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ACTLAB – The New Media Initiative:

A promotional campaign based on an analysis of the interactive game industry

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Report

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ACTLAB – The New Media Initiative:

A promotional campaign based on an analysis of the interactive game industry

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The University of Texas at Austin, 2006

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What is ACTLAB? ACTLAB, also known as the New Media Initiative, is a program “branch” of the Radio, Television and Film Department at The University of Texas at Austin that focuses on the creation and development of original innovative works using digital media and new technology. Utilizing advanced software and hardware, its primary purpose is to provide guidance through different types of methodologies and theories about new technology, art and culture. The objective of this report is to outline and describe an advertising/marketing campaign to promote ACTLAB (through the use of new technology and convergent media) and to illustrate the steps of the final promotional outcome: DVD and Website. The first chapter highlights relevant media industry issues through the analysis of one of the most profitable media segments: the Interactive game industry. The result of this analysis serves as the major contributor to determine the design and content of the promotional strategy (Web site and DVD). The second chapter illustrates the design and framework of the website as well as the procedure and technical elements in its implementation. The production and execution of the audio/visual project is discussed thoroughly in the third chapter.

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I. MARKETING / PROMOTIONAL PROCEDURE

The marketing procedure for the promotional campaign for ACTLAB is based on the Segmentation, Targeting and Positioning model (STP)¹ and the ADCAD² software to design the advertising copy. The STP and ADCAD procedure initiates with a general description of the segments that comprise the Media Industry market, followed by targeting a specific segment, in this case the interactive game industry. The information generated by examining this specific segment of the industry and the ACTLAB product concept were combined by ADCAD to produce the advertising copy design (promotional message) of the positioning strategy.

ACTLAB product concept - The conception and development of **creative** innovative works using digital media and new **technology**.

Advertising Copy Design (Promotional Message) – What is the Challenge? The industry “Techie” needs to acquire creative skills, while the industry “Creative” needs technical skills to express his artistry. ACTLAB provides new technologies and theory to provide the complementary skills needed by both.

Examples: *Brandon Wiley (M.A. RTF 2006)*

“I started in computer science and I was frustrated because it is all theory; they never actually do anything. I was a computer programmer and we never actually ever do anything creative....I changed my major from Computer Science to RTF. When I walked into ACTLAB, I felt it was the place for me. It was full of people doing things and everybody helping each other out”. (Video Interview 2006)

Rene Rhi (M.A. RTF 2006)

My academic background and professional experience before being involved in ACTLAB was the opposite of Brandon Wiley. I did not possess the technical skills to be considered a “Techie;” my skills categorized me as a “Creative.” The challenge that I faced was to attain specific technical skills to successfully illustrate my projects.

The promotional campaign of the New Media Initiative is to transmit the message that ACTLAB students will acquire both creative and technical skills to become a “Creative Techie” with greater expertise to meet the needs of the media industry.

SEGMENTATION / MARKET IDENTIFICATION

The identification of the ACTLAB Market within the segmentation phase constitutes the first step in this analysis. It is strongly conditioned by the role that the New Media Initiative plays as part of the Radio, Television and Film Department and the College of Communications and the industries it serves. The supply chain concept is used to identify and determine the different functions that pertain to ACTLAB. In general, the New Media Initiative can be a *provider of supporting* inputs to the industries it serves, to the rest of the Radio, Television & Film department and to the other branches of the College of Communication; or it can be a *content and application user*. The role of *provider* is the most logical choice and best fits the purpose of this report.

Three main contribution areas can be classified as input provider: 1) provider of talent, 2) consultant and 3) provider of technical assistance for creative content development. The combination of these three functions constitutes the foundation for the definition of the first of the four P’s (Product) of the marketing mixture. This in turn,

facilitates the identification of the markets it serves.

Two specific markets were considered relevant for the purpose of this report: Media industry market and Media education market. The first contributes to the identification of the industrial context in which ACTLAB currently stands. For instance, the Media Industry describes the different industry segments that compose the Media Industrial cluster. Specific analysis of each industry segment provides information about talents and skills needed to operate in these industries, such as the information needed to develop the RTF undergraduate and graduate plan degrees.

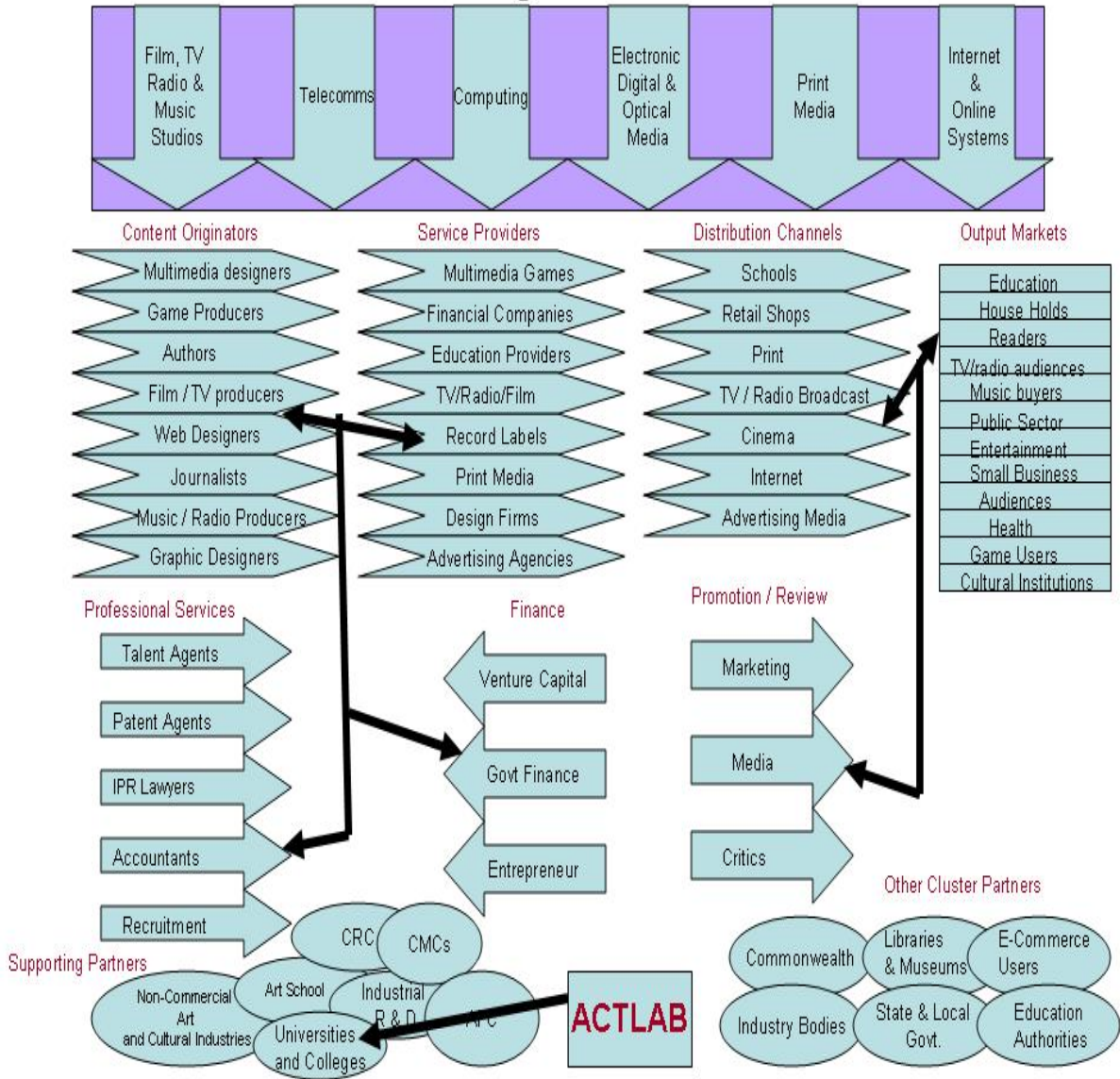
Equally relevant, the media education market identifies the consumer segments to target for ACTLAB undergraduate and graduate educational programs. This recruitment of new talent is vital, since the end goal of the New Media Initiative is to provide enhanced talent to the Media workforce market.

For closer examination of these thoughts, the next section provides a general overview of the media industry with special emphasis on one of its most important segments, the interactive gaming industry.

MEDIA INDUSTRY CLUSTER MAPPING

On the following page is a mapping cluster diagram adapted to describe the Media Cluster in the Cameron County-Matamoros Region*, originally developed by Scottish Enterprise² and Modified by the Department of Communications, Information Technology, and the Arts of the Australian Government³. This diagram graphically illustrates how different Media industry cluster segments are integrated in a chain value

Leading Industries



format, and in particular, the location of ACTLAB in its supporting role of the Media Industrial cluster as well as its location within the chain value as content originator.

The Media cluster is integrated by three major layers:

1) Leading industries representatives of the enabling technologies: New technologies such as the Wireless broad band internet, or Traditional ones such as Print Media (Newspapers).

2) Supporting or integrated industries arranged in a supply chain format:

Content originators -Game developers

Professional Service - Talents agents

Service providers - Advertising agencies

Financial Institutions -Venture capital

Distribution channels - TV/Broadcasting

Promotion / Review - Marketing

Output markets - Audiences

3) Infrastructure industries:

Universities - School of Communications or Computer Science

Departments Industry Research and Development (R&D) - Technology

Consortiums

4) Other supporting partners:

Industry organizations or State and Local government agencies

As part of the University, ACTLAB is considered a supporting partner of the cluster as it supplies the Media Cluster with components in the form of talent and skills through its graduates.

Targeting/ Selection of Industry Segments: The interactive game industry

As part of the Media cluster, the interactive game system illustrates the mechanics of the cluster operative system. This industry segment was chosen due to:

- 1) Its economic impact. (It generates more sales income than the film industry).
- 2) Its innovative impact in the digital content production through the combination of technological and creative skills. (No other Media industry requires more interaction between technology and creativity). The tendency begins with the mix of highly skilled Techies and non-technical Creatives, with the potential to provide a new generation of industry worker: the Techie-Creative Hybrid who shows both strong delivery and collaborative sense. This is a natural progression as the art of the content production in this industry has become increasingly more collaborative between Techies and Creatives.
- 3) Its impact in the geographical market domain of ACTLAB. For instance, the informational technology cluster in Austin leans towards a digital convergence future in which voice, data, and digital media converge on open wireless, broadband, and computing platforms. People throughout the world will connect using new devices, intelligent networks, and rich media. Austin -- with its knowledge in semiconductor, software and wireless combined with its digital media, music, video game, and motion picture industries -- offers a unique location to take advantage of the digital convergence revolution.

THE INTERACTIVE GAMING INDUSTRY

Research reports utilized as secondary sources indicate the following facts related to the gaming industry:

- The global game industry is valued at about US \$20 billion and is estimated to expand to US \$35.8 billion by 2007, with an annual growth rate of 11 percent.³
- The game industry comprises game development, technology and software related to the content production of games, as well as licensed software operating systems related to particular player platforms.
- Delivery platforms can be PCs, the Internet, or game consoles such as Sony's Playstation or Microsoft's Xbox. Global distribution is controlled by a small number of publishers and distributors, such as Infogames.

The chain value configuration of this Media cluster segment is composed of game developers associated with large conglomerates and a substantial number of small independent firms. It is characterized by strong informal networks, often crossing Media industry segment boundaries. The production of a game is undertaken on the basis of one or more of the following:

- 1) Specific contract between a global publisher and a game developer to expand a game of licensed property, such as film spin-off or a licensed sporting event such as a National Basketball Association interactive game
- 2) Speculative game development which is afterwards licensed to a publisher in return for a fixed or variable commission payment. In some instances, successful

game developers can obtain advance funds to cover the average total development cost (between \$6- \$10 million) of a game. The average development time for a game to be used in a game console is between twelve and thirty-six months.⁴

CD-ROM games typically have a short shelf life, like film releases. The market successful rate for interactive games follows a "95/5" rule whereby 5% of titles achieve sales of more than 500,000 units, while the rest achieves no more than 100,000.

Regardless of sale levels, the owner of the console or operating platforms receives about US \$7 per unit for the software license. A different model applies in the case of multi-player online games, which are taking off in broadband-rich markets like Korea and Sweden. The typical life of an online game is currently five years. The life of an online game gives the game developer an income through monthly subscriptions or "membership fees," product placement charges, and merchandising opportunities. For example, players can pay a premium to equip themselves or buy avatar accessories through online transactions. In some markets, player participants can sell their virtual identity in a game to a new entrant.

SKILLS REQUESTED BY GAME DEVELOPERS

Success for game developers is based on terms of their abilities to attract, retain, and manage complex people teams. The industry needs individuals who can write lean code and develop games in real time and on budget. A typical major game developer team is composed by a combination of the following members:

- thirty artists
- twenty-eight programmers

- five designers
- two producers
- twelve system developers

Furthermore, research reports document that the game industry labor force considers that the business faces the following problems:

1. Graduates are often not industry-ready and thus require further training. This expressed concern should be taken into consideration by ACTLAB as it serves as an experimentation lab where students receive the proper technical support to create and develop specific projects conducive to acquiring industrial readiness. Even so, the question remains: Are UT's Radio, Television and Film students aware of this technical support and assistance? A specific survey would be required to attain a specific and accurate answer; however, based on my personal experience and interaction with other students in the College of Communication, my conclusion is that only a small number of students are aware that this type of support is available to them. This is precisely what the promotional campaign is aiming for: Increased awareness of the technical assistance that ACTLAB provides to students across every discipline, but specifically among the student body of the RTF circle. In addition, this awareness objective has to be extended to industrial representatives to provide ongoing information exchange so that ACTLAB can more adequately provide students the support and assistance to develop the capabilities demanded by the industry.

2. There are not enough people with the right combination of business/management, technology and creative skills required by the industry.

Alternatively, there is a need to develop stronger linkages between those with content capabilities and those with technology capabilities. The ACTLAB product concept, set up at the beginning of this report, emphasizes the need for interactive technical and creative knowledge.

3. *Within the industry, there is an inadequate appreciation of the need to provide high quality work, on time.* This need opens the possibility to include the project management skills into the creative and technical skill combination.

4. *Recruitment agencies have yet to develop an adequate understanding of the industry and therefore don't always find suitable people.* In addition to the promotional campaign's objective for increased awareness through the Web, an interactive instrument could be developed to provide industry representatives with student profiles, vitas and short work samples. This would provide a direct link between the students and industry professionals.

PROMOTIONAL MESSAGE – ADCAD

The central theme for the ACTLAB promotional campaign was obtained by the use of an interactive software program named ADCAD (7). By interacting with the program, the customized checklist of ad elements enabled the content and design of the website and DVD as the integral part of the promotional strategy. The steps used to generate the advertising design through ADCAD are:

1. ADCAD starts asking background information, such as: Name of the project, competitors, project industry, product life cycle, and audience characteristics. This background information enters the ADCAD knowledge base created from different

sources (Published theory, published empirical findings, and cumulative agency experience).

2. The program formulates a series of questions and explanations that feed the ADCAD reasoning process to determine market assessment, establish marketing and promotional objectives, followed by questions about the target segments and other marketing decisions.
3. ADCAD provides a set of recommendations such as
 - a. *Positioning concepts* (Benefits, comparisons, and message).
 - b. *Message characteristics* (Message arguments, ad format, and educational techniques).
 - c. *Presenter characteristics* (Attractiveness, similarity, expertise, and objectivity)
 - d. *Message emotion* (Strength, direction, and mood).
4. Input information requested by ADCAD was:

What is the name of the brand for which you want to develop an ad?	ACTLAB
In which product category does ACTLAB belong?	Education
Give a name to the segments to which the ad will be targeted.	Techies - Creatives
At what stage of the life cycle is the product category education?	Introduction
How would you best characterize the new product? Is it:	Continuous innovation
How would you characterize the past usage of education in segment techies?	None, low
How would you characterize loyalty to ACTLAB in segment techies?	Non-users
How would you best describe ACTLAB?	New brand
What marketing objective do you recommend?	Stimulate primary demand
What is the primary motive(s) in segment techies for the purchase of education?	Intellectual stimulation
When do consumers in segment techies generally make brand	Prior to purchase

choices?	
How would you characterize the advertising level of ACTLAB in segment techies?	none
How would you characterize the promotion level of ACTLAB in segment techies?	none
How would you characterize the publicity level of ACTLAB in segment techies?	none
How would you characterize the awareness of ACTLAB in segment techies?	None, low
How visible is ACTLAB's package at the point of purchase?	low
** A possible communication objective that could be considered is to communicate category characteristics. Is this acceptable to you?	yes
What is the degree of physical risk associated with making a wrong brand decision?	low
What is the primary motive(s) in segment techies for the purchase of ACTLAB?	Intellectual stimulation
What is the age group of segment techies?	Adults
How would you characterize the level of complexity of education? Is it:	High
Is knowledge of education in segment techies low or high?	Low
How does the actual performance of ACTLAB compare with respect to the leading competing brands?	Parity (As it is compared to a computer or informational technology degree for the techies).
How would you characterize the retail price of ACTLAB sold in segment techies? Consider a typical size.	similar
How large are the actual differences in the performance of the different brands in this segment?	similar
How would you characterize the relative price of ACTLAB compared to the leading competitive brands in segment techies?	About the same
** A possible benefit that could be considered is challenge. Is this acceptable to you?	yes
** A possible benefit that could be considered is value. Is this acceptable to you?	yes
** A possible benefit that could be considered is convenience. Is this acceptable to you?	no
How large are the perceived differences in the performance of the different brands in this segment?	small

How visible will brand usage be in segment techies?	low
Is education a discretionary purchase for techies?	no
How do consumers in segment techies evaluate the performance of education?	objectively
How well does ACTLAB deliver the benefit "challenge"? Is it:	low
How does the perceived performance of ACTLAB compare with respect to the leading competing brands?	parity
How would you characterize the current level of competition in this product category in segment techies? Is it:	low
How would you characterize attitudes toward ACTLAB in segment techies? Are they:	
How would you characterize the education level in segment techies?	High school, some college
Is visibility in the ad of benefit "challenge" offered by ACTLAB low or high?	low
How would you characterize the share trend of ACTLAB in this segment?	parity
What is the level of consumer anxiety concerning education?	high

5. Output: The ADCAD set of recommendations

The final conclusion for the promotion of the new Media Initiative at the University of Texas is **Challenge**. The following information provided by the ADCAD software contributed to the following results:

NO	INPUT VARIABLE	VALUE	CF
1	Product Motive	Problem Removal	High
2	Relative Price	Low	High
3	Price Of ACTLAB	Moderate	High
4	Actual Performance	Differences Small	High
5	Product Motive	Intellectual Stimulation	High

6	Brand Motive	Intellectual Stimulation	High
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Benefit presentation – extremely positive, focus on one benefit

NO	INPUT VARIABLE	VALUE	CF
1	Discretionary Purchase	No	High
2	Brand Usage Visibility	Low	High
3	Perceived Performance Differences	Small	High
4	Physical Risk	Low	High

Information Strategy – One sided

NO	INPUT VARIABLE	VALUE	CF
1	Discretionary Purchase	No	High
2	Brand Usage Visibility	Low	High
3	Life Cycle Stage Of Education	Introduction	High

4	Perceive Performance Differences	Small	High
5	Brand Type	High	
6	Physical Risk	High	High
7	Knowledge Education Techies	Low	High

**Format -----problem solution, customer interview, testimonial by product,
comedy or satire**

Emotion in ad	<ol style="list-style-type: none"> 1. Authenticity of emotions can be low 2. Can portray negative emotions 3. Use strong emotions 4. Anger then relief 5. Bored then excited
Presenter attribute	<ol style="list-style-type: none"> 1. Need not be likable 2. High familiarity 3. High expertise
Presentation technique	<ol style="list-style-type: none"> 1. Slow speed of presentation 2. Anticlimax presentation 3. Ad should not be distracted 4. Frequent repetition 5. Jingle/rhyme/slogan

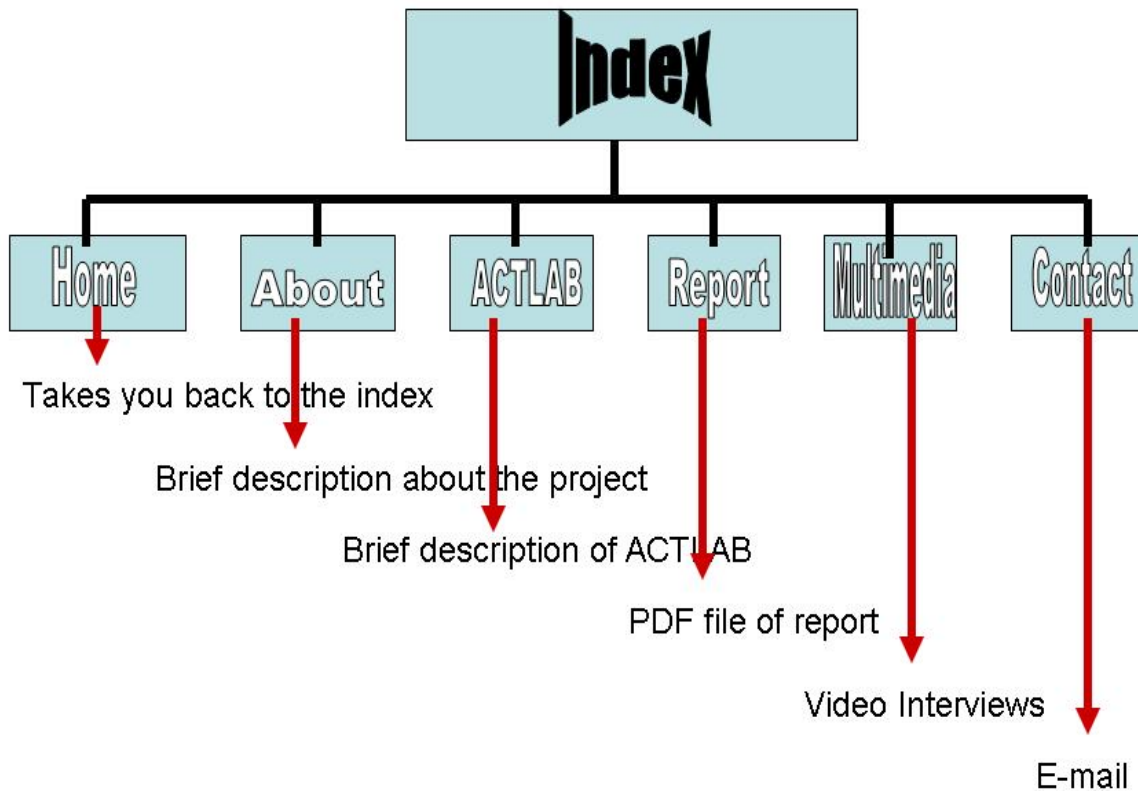
The recommendations provided by the ADCAD program were incorporated into the selected promotional mediums and had a tremendous impact on how the information is presented. Furthermore, to describe the different components and sub-components of this procedure, information based on selected secondary sources, personal interviews of different people associated with the ACTLAB program and personal experiences were used.

II. WEB SITE

As mentioned earlier, my personal educational “challenge” has been to acquire the necessary technical skills to illustrate my projects through new media. By entering the ACTLAB sequence, I attained the fundamental skills that have allowed me to complete both the creative and technical aspects of this project. I am now able to create, design and maintain Web sites, as well as produce high quality DVDs. Combining these new technical skills with my past educational background, I have become a product of the new media initiative known as ACTLAB: the Techie-Creative.

PRE-PRODUCTION

The first step for designing the Web site was to create a flow chart or navigation scheme using Microsoft power point.



Then I had to decided what programs and equipment I had available.

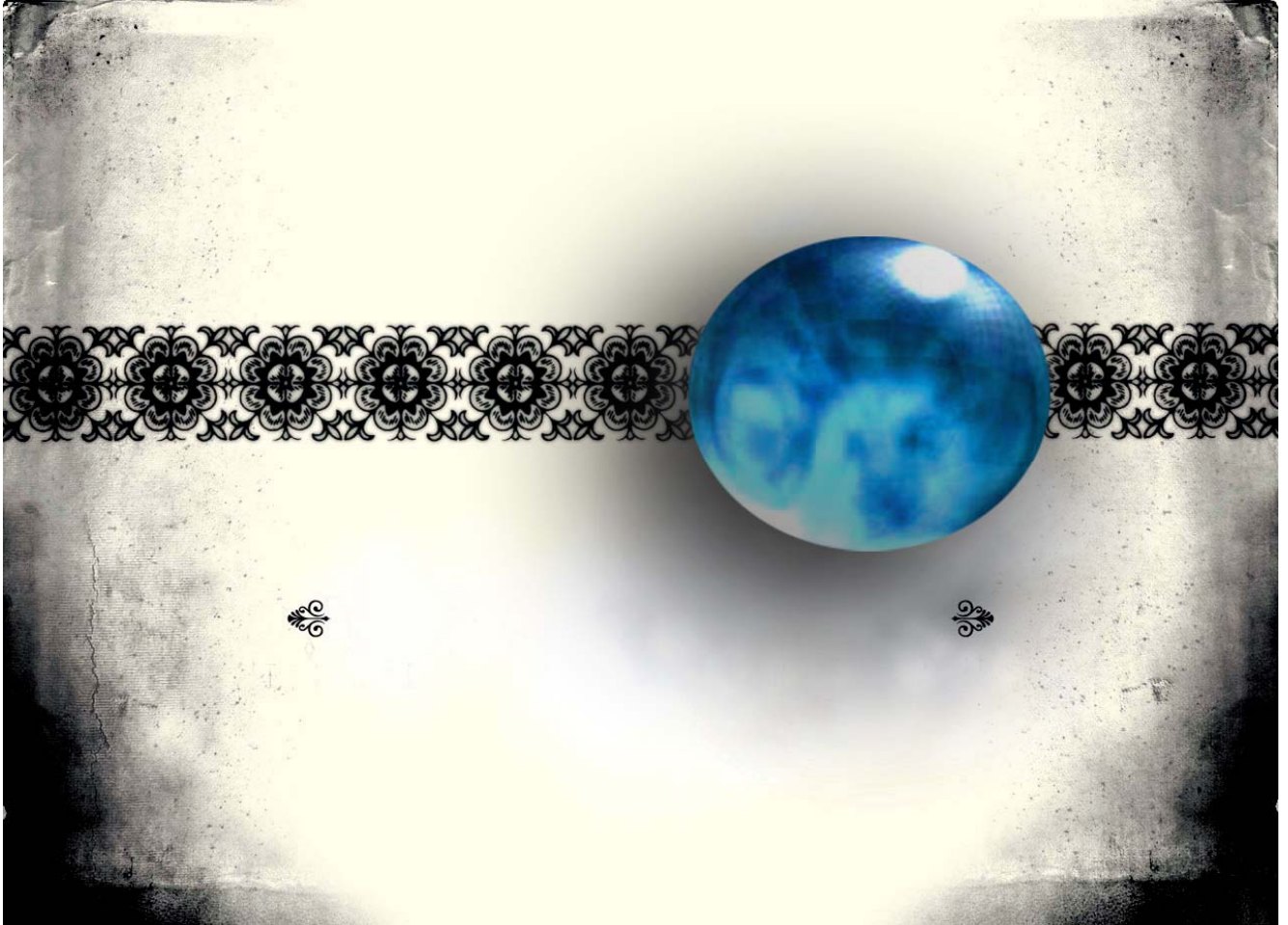
Technical Equipment Available:

Software and Hardware	<ol style="list-style-type: none">1. Adobe Photoshop2. Adobe Image Ready3. Macromedia Dreamweaver4. Microsoft PowerPoint5. HTML6. 3D Studio Max7. Canon EOS 300D Digital camera
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PRODUCTION

Design I began by designing the background by getting ideas from other sources and developing them with my own using Adobe Photoshop and 3D Studio Max.

1. Simple background with an interesting visual in the middle. (3D sphere).



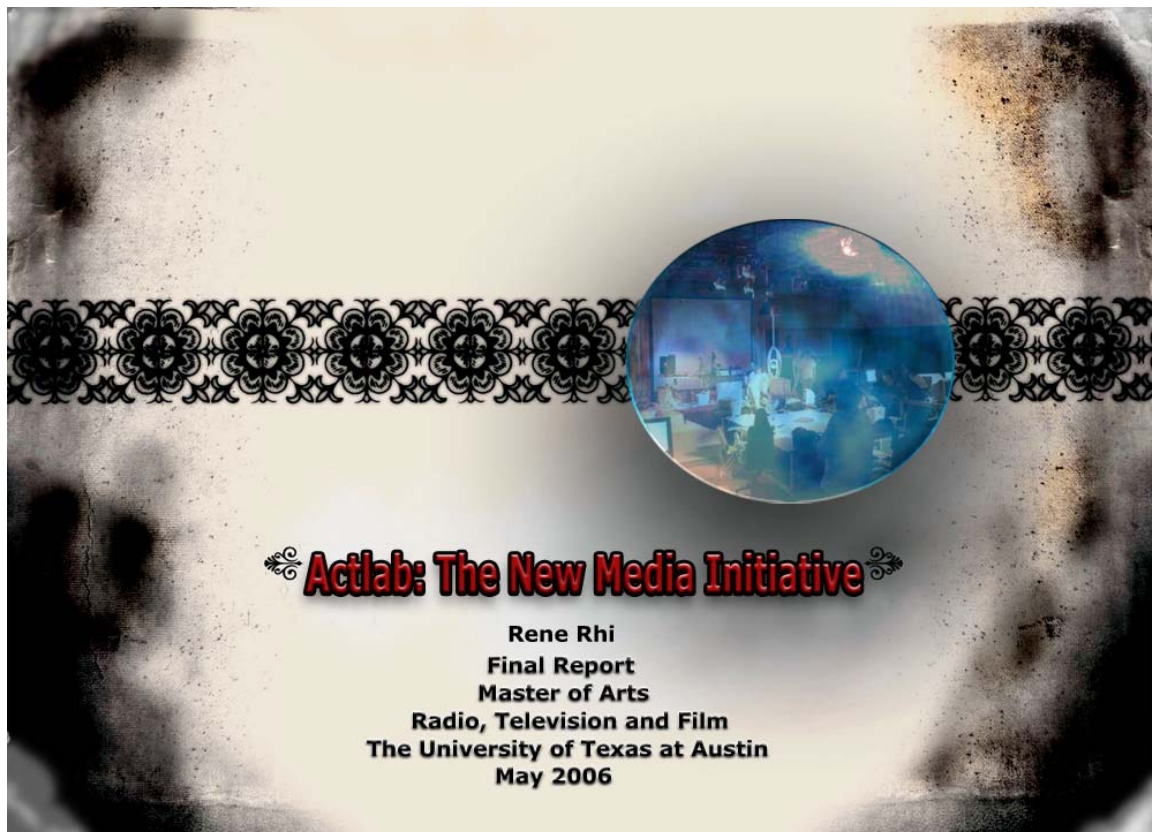
I integrated an image of the actual physical space of ACTLAB into the sphere and decreased the opacity.

2. Image integration



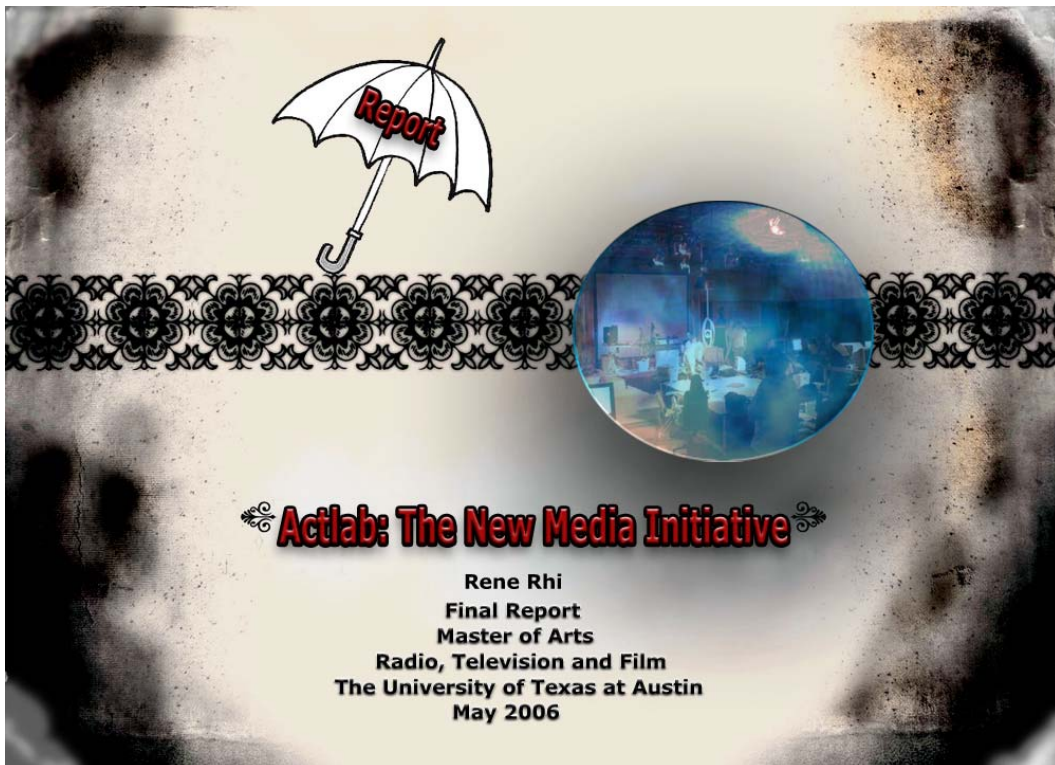
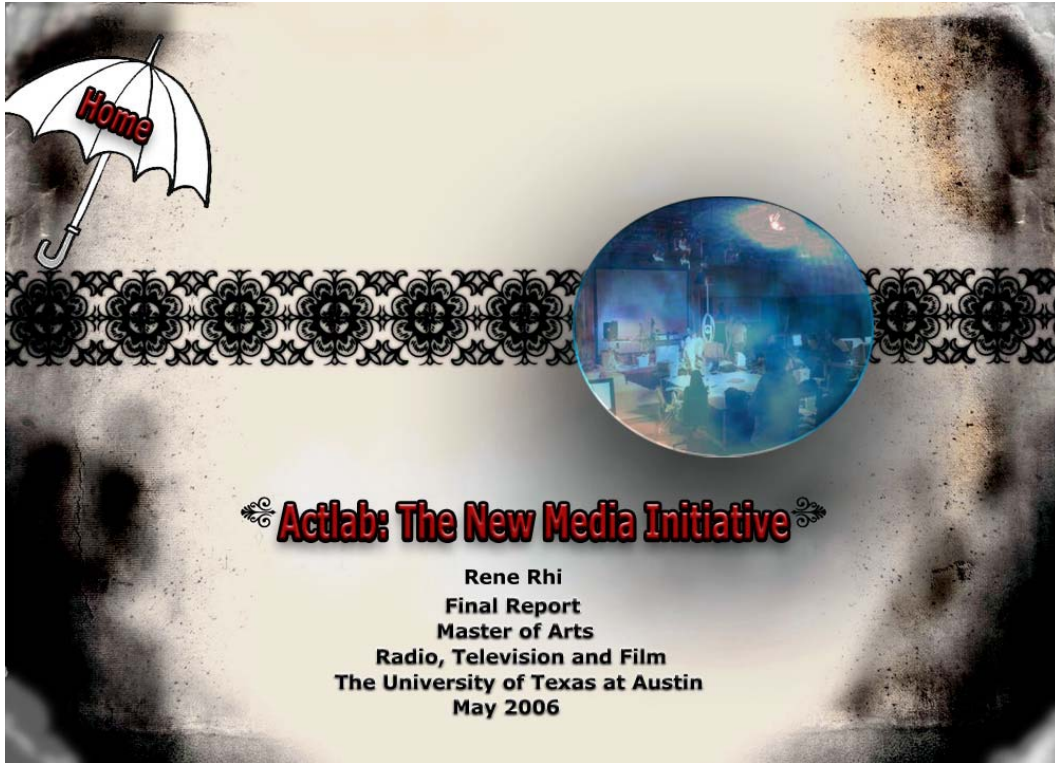
The next step was to add the content for the first page using text manipulation. I used several blending options for the text to give a shiny glossy look.

3. Titles and Effects



The fourth step was to create entertaining visual buttons that convey animations as rollovers. The following images illustrate two of the buttons and the umbrellas as rollovers. This process was created by Adobe Image Ready.

4. Buttons and Rollovers



Then next step was to create each individual page and its content outlined during the pre production phase. Then each page was linked together using Dreamweaver and tested in several browsers to check compatibility.

5. Links and Compatibility

These are some of the few steps that I went through in order to create the concept and develop the visual materials for the website. I emphasize again that without the skills that I acquired through ACTLAB, it would have been almost impossible to create the Web site and produce the DVD for this project.

III. AUDIO / VISUAL PROJECT (DVD)

The primary reason for the production of a DVD as a promotional medium is to inform the general public about the new media initiative at The University of Texas and to illustrate the teaching methodologies of ACTLAB and the skills that one can acquire.

PRE-PRODUCTION

Equipment Available

Canon X1-1	Canon GL-2
Lowell: DP 3-Kit 3-Light Kit, 3 DP lights	VariZoom: VZ-TFTCB 5.2, VZ-PG-L;
Glidecam 4000 Pro	Samson: AMCU1, AX1 Plug-In; /AM1 Receiver;
Westcott: (Green) Fabric Background;	Rebel EOS
Manfrotto Tripod	

The next step was to develop a questionnaire for the interviews.

- Questions for faculty
 - What is new Media / Convergent Media?
 - Why is there a strong need for students, in any career path, to learn or at least have a strong knowledge of new media?
 - What is ACTLAB? What is the teaching methodology and what types of projects are encouraged?
 - What kind of equipment is accessible to students?
 - What degree will a student earn and does ACTLAB offer a masters and PhD?
 - What is the application process and admission requirements and policies?
- Questions for Students
 - What is ACTLAB and how has it benefited your plan of study?
 - Do you feel that you are really learning how to use new media?
 - Do you feel that the university offers sufficient classes that cover all these new technologies, such as High Definition, DVD encoding or 3D animation?
 - What can be done?

Interviewees Selected

1. Program Director and other faculty members - Dr. Sandy Stone
2. Graduate and Ph.D. Students - Joe Perez and Brandon Wiley.
3. Undergraduate students – Charles Vestal
4. Graduated students - Where are they know - Brad Parker

PRODUCTION

1. Individual Interviews
2. B-roll (University, RTF Department, ACTLAB)

POST PRODUCTION

Equipment

Software	Avid Xpress DV HD Adobe Photoshop Adobe Encore Adobe After Effects
Hardware	Sony DSR-11 JVC Broadcast Monitor
Packaging	Canon i9900 printer Sure Thing DVD Labeler

References

¹ Kotler, Philip. Marketing Management: Analysis, Planning, implementation, and Control, The Millennium Edition, Prentice Hall.

*** Rhi, Rene. Unpublished paper “Cameron County – Matamoros Region Media Cluster” A Team Research Project to fulfill the Business Research course requirements. University of Texas at Brownsville. 2003**

² “ADCAD is a rule-based expert system that allows managers to translate the qualitative perception of market place behavior into a basis for deciding on advertising design”, p. 329. - Lilien. Gary L. and Rangaswamy, Arvind. Marketing Engineering, Revised Second Edition. Trafford Publishing, 2004.

³Scottish Enterprise Creative Industries Team. *Creativity and Enterprise: Scotland’s Creative Industries*, Scottish Enterprise, July 1999.

⁴*Creative Industries Cluster Study: Stage One Report*, Department of Communications, Information Technology, and the Arts and the National Office for the Information Economy, Australian Government, Canberra, May 2002, p.3f.

⁵Andrew Huddart, Shanne Morrissey, Carmen Gray & Owen Harvey of Innovation & Systems Ltd Interactive Games. Final report for New Zealand Trade and Enterprise. May 2004

VITA

Rene Alejandro Rhi was born in Brownsville, Texas on September 6, 1977, the son of Dr. Pablo Rhi-Perez and Teresa Leal. After graduating from Saint Joseph Academy High School in 1995, he enrolled at the University of Texas at Austin and graduated with a degree in Spanish and Radio, Television and Film in 2000. He was involved in several projects involving media and worked for PAX and Univision Television. In September 2004, he entered the Graduate School at the University of Texas and had the opportunity to study at the University of Florence in Italy. He plans to get more involved in film production and new media.

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This report was typed by the author.