

# The Brand Building of Foreign-Owned Television Channels in the Japanese Market

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## Introduction

The increase in the number of television channels that deliver video programs to the home has taken place in many countries around the world. In Japan, platforms providing multichannel video programming distribution services with dozens to hundreds of channels are roughly categorized into the following types: cable television, satellite television, and Internet Protocol Television (IPTV)<sup>1</sup>. According to the Ministry of Internal Affairs and Communications, the total number of households in Japan was approximately 52.9 million as of March 2009, and about 21% of them subscribed to any of the three multichannel media (see Table 1). Although the penetration rate of multichannel media in Japan is still low relative to that of other developed countries, the past 5 years have witnessed a steady growth.

An increase in the number of channels available would be a major point of satisfaction to many viewers, because it is assumed that if viewers have more choices and a greater diversity of programs, they have a greater likelihood of accessing their favorite programs (Litman, 1992; Webster & Phalen, 1997). On the other hand, it is possible that the availability of more channels does not translate into an increase in channel repertoire, i.e., the number of channels viewers watch regularly. From the programmers' viewpoint, an increase in the number of channels simply means more intense competition, because channels are supposed to compete

Table 1: Multichannel Households in Japan (in Millions)

	March, 2004	March, 2009
Multichannel cable television	5.12	7.14
SKY PerfecTV and SKY PerfecTV e2	3.31	3.57
IPTV	—	0.46
Total	8.43	11.17

Source: Hosono Journal (2009), Japan Satellite Broadcasting Association (2010), Ministry of Internal Affairs and Communications (2009)

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fiercely for a limited number of viewers in the television market. In this situation, it is important for the programmers to acquire and deliver attractive content products to viewers. Yet, it is also crucial for them to contemplate what should be done so that viewers recognize and select their channels from among a number of channels existing in an increasingly crowded market. Firms then need to build brands that are valuable to viewers and generate viewer actions and conducts desirable to the firm.

The American Marketing Association (2006) defines brand as “a name, term, sign, symbol, or design, or a combination of them intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition.” Verbal and visual information codes, such as names or signs, are termed as ‘brand elements,’ and ‘branding’ refers to distinguishing one’s own products from others’ products by using brand elements.

The goal of branding for a firm is to create ‘brand equity.’ Precisely, brand equity refers to the tangible and intangible values that accrue to a product as a result of the combination of such components as brand awareness, brand loyalty, perceived quality, and brand associations (Aaker, 1991). Although having no tangible shape, a brand adds value and meaning to a product, attracts customers, generates profits, and contributes to the improvement in value of a firm. By formulating brand strategies appropriately, a firm can achieve competitive advantage. In particular, the firm can gain high loyalty from customers, as customers repeatedly and continuously purchase the same brand, or the firm can set premium prices, as well-known brand products are generally sold at higher prices than unknown brand products. The brand, therefore, is viewed as an important management resource comparable to talented people, products or services, and capital, and many executives and managers today have become acutely aware of the necessity of brand management. People working for media-related firms are no exception.

The present study explores how media firms, which expand their business operations on a global basis and are adept in brand management, build their own television channel brands in the Japanese market, where multichannel video programming distribution services are gradually gaining acceptance. The rest of the paper is organized as follows. The next section reviews past literatures to organize and understand the basic concept of brand, discusses how it might be applicable to the context of television channels, and then present some research questions for the present study. The third section describes the methodology, focusing on the data collection and analysis methods used for the study. The fourth section presents the results and findings of the research. Finally, the fifth section concludes the present study by proposing its implications, listing some limitations, and providing directions for future research.

## Literature Review

### *Basic Concept of Brand Building*

A brand has three basic functions: distinguishing function, quality-assurance function, and meaning function (Aoki, 2000). A brand functions as a signal for a product to be distinguished from others and ensures its reliability, safety, and quality, by identifying the source of the product and assigning responsibility to the product maker. Because of these functions, a brand is considered to help consumers reduce cost and risk pertaining to product choice (Keller, 1998), and they actually rely more heavily on brand names than price or physical appearance in judging product quality (Dawar & Parker, 1994). Another significant function of a brand is that it means and symbolizes something. Because of this function, a brand contributes to the self-expression and identity-formation of customers.

Although firms establish, maintain, and reinforce the relationship with customers through a brand, brand building is actually related to the following three fields: brand identity, brand image, and communication linking these two. According to Akutsu and Ishida (2002), it is difficult for firms to handle brands, unless they comprehend the relationship among the three fields.

Brand identity provides individuality to a brand. Just as a person's identity influences how he or she thinks and acts, brand identity determines the direction and the meaning of the brand. As suggested by Aaker (1996), brand identity reflects how a brand strategist wants consumers to perceive a brand and what he or she wants them to associate with the brand. Technically, brand identity should be useful in establishing and reinforcing the relationship between the brand and the customers by generating a value proposition involving functional, emotional, and self-expressive benefits<sup>2</sup> or, in other words, by promising what the brand would do for the customers (Aaker, 1996). In addition to these benefits, brand identity is also composed of such elements as the philosophy that underlies the identity, product attributes that give credence to benefits provided by the brand, and brand personality, which is a set of human characteristics associated with the brand (Aaker, 1997; Akutsu & Ishida, 2002).

Meanwhile, a customer actually associates many things, ranging from abstract concepts to concrete things, with a brand. What rests in the customer's mind, reflecting those brand associations, is the brand image resulting from his or her interpretation of the brand. Although many elements of brand image are identical to those of brand identity, according to Akutsu and Ishida (2002), the main distinction between them is that brand identity is underlain by a firm's philosophy, whereas brand image is underlain by a customer's value, based on which he or she has an expectation of the brand. Along with other elements comprising brand image, the expectation forms attitude toward the brand, such as liked/disliked or wanted/

unwanted, which eventually leads to purchasing activity.

Taken together, brand identity is planned and set by a firm, and brand image is based on a customer's perception. The latter is passive and tactic in nature and looks to the past, while the former is active and strategic and is a goal focusing on the future (Aaker, 1996). Therefore, to build a strong brand, it is essential for a firm to clearly articulate brand identity.

Meanwhile, it is possible that the image held by customers in their minds is different from the image that the firm wants them to hold, and it actually becomes an overriding issue in brand building (Akutsu & Ishida, 2002). When a firm attempts to have a brand perceived, understood, and resonated by customers and tries to match the identity and image of the brand, communication that conveys the value and meaning of the brand plays a significant role and ultimately secures customers' purchasing behaviors. Figure 1 illustrates the framework of brand building by summing up the concepts of brand identity and image that have been discussed thus far.

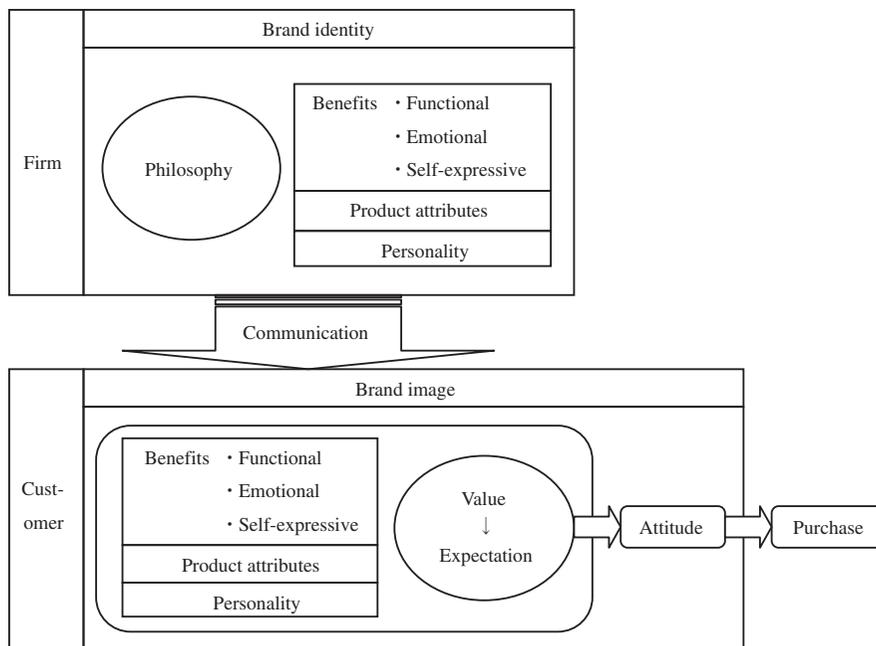


Figure 1: Brand Building Model

Note: The figure is constructed based on Akutsu & Ishida (2002)

### *Branding for Television Channels*

Firms that have traditionally been conscious regarding brand management are those producing consumer goods appealing to customers' emotions and feelings, such as those in apparel, cosmetic, or food and beverage industries. Although it was not until the early 1990s that media firms needed to pay much attention to their own brands (Chan-Olmsted, 2006), the situation has drastically changed since then. A change in the competitive environment of media industries, along with a characteristic of content products, made media firms aware of the necessity of brand building.

The past two decades have witnessed a tremendous proliferation of media, particularly video media, and a continuous fragmentation of audiences, by which the old homogeneous mass audience became divided and subdivided into an ever-changing array of new demographic and psychographic niche categories. Meanwhile, despite the increase in the number of channels, many of them look similar to some others and hence are difficult to be distinguished. For instance, there are many channels specializing in music programming. In such an increasingly competitive market, it is essential for each channel to establish an identity and appropriately convey the type of content being offered to a particular target audience (Bellamy & Chabin, 1999; Chan-Olmsted, 2006; Chan-Olmsted & Kim, 2001; Jacobs & Klein, 1999). Among various media, cable channels<sup>3</sup> are perhaps the ones most conscious to branding strategies, as they aim to attract highly defined audience segments and compete with many similar channels.

The importance of a brand to media firms is also related to a specific characteristic of content products: video content is by nature an experience good that can only be valued after it has been consumed. Thus, it is difficult for viewers or audiences to estimate the quality of content products, such as television series or movies, before actually viewing them. However, the uncertainty that arises from this characteristic could be diminished by building up a strong brand (Keller, 1998; McDowell, 2006; Reza, 2006), because it reduces perceived risk and uncertainty for consumers. When consumers have limited prior experiences with a product category and the consequence of making a poor decision is significant, a positive recognition of the brand can reduce unwanted purchase anxiety.

Among many cable channels, MTV and Discovery Channel are particularly known for high brand equity. MTV with its \$6.6 billion brand valuation in the United States (hereafter 'U.S.') had been named the world's most valuable media brand by Interbrand and Business Week's World's Most Valuable Brands Report for the sixth consecutive year (Bell Global Media, 2005). Although MTV's ratings have struggled over the past few years, the MTV brand still resonates with young audiences and enjoys their high brand loyalty (Weprin, 2009). Meanwhile, Discovery Channel ranks as the top media and television brand in EquiTrend Brand Equity

Study, a world-famous brand equity study that measures more than 1,000 brands across 35 categories. In fact, both channels have succeeded in creating unique and clear brand associations in the minds of viewers, such as MTV's audience imagery of being young and hip and Discovery Channel's extensive amount of information offered (Chan-Olmsted, 2006). As Keller (1997) points out, successful brands are rich in image, and associations arising from them are valuable to consumers.

In addition to MTV and Discovery Channel, many U.S. cable channels now have a global operational presence (Oba, 2009). Of particular interest is how those channels have built their own brands in markets outside the U.S. High brand awareness enjoyed by those channels on a global scale could be their core competencies (Gershon, 2006). In reality, however, even well-known cable channels in the U.S. might barely be known in other countries and hence need to increase brand awareness among viewers, in addition to gaining distinction from the existing local channels (Bellamy & Chabin, 1999).

Meanwhile, it is necessary for television channels expanding globally to use uniform brand elements worldwide so that customers around the world would share the same brand image. A booklet published by MTV Networks Asia articulates that MTV employers are all responsible for MTV's brand image and its preservation and momentum. Obligating them to be faithful to the MTV brand, MTV facilitates sharing of the common recognition of brand strategy among them. The extent of freedom regarding programming decisions that is actually provided to overseas subsidiaries from the U.S. headquarters would vary among firms owning channels (Oba, 2009), but strategies unique for an overseas market should not blemish a global brand.

### *Research Questions*

Japan is the world's second largest content market<sup>4</sup> and, as a leading importer of U.S. films, presumably one of the most important foreign markets for U.S. entertainment industries. Yet, as noted earlier, the penetration rate of multichannel media in Japan is lower compared with other developed countries. To explore how television channels that have been successful in the U.S. are building brands in the Japanese market, the following research questions (RQs) are presented.

*RQ1: How the importance of brand building is perceived by the executives or managers of television channels in the Japanese market?*

*RQ2: What is the brand identity of television channels?*

*RQ3: What endeavor is made to communicate brand identity to Japanese viewers?*

*RQ4: Is the brand identity of television channels consistent with the brand image of the channels?*

## Methodology

The present study subscribes to the case study method, taking several foreign-owned television channels as cases, to identify patterns, similarities, and differences across the cases and to construct a theoretically relevant explanation about brand building by the channels in the Japanese market. The case study is focused on a particular situation, event, or phenomenon, making it a good method for studying practical, real-life problems.

Selecting the cases to be studied is one of the most difficult steps in the case study approach (Yin, 2003). As noted later, the present study uses personal interviews as primary source of data. Adopting convenient sampling, the study selects three television channels, namely Disney Channel, FOX, and the SciFi Channel, from those operating in many countries including Japan, on the ground that the author was permitted to access and interview executives or managers of these channels. As summarized in Table 2, each of these sample channels was launched by a Japan-based subsidiary of a large media firm headquartered in the U.S., but they are different from each other in terms of the year launched and the number of households reached.

Table 2: Data Profile of Sample Channels

Channel	Owning Firm	Year launched	Households reached (in mils)	Target viewers
Disney Channel	Walt Disney Television International Japan	2003	5.03 <sup>1</sup>	3-14 & families
FOX	FOX International Channels	1998	6.10 <sup>2</sup>	15-49 male/female
SciFi Channel	NBC Universal International	2008	2.50 <sup>3</sup>	20-40 male

<sup>1</sup>: As of August 2009; <sup>2</sup>: As of April 2009; <sup>3</sup>: As of September 2009

*Note:* The table is compiled from sales pitches by sample channels.

Because of its inductive characteristic, a case study usually attempts to discover new relationships rather than to verify existing hypotheses and tries to build theories. These theories are data driven, and valid, in-depth, and detailed data contribute to a better understanding of the phenomena. Inductive reasoning then looks for patterns and associations derived from observations of the world and data themselves (Snape & Spencer, 2003). Which data collection methods are actually used is primarily based on the aim of research and what can best illuminate the point being studied. However, it is common to use more than one data collection

method by 'triangulation' to investigate the same phenomenon. This is interpreted as a means of mutual confirmation of measures and validation of findings (Berg, 2001). Two data sources of evidence are used in the present study: personal interviews as a primary source and existing documents as a secondary source. Personal interviews form the foundation for the research, and secondary sources provide additional support for the research.

The present study is focused on how executives and managers of the sample channels in Japan perceive their brands. To gather data for the topic, there might be no better way than personal interviews, because information necessary for the research are the thoughts, opinions, and motivations of officials responsible for the branding of television channels, and these types of information can be fully drawn only through in-person interviews. Interviewing provides a useful means of access particularly when researchers are interested in understanding the perceptions of participants (Taylor & Bogdan, 1998). Hollifield and Coffey (2006) suggest that almost any research project that required data from senior media executives would have to use interviews.

The multiple-case method usually requires a structured interview style in which all respondents are asked predetermined questions in the same way, so that the researchers can obtain comparable data across cases. Although the same questions were asked during actual interviews for the present study, some questions were added ad hoc if they seemed necessary, and deviations from the predetermined questions were freely accommodated. The duration given for each interview was between an hour and an hour and half, and all the interviews were conducted at interviewees' offices (see Appendix A for the names and titles of the interviewees).

Primary data obtained through interviews for the present study were complemented by secondary data found in existing documents, such as sales pitches<sup>5</sup> published by each of the sample channels. It appears that convergence of multiple sources of evidence can eventually address the potential of construct validity, helping build confidence in the findings.

Regarding RQ4, a question involving viewers' actual brand image of each channel, the author referred to the results of the CS Channel Brand Research 2009, provided by Jupiter Telecommunications, which manages and operates J:COM, the largest operator of multiple cable television systems in Japan. The survey was conducted from May 29 to June 2, 2009, on the Internet, covering 62 channels and asking the respondents whether such images as 'stylish,' 'pleasant,' or 'relaxed' are true for each of the channels. The respondents were 2,083 males and females, aged 20 years and over and having access to CS channels, who were sampled from monitor members of an Internet research firm. Note that the number of respondents varies among channels. While 2,083 people, i.e., all of those surveyed were asked questions regarding Disney Channel and FOX, only 116 people who were aware of the SciFi Channel were asked about that channel's images. The survey was

primarily intended for Jupiter to understand the image and positioning of its owned-and-operated channels. Although results from the research were, in principle, not disclosed to anyone outside the firm, as an exception the author was allowed to see only the results of the three sample channels for the study.

The present study uses two stages of analysis: within-case analysis and cross-case analysis. Each case is treated as a single case in the within-case analysis, and the constant comparable analysis method is used in the cross-case analysis, which is regarded as the most critical part of a multiple-case study by Yin (2003). This induction method, which is intended to identify patterns, similarities, and differences across cases, involves first taking a piece of information (e.g., a comment to a question in an interview) and then comparing it with related information (e.g., comments to the same question by respondents from other channels) until all related data are compared with each other. The present study first analyzes a single case of a channel, examining data within each channel. Next, during the cross-case phase, findings from the examination of a channel are compared with those of other channels so that some similarities or differences across channels might be highlighted. These procedures enable the author to answer the research questions presented earlier.

## Results

### *Disney Channel*

Walt Disney is probably the world's most well-recognized media firm, and many people across the globe have actually experienced the world of Disney from early childhood through its films, animated programs, or theme parks. In Disney's wide range of media-related portfolios, Disney Channel is the flagship channel in the television unit, offering animations, dramas, and movies for children from preschoolers to teenagers and their families in 167 countries and regions. The channel is actually supported by these target audiences as the highest-rated channel among such segments as preschoolers aged 4 to 6 years, children aged 4 to 12 years, female aged 20 to 35 years, and male aged 35 to 49 years, according to the audience research for CS channels in February 2009.

With increasing channel options, a television channel would not be chosen by viewers unless it is clearly articulated why they might want to watch the channel and what value it would provide them. Disney Channel places importance on brand to encode and articulate the difference from other channels so as to be recognized easily by viewers. Guaranteeing trustworthiness and high quality, the Disney brand indeed plays a large part in decreasing risk and time regarding viewer's choice.

Walt Disney is well known for the strict control of its brands. This is based

on the belief that the Disney brand assumes social responsibility and gains public attention much more than other media brands. If something blemishing the brand value happens in such an important market as Japan, it would not only decrease the number of viewers but also, from a broader perspective, possibly have an impact on the U.S. headquarters' stock price. The universal slogan of Walt Disney is 'dreams come true,' and it is embodied in its content products. Thus, the portrayal of somebody being killed or hurting somebody else is regarded as a taboo for the Disney brand. In addition, Disney Channel's brand identity is formed by the fusion of its brand personalities, such as 'pleasant,' 'cheerful,' or 'bright;' a functional benefit, such as 'programming including messages cheering us up;' and viewer's emotional benefits, such as 'being filled with warm feelings' or 'bringing courage to me.'

Because of Tokyo Disneyland, many Japanese customers also experience Disney through contact with characters. It is therefore significant for Disney Channel as a video programmer to provide viewers with an equivalent of the concept and narrative that Disney's theme parks and characters create. Disney Channel is a commercial-free channel and often airs promotional videos called 'station IDs' between programs. They are produced for the purpose of presenting Disney Channel's identity, rather than merely for promoting programs.

As agreed by 997 respondents (47.9%), the most prominent image of Disney Channel is 'family-oriented.' Assuming that 1,023 of those who are not aware of Disney Channel do not have any image of the channel, a majority of respondents who are aware of the channel (997 of 1,060 respondents or 94%) agree that the channel is family-oriented. This result indicates that audience segments targeted by the channel are communicated clearly. As another image of the channel, 'pleasant' is ranked second (24.6%). This image is identical to Disney Channel's aforementioned identity, and thus it is inferred that the meaning of the channel is to some degree shared between the channel and viewers. In addition, intriguingly, while 'endearing' is ranked third (13.7%), 'international' is limited only to 3.9%, even though the channel is truly an international one, offering a number of foreign-made programs. This might indicate that many people get attached to and feel affinity with Disney characters and its content products, while not feeling much of a cultural gap with them.

## *FOX*

FOX is well known as one of the four major broadcast networks in the U.S. In contrast, being little known among Japanese, FOX had commonly been explained as a television channel of Twentieth Century FOX, a major film studio famous in Japan, until a few years ago. However, the channel has recently gained better name recognition among Japanese viewers, as it became the highest rated channel

in primetime for 10 consecutive months from June 2008 to April 2009, according to the rating research for CS channels. This is considered to be achieved because viewers supported the FOX brand and trusted content chosen by FOX, rather than because some particular programs, whether dramas or reality shows, served as the driving force.

President Koizumi of FOX International Channels, who is originally from the apparel industry, has underscored the necessity of providing television channels with power of brand, which is common for consumer products such as clothes. With brand, products would give totally different value to consumers, and firms would eventually secure high profitability. With an increase in similar programs, it becomes difficult for a channel to differentiate itself from other channels on the basis of content. Then, a brand should function as a content wrapper, which guarantees the quality for viewers, so that firms could expand a business based on a long-term view.

What brand identity would FOX like to communicate to Japanese viewers? What underlies the identity is U.S. FOX's philosophy that esteems a culture of austerity, fortitude, and non bureaucracy. In fact, the Japan-based subsidiary of FOX emphasizes on the U.S. headquarters' corporate culture, orientation, and vision, including a respect for Rupert Murdoch, the founder of FOX. In addition, the channel has its major product, the latest U.S. drama programming, as a product attribute, along with such personalities as 'cool,' 'edgy,' or 'exciting.' These elements are combined with benefits for viewers, such as 'thrilling drama with many twists' or 'being excited (or refreshed) when watching FOX,' and eventually form the brand identity of FOX as a television channel.

What contributes the most when FOX conveys its brand identity to viewers is station IDs aired between programs. They are produced with much creative energy to represent FOX's concept, focusing on the message clarifying the essence of the brand. Station IDs appeal to existing viewers and possibly contributes to viewer retention. However, being aired exclusively on FOX, they rarely ever reach people who do not have contact points with the channel at present, such as those who do not subscribe to any multichannel media.

Among images of FOX brands, those ranked high are 'international' (16.5%), 'pleasant' (16.1%), and 'adult-oriented' (14.0%). It appears that respondents associate FOX with a U.S.-originated channel and U.S.-made content and actually have an international image of FOX. It can be inferred that FOX's brand identity based on the philosophy and the product attribute are communicated appropriately to viewers. Meanwhile, such images as 'authentic' and 'realistic' had results of only 5.8% and 2.6%, respectively. On the one hand, FOX is recognized as a channel specializing in U.S.-made content. On the other hand, an association, which is the basis for brand image, has not been developed according to the context that FOX is authentic because its content is made in Hollywood, the home of the entertainment business.

### *The SciFi Channel*

The SciFi Channel is a television channel specializing in science fiction, fantasy, horror, and paranormal programming. It is owned by NBC Universal, but unlike FOX and Disney Channel, the name of the SciFi Channel itself is rarely associated with the parent firm. The SciFi Channel is now available in more than 40 countries and is particularly successful in European countries. In Japan, however, the channel was just launched in April 2008 and is still seeking how it can build a brand and attract loyal viewers in the Japanese market.

The SciFi Channel emphasizes the importance of brand because it helps the channel to differentiate itself from other channels. In fact, many programs can now be procured in the market, and thus it is not surprising that several channels have a similar programming lineup. Popular U.S. drama series such as *The X Files* and *Buffy the Vampire Slayer* were actually offered by both FOX and the SciFi Channel in Japan. It is likely that a channel chosen by viewers from among those offering similar programming has a high brand value and would achieve a high financial return in the long run. In reality, however, the audience ratings of the SciFi Channel vary each month, depending on the programs offered, and this presumably indicates that a strong brand is yet to be built for the channel.

With the product attributes of science fiction and fantasy programming, the SciFi Channel promises viewers to fuel the imagination and provide the opportunity for a transformative escape from reality. Meanwhile, the channel has shifted its brand personality from a cold and technological one to a human and related one. This shift in identity is intended to attract female viewers and is embodied, for instance, in a change in logo design.

The SciFi Channel's promotion video aired between programs is called 'ident.' Visualizing the channel's concept, it is very popular but is no more than a communication tool for existing viewers. What should be exploited to attract potential viewers is the channel's website so that those searching with such keywords as 'science fiction' would visit the site and like the channel. At present, however, it only provides information as typified by the programming schedule and does not promote the appeal of the channel's brand.

The most prominent image of the SciFi Channel brand is 'pleasant' (25.0%) followed by 'international' (16.4%), 'authentic' (13.8%), 'adult-oriented' (10.3%), and 'intelligent' (9.5%). These images are, by and large, identical to FOX's images, but the SciFi Channel is far ahead of FOX in terms of authentic and intelligent images. It is probably true that the numerical values for the SciFi Channel are comparatively large because only the respondents who were aware of the channel were asked about its images. Yet, it is also possible that the channel's higher degree of specialty in programming than FOX, focusing only on several types of programming, arouses more specific images among viewers.

### *Cross-Case Analysis*

The sample channels share a common understanding regarding the power of brand, which is generally considered to provide customers with information and efficiency in making decisions. Specifically, the importance of brand is highlighted because of the following characteristics inherent in the television market and the programming product. First, changes in the competitive environment in the television market have raised the necessity of brand building. This is the belief that brand should be established for a channel to be chosen by viewers in the multichannel era with an increasing number of television channels. Even if each channel offers programming of a particular type, several channels actually are specialized in similar programming, so most viewers can rarely distinguish them at the first glance. It depends much on the brand whether a channel can communicate properly to viewers the significance of choosing the channel from among many similar channels.

Moreover, the importance of a brand for television channels is also related to the characteristics of the programming content. Not only because programming products could be acquired in the market but also because some of them are very similar to others, it might be hard for a channel to differentiate itself from other channels with respect to programming. If two channels offer the same or very similar programming, which channel is chosen by viewers would be very much dependent on which channel brand is more attractive to them. In addition, because programming content is an experience good whose quality is seldom verified by viewers before actual watching, it is also recognized that the channel brand functions as a hallmark of programming for viewers.

It is not surprising that each of the sample channels has unique brand identity, which is different from each other (see Table 3). Disney Channel and FOX are flagship channels of their parent firms and inevitably mirror the philosophies of those firms. Meanwhile, because sample channels are specialized in very specific program types, product attributes are clear. In addition, in some cases, brand personality is related to benefits for viewers, particularly emotional benefits (e.g., a channel has a personality of being a cheerful channel and hence cheers up its viewers). Meanwhile, unlike consumer product brands, which are tangible and portable, it seems less common that brand identity of television channels contains self-expressive benefits.

Table 3: Brand Identities and Images of Sample Television Channels

	Brand identities	Brand images
Disney Channel	Walt Disney Co. “Dreams come true.” Pleasant, Cheerful, Bright Content cheering up viewers Filled with warm feeling, Bringing courage	Family-oriented (47.9%) Pleasant (24.4%) Endearing (13.7%) Relaxed (10.2%) Female-oriented (5.3%)
FOX	Rupert Murdoch Austere, fortitude, and non bureaucratic culture Latest U.S. drama Cool, Edgy, Exciting Thrilling drama with many twists Excited (or refreshed) by watching	International (16.5%) Pleasant (16.1%) Adult-oriented (14.0%) Relaxed (6.8%) Endearing (6.3%)
The SciFi Channel	Science fiction Fantasy Cold → Warm Fuel imagination Transformative escape from reality	Pleasant (25.0%) International (16.4%) Authentic (13.8%) Adult-oriented (10.3%) Intelligent (9.5%)

*Note:* Listed are top five images of sample channels in Jupiter Telecommunications’ “CS channel brand research 2009,” covering 2,083 respondents. Yet, in terms of images of the SciFi Channel, only those who answered that they were aware of the channel (116 respondents) were asked.

Promotional videos called ‘station IDs’ or ‘idents’ play a major role in sharing the brand of each channel with its viewers. Unique videos are aimed at communicating the meaning and value of the channel to its viewers, raising brand awareness, and forming distinct brand associations and images. In other words, promotional videos are produced to present and communicate brand identity, but exposure to them is somewhat problematic. Because television channels are media per se, their promotion videos are aired intensively on themselves. Accordingly, these videos appear to have an impact on existing viewers to further recognize particular channel brands and form a more positive attitude toward them. However, it is difficult for these videos to be contact points for potential viewers, particularly for those who do not subscribe to any multichannel media, and hence also difficult to promote sufficient awareness.

As shown in Table 3, in terms of the three television channels researched for the present study, their brand identities are consistent with the brand images of these channels to some degree, and from this viewpoint, it can be safely noted that each channel brand is understood by and shared with many viewers. Specifically, viewers have clear images in terms of what channels are like and what audience segments are targeted. Yet, as even Disney Channel is probably known only by a

half of the multichannel subscribers, the awareness of each channel still remains low, thereby limiting viewers' associations with the channel brands. Because consumers usually have little image of unknown brands, it is imperative for television channels, particularly newly launched ones, to increase awareness of themselves. Taken together, the brand identity of a television channel is understood properly among viewers who have already been aware of the channel, and the relationship between the channel and viewers is reinforced and maintained by channel brand. On the other hand, however, many people are even not aware of the channel itself.

## Discussion and Conclusion

Interviewees for the present study, many of whom are originally from trading firms or foreign-owned firms, point out that most media firms in Japan are little conscious of brand. It is certain that conventional media firms (e.g., over-the-air broadcast stations) have rarely if ever contemplated brand strategies. Because of the public good nature, over-the-air broadcasting is expected to appeal to a wider audience irrespective of age and gender, and it is thus difficult for broadcasters to narrow down what products are offered and who are targeted, both of which could be at the core of brand building. Technically, the audience for over-the-air broadcasting varies depending on the day's time slot, but as the audience is segmented in each time slot, programs broadcast in a given time slot inevitably become similar. If differentiation is not the focal point of competition for broadcasters, it might be difficult for them to find out the strategic significance of brand building.

Viewers have long been used to checking the programming schedule on a day-to-day basis, finding a particular program they want to watch, and tuning in to a channel offering the program in a given time slot. As a criterion for the selection of a program, many viewers put higher value on such factors as who is starred in the show, what is the origin of the show, or whether the show is a spin-off of a popular series, rather than which broadcaster produces or offers the program<sup>6</sup>. Video-related professionals, therefore, tend to think that high brand value is necessary for programming products, not for media organizations such as broadcasting stations.

The necessity of program brand not only for broadcasters but also for video media, including video programming distribution services, is summarized in a clichéd expression, "content is king." Nonetheless, professionals who manage and operate television channels sampled for the study emphasize the significance of brand building for the channels. This is because many programming products are similar to each other and could be procured in the market. Programming, therefore, might not be a factor for differentiation from other channels.

In addition, content with high brand value usually entails high cost. When launched in Japan, the SciFi Channel intensively offered *The X-Files*. It was believed that a start-up channel had no choice but to offer programs with high brand value so that it could attract viewers. However, if viewers choose a particular channel on the basis of programming offered by the channel, channels always have to line up programs with high brand value. To reduce costs pertaining to program acquisition, they need to build their own channel brand. Although content is certainly king for video media, it should also be noted that brand is queen.

The present study discusses the brand building of television channels in the context of their relationship with viewers (i.e., B to C), but also of great importance is the relationship with business entities (i.e., B to B), such as multichannel video programming distributors and advertising clients. Consider cable television as an example of the former. With increase in the number of channels offering programming and a still limited amount of channel capacity, cable operators can be a bottleneck for channels to reach households. Thus, cable operators wield a power similar to what retailers generally have when choosing and deciding brands to be put on the shelves. It makes sense that cable operators do not lineup several channels with similar programming but want channels that appear to have clear brand identity and loyal viewers. Meanwhile, brand is also significant for advertisers. A channel is considered valuable as an advertising medium if it conveys to the advertisers that it would appeal to specific consumers segmented by age, gender, and occupation in the diversification of values among people and the market fragmentation for a number of goods and services.

Among sample channels for the present study, Disney Channel and FOX might have the strength that their brand names are recalled when a product category is mentioned, even though in the currently small multichannel market of Japan. Both channel brands are becoming representatives of the categories of overseas family-oriented channels and entertainment channels, respectively, for viewers as well as for multichannel video programming distributors and advertisers. As McDonald's hamburgers and Levi's jeans have dominant market shares, gaining recall of a particular brand name when a product category is mentioned is much more important than having people recall the category when the brand name is mentioned.

The SciFi Channel is yet to become an established channel in Japan, and hence it seems that the immediate issue for the channel is to raise brand awareness. Meanwhile, it was announced that the channel would change its brand name to Universal Channel in spring 2010. The purpose of the rebranding is to capitalize on the name of Universal, which is highly recognized in Japan, and to attract a wider range of viewers with more general programming than ever.

In fact, at the interview, which was held one month prior to the announcement, the author remarked that compared with the brand name 'SciFi Channel,' the brand

name 'Universal Channel' would be more familiar to Japanese viewers because of the theme park (Universal Studio Japan) and films (Universal Pictures), and hence be more appealing in the Japanese market. The author was told at that time that the channel was named 'SciFi Channel' because science fiction and fantasy programming was more likely to be accepted by Japanese viewers than general drama and comedy programming, and the channel also needed to target a niche market to differentiate itself from FOX. The channel, however, has not become as popular as expected, being eventually rebranded as Universal Channel two years after the launch in an effort to exploit new viewers while maintaining existing viewers.

Yet, neither Disney Channel nor FOX had a strong brand power from the very beginning in the Japanese market. Rather, developing and implementing strategies for brand building, both channels have gradually become accepted by many viewers and gained positive associations. Because it usually takes a certain amount of time for brand identity to become widely known in a new market, it is considered too early to rebrand the SciFi Channel in just two years. As brands have a definite life cycle, it is not unusual to modify some basic identity or change the target. Nonetheless, a brand that has communicated a consistent message and rigidly maintained a certain image has inimitable strength.

Universal Channel would be a general entertainment channel but might become quite similar to FOX. In the sense that the channel is associated with a famous theme park, it would follow Disney Channel. Although it is still uncertain how the Universal Channel brand will be developed and accepted in the Japanese market, it is a great challenge for a new-comer to get a unique position. It is very important for the channel to maintain and reinforce the relationship with its viewers based on a long-term perspective on brand management.

The present study has several limitations, which also provide interesting avenues for future research. Data on channels' brand image were provided by a media firm operating cable systems. Initially, an original survey was supposed to be conducted for the study, but a lack of research funding prevented it from being conducted. Although data provided were quite significant, the survey should have been conducted independently so that the author could control the scale and questionnaire for survey more precisely and obtain results that are more suitable for the purpose of the present study.

In addition, while the present study has provided rich insight about the brand building of three global television channels in the Japanese market, the fact that only a small number of cases were examined in the present study evidently lessens the generalizability of the findings. Therefore, an important direction for further research is to replicate this study with different channels, such as domestic ones, to further deepen the understanding of brand building of television channels.

## NOTES

1. Historically, cable television in Japan has been developed mainly for the purpose of retransmission of over-the-air broadcasting for remote areas, but many cable operators now provide multichannel video programming distribution services. Direct broadcast satellites services, which bundle video programming channels, are offered by SKY PerfecTV and SKY PerfecTV e2. IPTV offered by telecommunications carriers, such as NTT, and electric power firms is a system that delivers video programming through broadband Internet access networks.
2. A functional benefit refers to a utility of the functional aspect, obtained by using a brand (e.g., a BMW car handles well, even on ice), an emotional benefit means a positive feeling, obtained by using a brand (e.g., a driver is excited in a BMW), and a self-expressive benefit is self-expression that becomes possible when using a brand (e.g., a BMW driver is a successful person) (Aaker, 1995; Akutsu & Ishida, 2002).
3. Cable channels are generally referred to as 'CS (communication satellite) channels' in Japan.
4. The scale of the market is calculated based on total revenues from motion pictures, television and radio broadcasting, newspapers, publishing, audio and visual software sales, music distribution, games, and Internet advertising (Human Media, 2008).
5. Sales pitches are documents used for the presentations to client firms in business-to-business transactions.
6. This kind of tendency will probably appear more remarkably when people choose to see a theatrical film.

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## Appendix 1: A list of interviewees

Tami Ihara, Marketing director, Walt Disney Television International Japan

Yoshitsugu Koizumi, Representative director, FOX International Channels Japan

Sachiko Nakayama, PR manager, FOX International Channels Japan

Taichi Fukuda, Managing director, NBC Universal International

Yuka Kubonoya, Business development finance senior manager, NBC Universal International