need to be under the umbrella concept of diving into Fox world. Besides that, online magazine

campaign visual content needs to be aligned with website layout – and consequently app layout need to be in line with website design. This is crucial so that the brand identity and equity could be developed and sustained. Moreover, as *This is Fox* is a new offering of Fox, it should follow the rules that make up Fox’s brand style guide, so that consumers perceive the new offering as an extension of FNG.

10. Budget and Campaign’s Schedule

For the purpose of communications mix effectiveness and thus of company sales and profits, a communication budget level needs to be defined. However, “there is no ideal formula for making the best budgeting decision” (De Pelsmacker et al, 2018). Thus, campaign budget was set based on the percentage of sales method, meaning that it was defined as a percentage (30%) of the projected total sales of the first year (€613 580), totaling the value of €184 074 of which 62% for the online magazine campaign. Thus, 30% of first year sales were assumed for *This is Fox* as the launch of a new brand requires a higher level of marketing efforts. Despite the ease of use of this technique, it does not take into consideration competitive spending and it assumes that communication budget is a result of sales rather than a way to create demand and thus push up sales. However, due to the lack of accurate values to use the other budgeting approaches, this model was chosen. Budget allocation across primary and secondary media can be seen in exhibit 9. Moreover, the campaign will start on January 2021 with the launch of the teaser, 15 days before the platform launch. Afterwards, the complete campaign will be placed across the selected media channels as is showed in exhibit 10.

11. Campaign Tracking

With a purpose of verifying if the communication efforts are causally responsible for the use of the new offering – eliminating the sales mediation by other factors in marketing mix – campaign tracking need to be done (Percy and Elliott, 2016). It is also crucial to measure competitors’ brand advertising, becoming even more crucial given that *This is Fox* campaign budget was

defined using the percentage of sales technique. In order to test this campaign's plan, a continuous tracking method will be used, considering website visits and average time per visit are as the main measurements. Moreover, click-through-rate will be used to access which sources lead more traffic to the website. Along with this, PR coverage and the engagement with social media posts (understanding which content topic are more attractive for the audience) also must be tracked.

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Exhibits

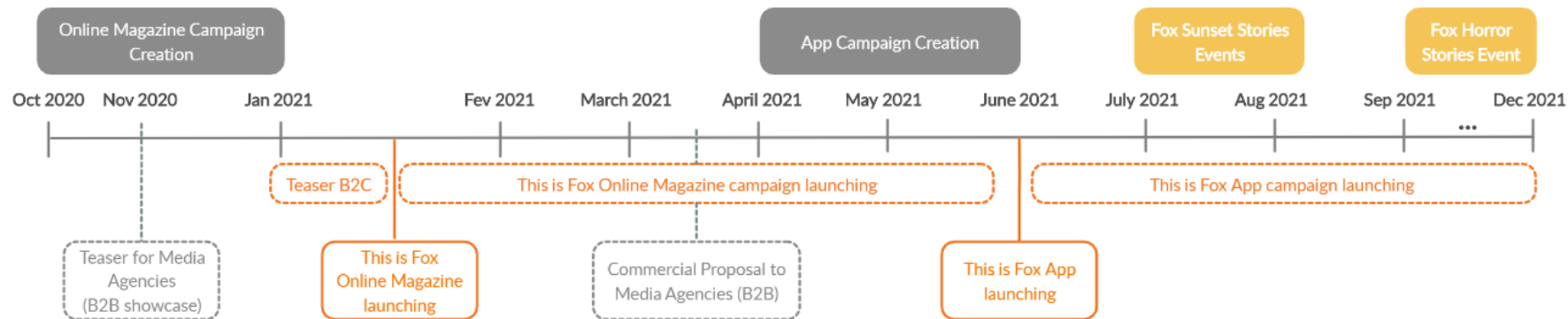
Exhibit 1 – Marketing Objectives of *This is Fox* online magazine

	Jan 21	Feb 21	March 21	April 21	May 21	June 21	July 21	Aug 21	Sep 21	Oct 21	Nov 21	Dec 21
Website Visits % Increase	-	60%*	50%	40%	30%	20%	10%	10%	5%	5%	5%	5%
Website Visits	1 030 000**	1 648 000	2 472 000	3 460 800	4 499 040	5 398 848	5 938 733	6 532 606	6 859 236	7 202 198	7 562 308	7 940 424
Average Visit Duration	2min82seg**	2min82seg	2min82seg	2min82seg	2min82seg	2min82seg	2min82seg	2min82seg	2min82seg	2min82seg	2min82seg	2min82seg

*Benchmark with foxtv.pt 60% website visits increase (general visits and not unique visitors) due to the last campaign called *Estreia-te*

**Benchmark with engagement numbers of foxtv.pt, 24kitchen.pt, magg.pt and nit.pt of October 2019. The first two online platforms give the values of actual engagement with Fox in Portugal and the last two are the platforms in Portugal with the content that most closely resembles that of *This is Fox* (Similarweb, 2019). Average visit duration will remain constant across 2021 since the amount of videos and articles read by visitors is expected to remain unchanged.

Exhibit 2 – Action Plan for *This is Fox*



One month before the Fox Sunset Stories event, *This is Fox* app is expected to be launched - an extension of the first offering with events' ad-on – but the launching date will be more accurate defined later on, since it depends on the good results of the online magazine - communication plan explained on group report (Daniela et al, 2020).

Exhibit 3 – B2B communication plan

The B2B campaign has the goal of increasing FNG profit via entering and thriving in the Online Advertising Market. Fox has no relevant presence in the Internet Ad-market, however the brand is already well-known by media agencies, becoming easier to capture their attention for this new offering. Therefore, the marketing objective for this campaign, on the first year, is to reach 41 campaigns contracts (1 big, 15 medium and 25 small) amounting up to € 613 580 of revenue. Moreover, the target audience can be defined as the media agencies that usually announce in innovative formats with premium content that seek for an online lifestyle entertainment solution - benefit sought (Daniela et al, 2020). Thus, the key desired behavior of the campaign's target individuals is trial, being the long run action objective the repeat purchase. Furthermore, is important to take into account that in B2B markets buying decision process requires a more deliberate approach than customers decision-making process. It involves more detailed stages, varying according to the importance of the buying decision and with the size of the business (Kotler et al, 2013). On this case, as can be proved by primary research insights, the decision-making process is not an exact science and depends upon several factors. However, the ideal customer journey is described in the group report (Daniela et al, 2020). Moreover, assuming online advertising as the Category Need and the expertise of the target audience within this category, the need can be omitted as a communication objective. However, Brand Awareness and Brand Attitude would be addressed by this campaign. Brand Recall fomentation is crucial once the goal is to make target audience remember *This is Fox* when they need to advertise through online channels – as soon as the remaining criteria, such as budget availability, traffic profile, etc., were already met by all the remaining competitors of *This is Fox*. Additionally, it is crucial to create a positive Brand Attitude towards *This is Fox* offering, driving it with an underlying negative motivation (problem removal). Furthermore, Brand Purchase Intention communication objective needs to be incorporated since *This is Fox* requires from media agencies a High-Involvement brand attitude - target audience needs search and conviction

before purchase. Lastly, the Brand Purchase Facilitation can be omitted, as target audience is already informed on where they could act towards this service.

Regarding what was previously mentioned, positioning statement for *This is Fox* is as follows:

“To media agencies that usually announce in innovative formats with premium content, that seek for an online lifestyle entertainment solution. *This is Fox* is a differentially positioned brand with a unique combination of creative and safe content for the advertiser and an added value for agencies when negotiating margins with brands. This lifestyle online magazine benefits not only from the exclusive content owned by Fox but also from the well perceived and loved Fox brand, that is considered an expert in traditional media sales, and is notoriously recognized by many advertisers.” (Daniela et al, 2020)

Thus, *This is Fox* B2B campaign should emphasize the variety of themes addressed in the displayed content, along with the added value that Fox brand could deliver. This would give to media agencies an opportunity to target a range of different segments within a platform that offers a safe content environment (from attribute to benefit: $a \rightarrow b$). As the entry tickets the campaign should highlight the advertising formats available on the platforms. Considering the Brand Recall objective previously mentioned, the online advertising need should be associated with *This is Fox* brand – repeating this association – since the target audience is not familiar with Fox presence in this industry, as it is proved by primary research results (Daniela et al, 2020). Moreover, by adapting the commercial proposal to each agency, a personal connection with the brand is being encouraged. Also, the brand needs to be presented along with refutational benefits since it requires High-Involvement/Informational Brand Attitude strategy - target audience must be convinced about brand’s key benefits, accepting it. The campaign needs to focus on target audience’s prior attitude towards Fox brand, highlighting that this new offering makes Fox entering and thriving on online advertising market – pitching this at an acceptable upper level (Percy and Elliott, 2016). To make this new offering known, a B2B

teaser campaign will be presented in FNG's showcase (October/November 2020). Thus, teaser campaigns are effective for new brands since it will be used to enhance target audience curiosity about FNG 2021's new offering, while addressing the sense of exclusivity for being the first ones to get to know it. However, this teaser will only reveal the name *This is Fox* creating FOMO (Fear of Missing Out) within the target group. On mid-March 2021, the complete campaign will be presented to the target audience and, since the audience is smaller than 100 prospects, the FNG would rely on personal selling with a leaving-behind digital brochure as a sales aid (Rossiter et al, 2018). Thus, one-to-one meetings will be schedule with targeted audience presenting to them in a simple way all the categories in which the content is divided, making them feel that they are entering in Fox world - through a presentation video. Along with this, a commercial proposal brochure with all the detailed engagement numbers is presented and some customized examples - dependent on the advertisers that work with each media agency at that time - of possible advertising formats within the platform would be given. Additionally, the media bundles will be introduced to media agencies as an effective way of incentivizing the purchase of advertising space (Daniela et al, 2020). After the process of presenting *This is Fox* offering by FNG commercial team, normally, a negotiation process between this team and the media agency takes place. Thus, all the values presented do not take into account this negotiation process as it depends upon each one-to-one meeting. Moreover, as marketing communication in B2B is more rational and deeply reliable on products' quality and performance (Fill, 2002), a price off promotion strategy – straight reduction in selling price - will be used to stimulate immediate purchase and to “move sales forward” more rapidly that would otherwise occur (Rossiter et al, 2018). For this purpose, a discount on media agencies bundles (Daniela et al, 2020) will be applied. Lastly, in order to test the campaign success, sales revenue and repeated purchase – reflecting customers satisfaction - would be tracked.

Exhibit 4 – Behavioral sequence model for Online Entertainment (B2C)

DECISION STAGES	Need arousal	Information Search and evaluation of alternatives	Decision and Usage	Re-use
ROLES	Self (Initiators) Friends, family and media (Influencers)	Friends, family and media (Influencers) Self (decider)	Self (final decider and user)	Self (redecider)
LOCATION	Home, friends, internet, TV, outdoors	Internet	Internet	Internet
TIME AND TIMING	Anytime	Anytime after the aroused need	-	Anytime after the first usage
DECISION PROCESS	Self fulfillment, leisure times, desire for shareability with peers, through advertisement	Online search (blogs, advertisements, company websites). Compare content and user-friendliness of different options	Decide and browse on the chosen platform	User will reconsider the brand if the last experience was satisfactory or to find interesting content on other time

Exhibit 5 – This is Fox Key Benefit Claim and Creative Idea

KBC: offering online content related with Fox World as a way to dive into Fox community will

- explicit in the ad

Creative Idea: all the platform categories would be presented in a simple way, communicating immediately the online entertainment content that will be displayed there. The categories names will pop out along with images related with Fox World on the background backdrop.

Exhibit 6 - Creative Brief for Communications Campaign of *This is Fox* Online Magazine

1. Behavioral sequence model (See exhibit 4)

Creative Target Audience: Portuguese people aged between 25-34 years old who are mainly motivated by self-expression and are FNG's content fans

Primary and Secondary Media: TV, Internet, Radio and Out-of-Home

2. Action Objectives

Trial of *This is Fox* by OBSs who have not tried the brands, as it is new, and later on the repeated purchase would be the objective. Goal set: 1 030 000 total number of expected website visits and 2 minutes and 82 seconds average website visit duration on the first month.

3. Communications Objectives

Category Need: Omit

Brand Awareness: Brand Recall

Brand Attitude: Create (new brand, unaware by OBSs)

Brand Purchase Intention: Omit

Brand Purchase Facilitation: Incorporate (new offering so consumers must be informed where they can access the service)

4. Positioning Statement for Campaign

To Portuguese people aged between 25-34 years old who are novelty seeking about FNG's content and enjoy sharing it with peers (OBSs), *This is Fox* is a differentiated brand of online lifestyle entertainment (where user is the hero), **that offers** a satisfying solution of online entertainment content related with Fox channels (incomplete satisfaction), enabling consumers to be part of the full experience of Fox community (intellectual stimulation). This is because,

Fox proved to be a love-brand from user perspective, driven by high dedication of delivering to consumers a differentiated content that goes beyond the notoriety of its series and programs – **reason to believe.**

The campaign should:

- Emphasize that the brand solves the lack of online FNG's exclusive and aggregated content giving to consumers an opportunity to drive in Fox world – fulfilling the need of being updated on Fox world novelties (from negative emotion to benefit to positive emotion: e- → b → e+ in the Attribute-Benefit-Emotion model)
- Mention entry-ticket benefits: availability on the Internet and the entertainment content

There is none inferior benefit to be omitted.

5. Mandatory Content

This is Fox logo as well as the website URL must be displayed for at least 3 seconds (promoting Brand Recall and emphasizing Brand Purchase Facilitation).

Exhibit 7 – TV spot storyline (30 seconds) – frames from a video produced from scratch



Upbeat Drums and Percussion Background Music



Upbeat Drums and Percussion Background Music

VOICE OFF: "All the novelties you desire are here!"

VOICE OFF: "Get into the world of Fox!"

Website URL displayed for 8 seconds



Upbeat Drums and Percussion Background Music



Upbeat Drums and Percussion Background Music

Exhibit 8 - Teaser campaign (some examples of what can substitute the word “FOX”)

On the teaser the incomplete brand name will be presented on Television, Out-of-Home and Social Media, replacing the word “Fox” by other words.

Bus shelter examples



TV teaser



Exhibit 9 - Budget Break Down for Campaign

Campaign Budget Break Down (1st year)								
		Online Magazine		App*		Magazine + App		Explanation
		%	Amount	%	Amount	Total Amount	Duration	
Creative Agency (Content creation)	27,66%	13,83%	€ 25 462,00	13,83%	€ 25 462,00	€ 50 924,00	-	
Primary Media								
Television	0%	0,00%	€ -	0,00%	€ -	-	-	There is no cost involved because FNG media channels will be used
Internet**								
Google Search Ads	15,48%	4,89%	€ 9 000,00	10,59%	€ 19 500,00	€ 28 500,00	5 months	€4500 per month for magazine and €6500 per month for app (with key words related with FNG series and programs)
Youtube Pre-roll Ads	18,74%	10,59%	€ 19 500,00	8,15%	€ 15 000,00	€ 34 500,00	4 months	€12000 for the 1st month and €22500 for the remaining
Social Media Promoted Posts	6,52%	2,61%	€ 4 800,00	3,91%	€ 7 200,00	€ 12 000,00	10 months	€100 per promoted post x 3 promoted posts per week x 4 weeks per month x 10 months
Owned Social Media	0%	0,00%	€ -	0,00%	€ -	€ -	-	There is no cost involved because FNG media channels will be used
Secondary Media								
OOH	26%	26%	€ 48 750,00	-	€ -	€ 48 750,00	3 weeks	650 faces (across Portugal) x €25 per face per week x 3 weeks
Radio	5,11%	3,37%	€ 6 200,00	1,74%	€ 3 200,00	€ 9 400,00	3 weeks	€3200 per week for 30 seconds on air (RFM radio station) x 3 weeks
TOTAL Marketing Costs	100%	61,78%	€ 113 712,00	38,22%	€ 70 362,00	€ 184 074	-	-

Values provided by an advertising industry expert

*Communication plan explained on group report (Daniela et al, 2020)

**Selection of internet channels was based on the fact that competitors' platforms main traffic sources are Search and Social Media (SimilarWeb, 2019).

For Television and Social Media mediums there is no cost involved because FNG media channels will be used. Additionally, no opportunity costs will be taken into account, since it was assumed that the Television ad will take out time from the FNG own promotion time (own series campaigns) and with *This is Fox* Television ad is also a way of promoting FNG content.

Exhibit 10 - Schedule for B2C Campaigns' Implementation

	2020			2021												
	October	November	December	January	February	March	April	May	June	July	August	September	October	November	December	
Campaigns	Launching <i>This is Fox</i> Online Magazine								Launching <i>This is Fox</i> App							
Campaign Content Creation	[Grey Bar]			[Grey Bar]					[Grey Bar]							
Teaser Campaign																
Television				[Red Bar]												
OOH				[Red Bar]												
Mupis				[Red Bar]												
Metro/Train Station Posters				[Red Bar]												
Metro/Train Station Stairs				[Red Bar]												
Bus Shelters				[Red Bar]												
Social Media (Owned)				[Red Bar]												
Complete Campaign																
Television				[Maroon Bar]					[Yellow Bar]					[Yellow Bar]		
OOH				[Maroon Bar]												
Mupis				[Maroon Bar]												
Metro/Train Station Posters				[Maroon Bar]												
Metro/Train Station Stairs				[Maroon Bar]												
Bus Shelters				[Maroon Bar]												
Radio				[Maroon Bar]					[Yellow Bar]	[Yellow Bar]						
Social Media (Owned)				[Maroon Bar]					[Yellow Bar]							
Internet				[Maroon Bar]					[Yellow Bar]							
Google Search Ads				[Maroon Bar]					[Yellow Bar]					[Yellow Bar]		
Youtube Pre-roll Ads				[Maroon Bar]					[Yellow Bar]							
Social Media Promoted Posts				[Maroon Bar]					[Yellow Bar]							
This is Fox Online Magazine				[Maroon Bar]					[Yellow Bar]							
Sponsors' Social Media (Earned)				[Maroon Bar]					[Yellow Bar]							

- This is Fox Online Magazine Launching
- Commercial Porposal to Media Agencies (B2B)
- This is Fox App Launching