

Product Placement In Film And Television

by

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On July 12th, 2005 Major League Baseball's annual All-Star Game was played at Comerica Park in Detroit, Michigan. Not a big moment in sports history, as the National League lost for the ninth straight year, but it was an important day in advertising history. July 12th, 2005 saw the successful trial of a new form of advertising. The game was broadcast by FOX Sports, with live commentators Joe Buck and Tim McCarver. Near the end of the third inning, a banner was hung from the outfield wall reading: "HHRYA.COM", the FOX Sports camera lingered on the banner for about 10 seconds, which is an eternity in television, and then the following exchange occurred between Buck and McCarver:

"Welcome back to Detroit," Buck said. "A lot of banners and signs around the ballpark. No surprise there. Somebody just unfurled a big banner behind left field."

"H-H-R-Y-A. Tim, you'll have to tell me what that means. I am not sure, but someone went to a lot of trouble, obviously, to put it up out in left center field."

"I don't know what that sign means, but 'hooray' is the first thing that comes to my mind."¹

This conversation, as uninspiring an example of banter that it is, was compelling enough to swamp the servers at HHRYA.com, making the website unavailable for thousands of internet users for half an hour after the conversation occurred. At this point, it would be useful for you to know that one of the 2005 MLB All-Star Game's main sponsors was General Motors' Chevrolet division. The banner in question was draped to partially cover a billboard for Chevy's Corvette. The website in question is a promotional website for Chevy's new HHR model of automobile.

The reasonable person, upon learning these facts, might think that some clever guerilla marketing group at Chevy had "pulled one over" on the FOX commentators, a

¹ Ashlee Vance, correspondent for the UK news source *The Register*, writing on July 13th 2005, recorded at the URL: http://www.theregister.co.uk/2005/07/13/foxsports_ruse_web/

stunt worthy of a chuckle. This was not the case. The next day, FOX Sports spokesman Dan Bell told reporters:

“ 'Buck might have been saying that tongue in cheek,'
Dan Bell told The Register. 'For sure, it was planned.
It's not like we didn't know about it. Both parties knew
about it.' ”²

Advertising has undergone many changes over the last century, moving from printed messages extolling the virtues of a product, to radio broadcasts that took the consumer's point of view into account, and on toward mass media appeals based on the television's ability to deliver a multidimensional message in a mere 30 seconds. The advent of the “TiVo-style” personal video recorder (PVR) has degraded the impact of conventional advertising, as these PVR's allow viewers to “zap” commercials. This has made advertisers look for other methods of putting their message before the eyes of the consumers of video media.

Many advertisers buy airtime outright on television, usually in 30-second blocks during which they distribute their messages directly to viewers. This is an example of straightforward advertising, where the viewer routinely accepts minor lapses in total adherence to ethical tenets, but this is not the only way that advertisers distribute their messages in video media today.

This paper investigates another common method used by advertisers in television and films, a far more subtle method called “product placement.” Product placement involves advertisers making payments or giving other non-monetary support to film and television producers, and in return the producers include references to the advertised product in the scenery or costumes used in the performance. Many consumers of video

² ibid

entertainment are entirely unaware that they are viewing an advertiser's message during the performance itself. The subtlety of the technique is one reason that people who first learn about the technique's existence view it as unethical.

I will present an overview of traditional advertising techniques in video media, then will contrast the methods with those of product placement. Using specific examples of product placement, I will investigate how the technique functions in practice and how it uses the core methods of persuasion, including ethos, pathos, logos, visual and psychological persuasion.

Persuasion using logos might be used when a script is altered to verbally mention a product, ethos may be used when respected actors demonstrate the use of certain products onscreen, and the expected pathos of dramatic production can steer viewers to attach certain emotions depicted in the drama to the advertised product itself. An exploration of the psychological and visual methods of persuasion will help to determine the ethicality of product placement. I will conclude with a discussion of ways for the reader to assess the impact of this technique on their own use of video media.

As reported in 2001 by an intellectual property issues newsletter:

“In response, advertisers may increasingly rely on product placements that cannot be zapped, recorded around, or otherwise avoided by consumers. Recent technology has brought virtual product placements, with products added digitally to already-filmed television shows. In either case, a product placement is the insertion into a movie or TV show of a brand name or product in return for some form of consideration.”³

There are benefits to the consumer from the technique of ‘product placement’. Revenue coming from this source defrays the costs of TV and film production, making the entertainment better in quality and broadening the quantity of entertainment released.

³ Stephen McKenna and Diana Lee Bixler, in the Pattishall McAuliffe Newsletter, Fall 2001 issue, recorded at the URL: <http://www.pattishall.com/pdfs/fall2001.pdf>

Most occurrences of product placement are unobtrusive and are rarely noticed by the viewer. So if it is usually unnoticeable and helps make video productions better, then why would anyone raise a fuss?

The trouble comes from the methods used by advertisers who engage in product placement. In the FOX Sports example cited above, the on-air commentators deliberately deceived their audience, in possible violation of Section 5 of the FTC Act⁴. There are numerous instances of less deceptive product placement, and some instances involving even more egregious deception. The controversy also touches on issues of constitutionally protected speech. In 2004, the Washington Legal Foundation reported:

“Product placement is inextricably intertwined with artistic expression, which is typically on the front line of First Amendment protected free speech... Branded products not only help tell the story, they can become part of the story. Examples cited ... include Katherine Hepburn's famous overboard dumping of Gordon's Dry Gin in *The African Queen* ...”⁵

Indeed, this incident from 1951 is one of the first known occurrences of product placement. The makers of the film “*The African Queen*” were paid by the makers of Gordon’s Gin to have that brand of liquor used in the film⁶. The 1982 film “*E.T.*” was used so skillfully to promote Reese’s Pieces candy, that sales of the product jumped by a reported 65%⁷. The automaker BMW paid \$3 million to have James Bond dump his traditional Aston Martin for the BMW Z3⁸.

⁴ 15 U.S.C. §45(a) (as amended 1994)

⁵ Douglas J. Wood, Legal Backgrounder, Washington Legal Foundation, as recorded at the URL: <http://www.reedsmith.com/library/publicationView.cfm?itemid=71845>

⁶ As recorded at the URL: <http://money.howstuffworks.com/product-placement1.htm>

⁷ H. Ronald Moser, Layne Bryant, Katie Sylvester, of Middle Tennessee State University, “Product Placement As A Marketing Tool In Film And Television”, as recorded at the URL: <http://www.nssa.us/nssajrnl/22-1/pdf/12.pdf>.

⁸ Jeff Greenfield, executive VP, 1st Approach, as recorded at the URL: <http://www.productplacement.biz/seeking-attention.php>

What is the logic behind product placement, and what makes it work?

The basic idea behind modern advertising persuasion is that if you want to sell your product, then you want to have social leaders be seen using it. Thus, if you are selling soft drinks to teenagers, you might tailor your advertising to the leaders among the “mooks” and “midriffs” mentioned in the Frontline documentary “Merchants Of Cool”⁹. You might prune your pitch for luxury resort vacations to appeal to the gay couple with two incomes and no dependents. You might use Led Zeppelin's music to lend an air of excitement to a Cadillac that only the most successful consumers can afford to buy, because most peak earners today were in their teens during Led Zeppelin's heyday 3 decades ago. Product placement puts things into hands of leaders.

As the definition of video entertainment continues to evolve, advertising techniques (including product placement techniques) change right along with it.

“The videogame advertising network Massive has just announced signing 12 advertisers and is slated to place ads in 40 titles, reported MediaPost. Massive signed a deal with Nielsen to use Massive's software to track how often a player comes across the in-game ads and report stats back to the company over the internet, according to the New York Times. Ads will be dynamically updated through a PC or console system's internet connection, allowing advertisers to target [the players] by geography and change ads over time.”¹⁰

The United States' model of video distribution requires the consumers to pay admission prices for films, and to pay for TV programming that is ad-free. We expect

⁹ PBS.org, video available online as referenced at the URL:
<http://www.pbs.org/wgbh/pages/frontline/shows/cool/view>

¹⁰ April 11th 2005, MediaVox.com, online marketing news website, as recorded at the URL:
http://www.marketingvox.com/archives/2005/04/11/massive_effort_to_place_products_in_videogames/index.php

that if we get programming for “free”, then it will contain advertisements. Because such ads are “expected”, the common perception is that this is an ethical method of advertising. In contrast, product placement is “not expected”, and in fact is not widely recognized even when it is occurring literally right in front of our eyes. This leads viewers to consider the technique to be unethical at the outset. Added to this initially unfavorable perception is the fact that product placement is often embedded in programming for which the viewer has already paid a premium, supposedly for the luxury of ad-free viewing. Thus, the public's resentment of the technique deepens, to the point where terms like “underhanded” and “sneaky” give way to more serious labels, such as “despicable” and “unscrupulous”. Compound this with the possibility of “negative product placement”, where one advertiser pays for a competitor’s product to be shown in an unfavorable light¹¹ and one might see the whole technique as “shady”.

One of Aristotle’s primary mechanisms of persuasion is *logos*, the Greek word for “word”. In practice, *logos* is defined as using language in a reasoned attempt to convince another of the validity of the speaker’s claim. Traditional advertising uses *logos* to compare the merits of one product to another, or to highlight the benefits of their wares. Product placement is bereft of *logos* persuasion by the nature of the technique. When advertising products via subtle inclusion, an overt reference to a product’s virtues would not be possible. Doing so would change the ad into a product tie-in similar to most television advertising in the 1950’s. For example, any American over the age of sixty can tell you that Groucho Marx’s show “You Bet Your Life” was sponsored by the DeSoto-Plymouth Dealers Of America, and they will remember this because twice during

¹¹ Martin Lindstrom, “Negative Product Placement”, July 17th 2001, ClickZExperts: Advice & Opinions By & For Marketers, as reported at the URL: <http://www.clickz.com/experts/brand/brand/article.php/843871>

each show, Groucho personally pitched the automobiles with his trademark wit. As it stands, *logos* is virtually absent from product placement.

Aristotle's other two primary persuasion mechanisms, *ethos* and *pathos*, can clearly be seen to operate in product placement advertising. Using a respected or recognizable spokesperson in advertising, to tie a product's credibility to a person's reputation is an exercise in *ethos*, but this technique is used in product placement as well. When a movie hero or TV comedienne is seen using a certain product onscreen, that is *ethos* at work. The actor becomes, in effect, a spokesperson for the product without having to utter a single word about it. The ethicality of this relationship is called into question when one realizes that the actor or actress is not being directly compensated for representing the product. The product placement fee paid to a production company may go towards defraying the actors' salaries, or they may be able to help themselves to a couple cases of soft drinks provided by the advertiser, but as product placement occurrences increase, the revenue it generates will likely become a point of contention between production companies and actors' unions.

A quick definition of *pathos* is the use of an appeal to emotion for persuasion. In our context, *pathos* is shown to be present in product placement when the emotions acted out by performers are tied to products in visually subtle ways. One example is a crying actress blowing her nose with a tissue from a convenient box of Kleenex, as does Leonardo DiCaprio's portrayal of Howard Hughes in 2005's "The Aviator". Another example is a common cultural female response to emotional stress: consumption of ice cream. In the movie "Someone Like You",

"Hugh Jackman says he knew his relationship was over when his girlfriend came home from dinner and ate Haagen-Dazs out of the container. In "Monkeybone,"

Bridget Fonda and her girlfriend eat Haagen-Dazs out of the container.”¹²

The intended message in these occurrences of advertising is aimed at the female audience in an attempt to tie the Haagen Dazs brand of ice cream to the relief of emotional stress, and to imply that the brand is favored among trendy and sexy women for the maintenance of emotional balance, as a “special treat just for me”.

Psychological elements of persuasion are certainly evident in product placement. When Woodward and Denton write about psychological methods of persuasion, they note the Social Learning Theory as one of four major theories of psychological persuasion:

“At the heart of the theory is the simple notion that most of our overt behavior is learned from society. Through social interaction ... other people provide models for how to behave.”¹³

This theory is at the heart of the concept of product placement. We do what we see, and if someone we admire seems to believe that Product A is better than Product B, then we will tend to choose Product A when we see it on a store’s shelf right next to Product B. Sometimes only operating on a subconscious level, product placement makes heavy use of the ideas of Social Learning Theory to influence buying habits.

As American culture evolves, we are becoming more insular as our entertainment choices grow. Today, it is not uncommon for a household of four people to contain five or more televisions. A generation ago, watching TV was a communal experience when

¹² Timothy M. Gray, “Reel Life” column, Jan. 10th 2002, Variety.com, as reported at the URL: <http://www.variety.com/article/VR1117858305?categoryid=4&cs=1> Incidentally, this website for the venerable entertainment trade publication Variety sports a sidebar where one can view the “Gorgeous 100 Iconic Moments In Film”, named for (and sponsored by) Jaguar automobiles, whose slogan is “Prefer Gorgeous”, and whose ad campaign’s website is at <http://www.prefergorgeous.com>

¹³ Gary C. Woodward and Robert E. Denton, “Persuasion and Influence in American Life”, Waveland Press, 1988, pg 141-142

all household members gathered in a single room and argued over which channel to tune in (out of only four channels). This social interaction led to norms of behavior, fostered development of compromise and negotiation skills, and allowed the collective experience of the whole household to opine about advertisements, whether in agreement or refutation. “Television is our culture's principal mode of knowing about itself.”¹⁴

Today, with dozens of channels available in each bedroom, the typical video media consumption pattern is by a single person viewing niche programming. Lowered social skills are one side-effect of this trend, but more importantly for our discussion, the absence of immediate peer opinion triples the effects of video media on “social learning”. Further, the effect of product placement is vastly enhanced when social norms are increasingly formed from behavior models seen only in fictional performances.

Visual forms of persuasion vary widely in the field of product placement. Some advertisers opt to have their products placed in prominently visible places in the scenery, where the viewer cannot avoid noticing. Others choose to have their items appear in the background, to appear as a part of “normal everyday life”. The duck mascot of the Aflac insurance company appears incongruously in the film “Lemony Snicket’s”, while the distinctive red and white design of Campbell’s Soup cans is unmistakable, even though the cans are unobtrusively stacked on a counter behind the actors (and blurred out of focus) in the TV show “American Dreams”.

What effect can such a subtle marketing technique really have? As mentioned above, Reese’s Pieces increased sales by 65% after being shown in the film “E.T.” Hollywood Reporter commented on rampant product placement in the recent spate of “reality” shows on television:

¹⁴ Neil Postman, “Amusing Ourselves To Death”, Penguin, 1985, pg 92

“Fred Bernstein, entertainment partner at the law firm Manatt, Phelps & Phillips, said companies pay \$5 million to showcase their products on "The Apprentice." ‘When it's done well, it's product placement on steroids,’ he said. Todd Peters, VP of Brand Management at Staples, said placements on "Apprentice" work despite the declining ratings of the show. Since an episode this year featured the candidates building and marketing a "Desk Apprentice" for the office supplies chain, ‘we've sold 50,000 Desk Apprentices,’ Peters said. ‘We can't keep them in stock.’”¹⁵

Clearly, from this testimonial (and far too many others to reference here) product placement is very effective, whether it is overt or covert. The technique cannot be labeled as propaganda, as it does not function to “obstruct or restrict the free flow of information or ideas”,¹⁶ nor is it a “systematic attempt to shape perceptions”¹⁷ in the words of Jowett and O’Donnell, for they further define “systematic” as “precise and methodical, carrying out something with organized regularity”.¹⁸ Rather, occurrences of product placement happen in the context of a free marketplace of ideas *and* goods, and happen with something far short of methodical regularity. The closest that product placement comes to propaganda is Apple Computers’ campaign in TV and films, which is so heavy that a majority of visible computer equipment in video media today are Apple’s, although their actual market share in the industry is less than 10%.

Since the traditional television advertising model consisting of a handful of blocks of 30-second commercials lasting two to four minutes is losing relevance in the world of TiVo-style PVR’s and internet sharing of video files (with the commercials stripped out), product placement and other non-avoidable advertising techniques will continue to increase. In 2005, the consumer products giant Proctor & Gamble removed a

¹⁵ Alex Woodson, writing for Hollywood Reporter, October 20th 2005, as reported at the URL: http://insidebrandedentertainment.com/bep/article_display.jsp?vnu_content_id=1001348561

¹⁶ Dr. Jeffrey W. Murray, “Propaganda”

¹⁷ Garth S. Jowett and Victoria O’Donnell, “Propaganda and Persuasion”, Sage 1999, pg. 6

¹⁸ *ibid*

billion dollars of their advertising spending from the 30-second ad format. Where that money is now spent is unknown, but certainly a portion of it will find its way into non-traditional forms of advertising, like “buzz marketing” and product placement. What is known is that P&G, the world’s largest consumer of advertising services, will not abandon video advertising; instead they will only redirect existing resources into new video formats and new video media.

What is important for the consumers of video media to do now is to assess the impact of product placement on their interaction with entertainment. It’s safe to assume that it is not an accident or coincidence whenever one sees a non-generic product in a TV show or film today. If no company paid for it, then it would be blurred-out. The consumer needs to understand that fictional scenery is no longer positioned and composed solely for artistic effect, and upon learning this, he or she needs to discover where their own feelings lay. If a person prefers the taste of Coke over Pepsi, then no amount of subtle product placement will change their mind, but there arises the possibility of disappointment and vaguely uncomfortable cognitive dissonance should they learn that their favorite fictional character is a “Pepsiholic”.

What is needed is a critical eye when being entertained, and by inference this will reduce the entertainment value of the media. The loss of believability introduces a reluctance to “lose oneself” in the story, and when the motives of advertisers are intermixed into the content of other media this can lead to a loss of trust in the accuracy of news and sports reporting. The critical mind will also realize that product placement enhances the quality of video productions, broadens the quantity of entertainment choices available, and reduces the size of annoying commercial breaks on TV. Perhaps, if the ads are contained inside the show, a 30-minute sitcom that now has 21 minutes of actual

programming may expand to 26 minutes of laughs. Each viewer must decide for themselves: when is the tradeoff worth it?