Transnational Media and Communication

-------------

THE PROSPECT OF MEDIA FRANCHISE BUSINESS:

CASE OF WIZARDING WORLD

Student Name:

Student Number:

Module:

Word Count: 3242

Table of Contents

[1 Introduction of transnational communication and media franchise 3](#_Toc39523872)

[2 Media franchise in the global media market 4](#_Toc39523873)

[2.1 The development of media franchise 4](#_Toc39523874)

[2.2 Influences of media franchise to the world 5](#_Toc39523875)

[2.3 The application of synergies and media convergence 5](#_Toc39523876)

[2.4 Challenges and Opportunities of media franchise 6](#_Toc39523877)

[2.4.1 Challenges 6](#_Toc39523878)

[2.4.2 Opportunities 6](#_Toc39523879)

[3 Case of Wizarding World 6](#_Toc39523880)

[3.1 The company’s background 6](#_Toc39523881)

[3.2 The influences of Wizarding World to the world 7](#_Toc39523882)

[3.2.1 Cultural and social perspective 7](#_Toc39523883)

[3.2.2 Innovation 8](#_Toc39523884)

[3.3 The strategy of the Wizarding World: “Book Merch”- A Cautious Strategy 8](#_Toc39523885)

[3.3.1 Marketing strategy 8](#_Toc39523886)

[3.3.2 Challenges 9](#_Toc39523887)

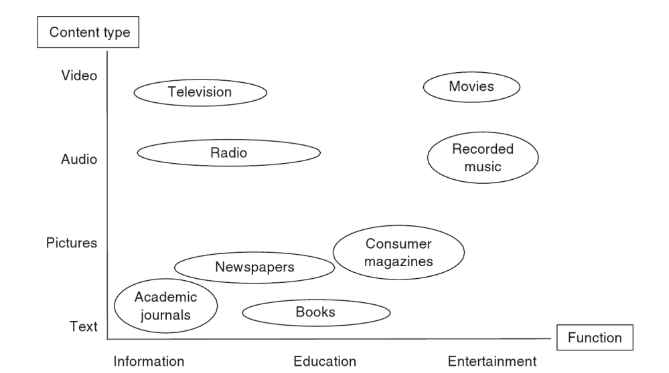
[3.3.3 Opportunities in the global scale 9](#_Toc39523888)

[4 Conclusion 9](#_Toc39523889)

[References 11](#_Toc39523890)

# Introduction of transnational communication and media franchise

Nowadays, international communication along with the intercultural communication, is interchangeable; hence, overlapping with the other subjects. According to Thussu, (2006), his type of communication has four approaches which are idealistic-humanistic, proselytization, economic and political approaches. However, due to Kung’s theory (2017), there have been some organisations using political, economic and sociology perspectives to create their own broader market in the media industry, which is called the political economy approach. By using this approach, media can shape the information of communication and transfer to the public by using mass media, which has changed the whole platform, technology and economic structure (Flew and Smith, 2014). Indeed, since the mass media has developed, there has been a variety of media sectors (shown in Figure 1) that can be used to reproduce/ transform a product from originality, intellectual property in the purpose of business development.



***Figure 1: Sectors in the media industry (Kung, 2017)***

Forming as a collection of related media, media franchise (also called multimedia franchise) has broadened its market’s position in the media industry.

The cross-marketing strategy is the key to success According to Langford (2011), for the studios, a home-run is a film from which a multimedia 'franchise' can be generated; the colossally expensive creation of cross-media conglomerates predicated on synergistic rewards provides an obvious imperative to develop such products”. For the owner of the artwork, the goal of raising the profitability can extend the commercial franchising activities as well as make a tight connection between the work, ownerships and the consumers. Hence, the fandom is built in the purpose of customer relationship management (CSR) and further marketing activities. Wizarding World is one of the very successful cases of having a big population of fans on its fandom as well as having a great franchising business, from which has shown an effective franchising partnership between Warner Bro Studio and JK. Rowlings, the owner of the famous book series- Harry Potter.

# Media franchise in the global media market

## The development of media franchise

In a world where international communication and the power of having effective communications through the cross-cultural differences, a contemporary franchise like *Harry Potter* could have been concerned as the “biggest media” (Johnson, 2013). In particular, it is because of three main dimensions of the corporate power (partnership), this type of business venture has drastically impacted the economic and political perspectives globally. First, multimedia franchise works based on the influence rate of a character or a fictional word, from which, extends the commercial activities through licensing agreements, concerning the intellectual property (Marazi, 2014). Secondly, through media franchising, corporate interests can make the exploitation to the properties in service of developing the consolidation and conglomeration. Following this, the dominance across the various markets of media giants, including film companies (For example Time Warner, NewsCorp, Disney, etc.) and publishers (For example Marvel and DC), has resulted in the appearance of synergy (Johnson, 2013) This third dimension has considerably boosted the development of franchising business as the same content can dominate multiple markets as well as gain big Return Of Investment (ROI) (Schultz et al, 2011)

## Influences of media franchise to the world

According to Kung, (2017), there has been an increase of media organisations using the political economy approach to broaden their market’s position, take chances to dominant various markets as well as open a variety of political and economic concerns. Globalisation, media ownership and government policy are two of the main concerns that affect society due to the impact of this approach.

* Globalisation: It increases communication and makes partnerships between countries in various aspects. By making media’s exploitation of the properties in the national, regional and global scale, media franchise indeed has helped to develop the globalization, which can effectively help trading flows and the economy grow (Kaul, 2011).
* Media ownership and Government Policy: Due to Havens et al (2012), the policy indicates the media ownership, showing how the media industry can operate and the role the businesses plays in the society. For instance, NewsCorp is one of the American biggest mass media conglomerate, boosting not only the American economy but also the bilateral partnerships between countries in terms of publishing companies and the international investments (Le, 2014).

## The application of synergies and media convergence

Based on Naik, and Raman, (2003), modern companies have used Integrated Marketing Communication (IMC) as it is beneficial in “harnessing synergy across multimedia to build brand equity of products and services”. In detailed, synergy and media convergence are used when the IMC shows its best potential, which combines multiple activities (For example television, print advertising, etc.), and exceeds the sum of individual effects. The only key difference between synergy and media convergence is that synergy can also involve non-media products (For example: merchandising) (Hay and Couldry, 2011)

The concept of synergy, which is a combination of multiple business activities, works more effectively in the conglomeration as the media industry nature is an oligopoly (Straubhaar/Larose and LaRose, 2006), causing less diversity in the media. The conglomerate of media production and distribution makes it more profitable to develop a single media franchise into several media sectors. Using synergy, the conglomerates can attract a broader population of fans with a multimedia experience and tie them in their universe (Edwards, 2012).

## Challenges and Opportunities of media franchise

### Challenges

There are two main challenges any media franchise business might face. First, the media franchise might get a challenge for policy when using media convergence or synergy. While most of the media content was delivered through specific channels in the 20th century; these different platforms can be distributed more easily through innovative technical devices, resulting in the change of convergent media technologies’ policy (Ryan, 2016). All businesses will have to identify their strategies, in which shows how they make their best performances on the technology giants’ devices such as Google, Apple; and how to remain the media diversity while following both international and local content policy. Second, choosing to use either hard or soft merchandise depends on not only the profitability but also the fan’s expectation. As fans want to experience new work with new insight, the conglomerates need to be more creative to meet that demand with less exploitation of profitability concept (Yenimazman, 2008).

### Opportunities

The huge success of a range of media franchise business nowadays has proved that connecting with the strong feelings of the customer, becoming a great storyteller through digital innovation has always been important since World War I. Indeed, the influence of Mickey Mouse, one of the most remarkable masterpieces of Disney, is a typical example as it became a symbol of hope in World War I, then being dominant in Hollywood’s cartoon industry with 97% brand recognition till now (Jones, 2019). With the digital innovation and license agreement, this character has appeared in various industries (food, fashion, cosmetics, etc.) and even become a symbol of pop culture.

Connecting the classic fictional stories with multimedia technologies is concerned to be a unique opportunity of media franchise as the great classic stories will be long-term lucrative products in connection to unique customer experience (Ameri, Honka and Xie, 2017).

# Case of Wizarding World

## The company’s background

Wizarding World, previously known as J.K Rowling’s Wizarding World, is an American – British media franchise working around the fictional film universe, which belongs to Warner Bros Studio in connection to the novels of JK Rowling, who is the author of the book series (Pottermore, 2018). Using this partnership effectively, Warner Bros has published ten films, including the famous series *Harry Potter* and *The Fantastic Beast*.

According to Gunelius, (2014), the series is a global business phenomenon, having earned in a total of $9.1billion in the whole world’s box office, becoming the third-highest-grossing film of all time (just following the Marvel Cinematic Universe and Star Wars). Identifying the remarkable potential to gain a massive population of fans from *Harry Potter and the Philosopher’s Stone (2001),* which is about a magic boy named Harry Potter and his adventure in the wizarding world, David Heyman and his company named Heyday Film had finally made a licensing agreement with JK Rowling, cooperating to produce 8 *Harry Potter* series and 2 series of *The Fantastic Beast (Fantastic Beast and where to find them, Fantastic Beast: The crime of Grindelwald),* which follow the same content.

Following the massive success of 10 films, there have been media franchising activities, dominating most of media sectors such as plays (*Harry Potter and the Cursed Child*) (BBC News, 2015), (paper and audio) books, soundtracks, films, video games, augmented reality games, virtual reality games, theme park attractions (*Universal Parks and Resorts*) (Comcast, 2016) and digital publication (*Pottermore*) (Cooke, 2011)

Due to Gunelius (2014), he Harry Potter brand extension and merchandising effort have resulted in a huge success in numerous forms until now. In spectacular, small and medium businesses (For example tour agents, travel companies in both United Kingdom and the United States), and online businesses (For example Amazon, eBay, etc.) can sell those media franchising products under the licensing agreement between all parties.

xample, the print fictions known under the brand of “Harry Potter” also

distribute their messages about the nature of people and the social order in the media of

films, DVDs, videogames, websites, clothing, toys, and even candy (see the amazon.com

“Harry Potter Store” for a sampling:

http://www.amazon.com/exec/obidos/tg/browse/-/1084186/002-2245057-1823241

). The Harry Potter franchise is a new kind of cross-media or meta-media object. The

the complete experience of its “discourse” involves participation with all these media: not

just reading the books, but also viewing the films (which differ significantly from the

books) and the DVDs (which include material not in the theatrical-release films), playing

the videogames, wearing the clothing, buying the toys, visiting the websites which are

linked to the books, films, and videogames, and even perhaps eating the candy. The

websites often include vast networks of online discussions among “fans” about the

commercial works, with speculations about future products, and even the production by

fans of imitative fictions that actively elaborate on the alternative reality of the Harry Potter

universe (e.g. http://scifi.about.com/od/fanfichp/ or

http://www.harrypotterfanfiction.com/ )

or example, the print fictions known under the brand of “Harry Potter” also

distribute their messages about the nature of people and the social order in the media of

films, DVDs, videogames, websites, clothing, toys, and even candy (see the amazon.com

“Harry Potter Store” for a sampling:

http://www.amazon.com/exec/obidos/tg/browse/-/1084186/002-2245057-1823241

). The Harry Potter franchise is a new kind of cross-media or meta-media object. The

complete experience of its “discourse” involves participation with all these media: not

just reading the books, but also viewing the films (which differ significantly from the

books) and the DVDs (which include material not in the theatrical-release films), playing

the videogames, wearing the clothing, buying the toys, visiting the websites which are

linked to the books, films, and videogames, and even perhaps eating the candy. The

websites often include vast networks of online discussions among “fans” about the

commercial works, with speculations about future products, and even the production by

fans of imitative fictions that actively elaborate the alternative reality of the Harry Potter

universe (e.g. http://scifi.about.com/od/fanfichp/ or

http://www.harrypotterfanfiction.com/ )

For example, the print fictions known under the brand of “Harry Potter” also

distribute their messages about the nature of people and the social order in the media of

films, DVDs, videogames, websites, clothing, toys, and even candy (see the amazon.com

“Harry Potter Store” for a sampling:

http://www.amazon.com/exec/obidos/tg/browse/-/1084186/002-2245057-1823241

). The Harry Potter franchise is a new kind of cross-media or meta-media object. The

complete experience of its “discourse” involves participation with all these media: not

just reading the books, but also viewing the films (which differ significantly from the

books) and the DVDs (which include material not in the theatrical-release films), playing

the videogames, wearing the clothing, buying the toys, visiting the websites which are

linked to the books, films, and videogames, and even perhaps eating the candy. The

websites often include vast networks of online discussions among “fans” about the

commercial works, with speculations about future products, and even the production by

fans of imitative fictions that actively elaborate the alternative reality of the Harry Potter

universe (e.g. http://scifi.about.com/od/fanfichp/ or

http://www.harrypotterfanfiction.com/ )

For example, the print fictions known under the brand of “Harry Potter” also

distribute their messages about the nature of people and the social order in the media of

films, DVDs, videogames, websites, clothing, toys, and even candy (see the amazon.com

“Harry Potter Store” for a sampling:

http://www.amazon.com/exec/obidos/tg/browse/-/1084186/002-2245057-1823241

). The Harry Potter franchise is a new kind of cross-media or meta-media object. The

complete experience of its “discourse” involves participation with all these media: not

just reading the books, but also viewing the films (which differ significantly from the

books) and the DVDs (which include material not in the theatrical-release films), playing

the videogames, wearing the clothing, buying the toys, visiting the websites which are

linked to the books, films, and videogames, and even perhaps eating the candy. The

websites often include vast networks of online discussions among “fans” about the

commercial works, with speculations about future products, and even the production by

fans of imitative fictions that actively elaborate the alternative reality of the Harry Potter

universe (e.g. http://scifi.about.com/od/fanfichp/ or

http://www.harrypotterfanfiction.com/ )

## The influences of Wizarding World to the world

### Cultural and social perspective

In Wizarding case, there have been several events that took place based on its popularity, causing the change of the people’s social experience and knowledge. In sport, Quidditch is not a sport that only occurs in the magical world anymore but becomes a sports game in reality (European Quidditch Cup, 2020). In the food industry, new food products have been created by food brands to match with fan’s expectation like butterbeer (produced by English’s brewpub Flying Cauldron).

Moreover, a transnational approach to the global scale requests how global media can operate more complicating forms of cultural production than be remained in a singular national form. The collaboration and the power of reshaping between different cultures have been shown more clearly in the Harry Potter film series as all of the scenes were filmed at both American and British places. As Dick Hebdige mentioned, “the subcultural groups rearticulated pieces of American popular culture to create a uniquely local popular culture” (Johnson, 2013). This type of culture has reflected in Harry Potter itself as this work was created by references of American and British’s literature (For example the word “Muggle” is referenced from Roald Dahl’s *Big Friend Giant* (British book) and Ernest Bramah’s *The Artful Muggle(American book)*)

### Innovation

Digital innovation is considered to change the way human interact with media art. Animated GIF is an example of this. GIF was published in the 20th century but it is not until Harry Potter film released that this innovation was recognized and become popular (Barleet, 2017). 3D, virtual reality, augmented reality has been used more effectively and become easy-to-be-recognised in several media franchise, including Wizarding World when the whole magical universe has been developed to create an immersive experience for the fans (Miller and Alberti, 2018).

## The strategy of the Wizarding World: “Book Merch”- A Cautious Strategy

### Marketing strategy

While the other conglomerates, including Disney, choose to follow a hard merchandising strategy which implies hard exploitation of the property in the purpose of gaining brand equity and huge profitability (Gunelius, 2014); Warner Bros. has used “Less is more” approach for Wizarding World. This cautious move has created a new media franchising strategy, which is also known as “Book Merch” or “2001 Merch” (O’Shea, 2018). Besides a good product which is the book itself, the concept of “The goods beating the bads” and a range of marketing activities like the other book series, *Harry Potter* and its reinvented products has focused on transferring the brand image and its message consistently.

However, both soft and hard strategies have one similarity, which is the tight connection with its fans; and this strong engagement has reflected in the social networks when fans seek out all products related to the brand. Due to Gunelius, S. (2014), in Disney’s case, many fans are avid-collectors of Disney’s merchandise network, which is called Disneyana. This merchandising activity has not been run in Wizarding World’s case; nonetheless, a digital publication named Pottermore, which is used to get the news and related stories updated, has been released. Therefore, a similar network of collectors might rise in Wizarding World's case and make more cultural influences.

### Challenges

One of the main risks when operating a franchise is breach of intellectual property right. The bigger the franchise business is, the stricter the right is to all stakeholders, especially the franchisees. According to Wade (2019), one of Harry Potter’s merchandising store, which is located in Scotland, has been facing legal challenge from Warner Bros as it used illegally the trademark term “World of Wizardry” at both stores and websites. This incident has illustrated that the bilateral agreement has to follow strictly the Copyright Laws, Intellectual Property Rights (IPRs) and other Web Content Policy (World Intellectual Property Organisation, 2020).

### Opportunities in the global scale

The key characteristic of a media franchise is that the reinventing products need to continually made, or the whole franchise will collapse. In Wizarding World’s case, at the current time, *Harry Potter* has seem to be mostly exploited after 8 series released, the new series *The Fantastic Beast* need to follow to enrich the fanbase and to remain the business economy. Although The Fantastic Beast does not have a huge- selling series of book ($75 million) as Harry Potter’s chapter 7 ($169 million) as Box Office reported (Pulver, 2016), this franchise has finally made a unique experience to most of the audiences, which is a mysterious magical world connecting a different cultures. Thanks to the development of the multimedia technique and Harry Potter being the true template (Blake, 2002), an endless opportunity for cross-platforming and repurposing for a huge fanbase is possible; from which an irresistible connection between parties can always remain.

# Conclusion

In the business environment nowadays, international communication can be considered as an important factor of business success as “it affected in the communication of partnerships in the global scale, and underestimating the cross-cultural differences in communication can create obstacles which can hinder performance” (David, 2002). With the impact of international communication and the development of multimedia technique in terms of political economy approach, a range of events including globalization, government policy, ownership, neoliberalism, etc., have become the main factors to appear the golden decade of media franchise. This franchise formation has endless and unique opportunity as it operates based on the development of the original works and a huge source of derivative works, which can be reinvented, republished and repurposed for further development as well as commercial exploitation in terms of a range of media sectors (Johnson, 2013).

Wizarding World, along with the best-seller Harry Potter of all time, has become one of the obvious cases to prove the outstanding opportunity of Book Merchandising spectacularly and media franchise as a whole. Due to Fleury, Hartzheim, and Mamber (2019), the media franchise businesses are still predicted to be dominant the entertainment industry in the future as this form works based on the ethics and sustainability, connecting people at different age through international communication under multimedia technique.

# References

Ameri, M., Honka, E. and Xie, Y. (2017). The Effects of Binge-Watching on Media Franchise Engagement. *SSRN Electronic Journal*.

Alberti, J. and Miller, P. (2018). *Transforming Harry: The Adaptation Of Harry Potter In The Transmedia Age*. The United States: Wayne State University Press.

Bartleet, L. (2017). *20 Ways The Harry Potter Universe Changed The World*. [online] NME Music News, Reviews, Videos, Galleries, Tickets and Blogs | NME.COM. Available at: <https://www.nme.com/blogs/the-movies-blog/20-ways-harry-potter-changed-world-2094554> [Accessed 3 May 2020].

BBC News. (2015). *Harry Potter Play To Open Next Year*. [online] Available at: <https://www.bbc.co.uk/news/entertainment-arts-33283158> [Accessed 2 May 2020].

Blake, A. (2002). *The Irresistible Rise Of Harry Potter*. London: Verso.

Comcast. (2016). *Nbcuniversal Acquires Rights To J. K. Rowling's 'Wizarding World' Franchise*. [online] Available at: <https://corporate.comcast.com/news-information/news-feed/nbcuniversal-acquires-rights-to-j-k-rowlings-wizarding-world-franchise> [Accessed 2 May 2020].

Cooke, S. (2011). *‘Pottermore’ Secrets Revealed: J.K. Rowling’S New Site Is E-Book Meets Interactive World | TIME.Com*. [online] TIME.com. Available at: <https://newsfeed.time.com/2011/06/23/pottermore-secrets-revealed-j-k-rowlings-new-site-is-e-book-meets-interactive-world/> [Accessed 2 May 2020].

Edwards, L. (2012). Transmedia Storytelling, Corporate Synergy, and Audience Expression. *Global Media Journal*, 12(20), pp.2-12.

Eqc2020.org. 2020. *European Quidditch Cup 2020*. [online] Available at: <https://eqc2020.org/> [Accessed 3 May 2020].

Fandom (2020). *Wizarding World (Franchise)*. [online] Harry Potter Wiki. Available at: <https://harrypotter.fandom.com/wiki/Wizarding\_World\_(franchise)> [Accessed 1 May 2020].

Flew, T. and Smith, R. (2014). *New Media*. Don Mills: Oxford University Press, pp.1-26,57-75,275.

Fleury, J., Hartzheim, B. and Mamber, S., 2019. *The Franchise Era*. Edinburgh: Edinburgh University Press, pp.31-47.

Gunelius, S. (2014). *Harry Potter: The Story Of A Global Business Phenomenon*. [Place of publication not identified]: Palgrave Macmillan.

Griffith, D. (2002). The role of communication competencies in international business relationship development. *Journal of World Business*, 37(4), pp.256-265.

Hay, J. and Couldry, N. (2011). Rethinking convergence/ Culture. *Cultural Studies*, 25(4-5), pp.473-486.

Johnson, D. (2013). *Media Franchising: Creative License And Collaboration In The Culture Industries Media Franchising (Postmillennial Pop Series)*. New York: New York University Press.

Jones, K. (2019). *The World’S 25 Most Successful Media Franchises, And How They Stay Relevant | Markets Insider*. [online] markets.businessinsider.com. Available at: <https://markets.businessinsider.com/news/stocks/successful-media-franchises-1028712444> [Accessed 3 May 2020].

Küng, L. (2017). *Strategic Management In The Media*. Los Angeles [etc.]: Sage.

Kaul, V. (2011). Globalisation and Media. *Journal of Mass Communication and Journalism*, 01(01).

Langford, B. (2011). *Post-Classical Hollywood*. Edinburgh: Edinburgh University Press.

Le, V. (2014). *Global 2000: The World's Largest Media Companies Of 2014*. [online] Forbes. Available at: <https://www.forbes.com/sites/vannale/2014/05/07/global-2000-the-worlds-largest-media-companies-of-2014/#29dbd482f27a> [Accessed 2 May 2020].

Marazi, K. (2014). Brand Identity, Adaptation, and Media Franchise Culture. *Acta Universitatis Sapientiae, Film and Media Studies*, 9(1), pp.229-242.

Naik, P. and Raman, K. (2003). Understanding the Impact of Synergy in Multimedia Communications. *Journal of Marketing Research*, 40(4), pp.375-388.

O'Shea, L. and Thomas, C. (2018). *"Harry Potter": From Book Series To Global Brand | Mugglenet*. [online] MuggleNet. Available at: <https://www.mugglenet.com/2018/08/harry-potter-from-book-series-to-global-brand/> [Accessed 1 May 2020].

Pottermore. (2018). *New Logo Marks An Exciting Year Ahead For The Wizarding World | Wizarding World*. [online] Wizardingworld.com. Available at: <https://www.wizardingworld.com/news/wizarding-world-brand-logo-launch> [Accessed 2 May 2020].

Pulver, A. (2020). *Fantastic Riches And Where To Find Them: How To Grow A $22Bn Franchise*. [online] the Guardian. Available at: <https://www.theguardian.com/film/2016/nov/21/fantastic-beasts-harry-potter-franchise-wizarding-world-jk-rowling> [Accessed 4 May 2020].

Ryan, M. (2016). Transmedia narratology and transmedia storytelling. *Artnodes*, (18).

Straubhaar/Larose. and LaRose, R. (2006). *Media Now*. Florence: Cengage Learning.

Schultz, D., Block, M. and Raman, K. (2011). Understanding Consumer-Created Media Synergy. *Journal of Marketing and Communications*, pp.1-15.

Smythe, D. (1960). On the Political Economy of Communications. *Journalism Quarterly*, 37(4), pp.563-572.

Sweney, M. (2012). *News Corp's Head Of Demerged Newspaper Arm May Take Home £2.5M*. [online] the Guardian. Available at: <https://www.theguardian.com/media/2012/dec/21/news-corp-robert-thomson-fox> [Accessed 2 May 2020].

Smith, B. (2010). *News Corp. Gave Pro-GOP Group $1M*. [online] POLITICO. Available at: <https://www.politico.com/story/2010/09/news-corp-gave-pro-gop-group-1m-042989> [Accessed 2 May 2020].

Wade, M. (2019). *Court Challenge From Hollywood Spells Trouble For Potter Shops*. [online] Thetimes.co.uk. Available at: <https://www.thetimes.co.uk/article/court-challenge-from-hollywood-spells-trouble-for-potter-shops-djzdrzhkf> [Accessed 4 May 2020].

World Intellectual Property Organisation (2020). *Managing Intellectual Property In The Book Publishing Industry*. [online] pp.52-60. Available at: <https://www.wipo.int/edocs/pubdocs/en/copyright/868/wipo\_pub\_868.pdf> [Accessed 4 May 2020].

Yenimazman, D. (2008). Convergence Culture: Where Old and New Media Collide. *Information, Communication & Society*, 11(7), pp.1034-1035.