

## Product Placement in Film

Overview and Analysis of Product Placement  
Strategies in Motion Pictures

MINORITY REPORT and  
DICKIE ROBERTS: FORMER CHILD STAR

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### OVERVIEW

There's a fierce competition for mind share in the world of marketing and promotion. "On average, a Westerner now gets more than 3,000 marketing messages each day, up from 100 messages a day in 1984."<sup>1</sup> To combat shrinking television viewership caused by emerging technologies and the resulting erosion of the commercial ad, marketers have turned to nontraditional advertising venues, such as product placements, to reach the consumer. Media executives at Bartle Bogle Hegarty (BBH) in London report that 5 percent of the firm's \$900 million in global billings now comes from nontraditional ads, with a prediction that figure will rise to 20 percent in the next few years.<sup>2</sup> Product placement in entertainment media has become standard practice and is growing.<sup>3</sup>

Strengthening the power of product placement in films is the market shift toward promotional brand tie-in activities. Tie-in activity has doubled in the last five years.<sup>4</sup> Hollywood films are a hot bed for the proliferation of promotional activity. In 1998, 475 movies carried a total of 98 product placement partners; by 2003, slightly fewer films were produced, but 196 partners were associated with film placements.

Product placement is best defined as the practice of "incorporating brands in movies in return for money or for some promotional or other consideration."<sup>5</sup> Financial consideration can often be in the form of explicit payments, free merchandise, or advertisers making deals to promote the film in their advertising in exchange for product placement in the film. From a brand perspective, tie-ins have the advantage of adding a longer shelf-life to the product exposure, rather than relying only on an opening weekend blitz to generate brand recognition and influence purchase behavior.

Media-edge found that viewers age 15 to 34 are most receptive to product placement and are more likely than other viewers to try the brands they've been exposed to.<sup>6</sup> The survey found that product placement in film holds up relatively well in comparison with other more traditional forms of advertising.<sup>7</sup> In another study, it was

determined that women held less favorable attitudes toward product placement than men.<sup>8</sup> Ethically-charged products – alcohol, cigarettes and guns – were looked upon less favorably in movie product placements than other products; however, men were more accepting than women in this category. Numerous studies have been conducted to suggest that while there is little evidence to support product placements cause brand attitude change, there is an indication to support that people recognize and recall brands promoted in this way.<sup>9</sup> The Gupta and Lord study determined that prominent film placements could perform better than television advertising in inducing recall.<sup>10</sup> But recognition-recall does not necessarily influence purchase behavior. McKee and Pardun were able to link positive sales results to product placement exposure when the product was treated as a “hero” in the film.<sup>11</sup>

## **BEST CASE SCENARIO -- MINORITY REPORT**

Well it may not have been the prestigious, coveted Academy Award, but Director Steven Spielberg’s MINORITY REPORT did walk away with the top prize for product placement in the Campaign publication awards (United Kingdom) and the Product Placement Awards (Australia) in 2002.<sup>12</sup> MINORITY REPORT placed more than 15 major brands in its film, including Lexus, Nokia, Oakley sunglasses, Reebok, American Express, Burger King, Aquafina, Guinness, Bulgari watches, Ben & Jerry’s, Dell Computers, *USA Today*, and Gap. A visual cue self-promoting FOX for a brief exposure was also present. Just ask Leslie Moonves, co-president and co-chief operating officer of Viacom, and he’ll sing the praises of product placement in Spielberg’s MINORITY REPORT. “If Spielberg can do [product placement] without compromising the artistry, we can, too,” Moonves resonated.<sup>13</sup> What makes the 20th Century Fox MINORITY REPORT a stellar example of successful product placement is the fact that while products were noticeable, brands weren’t central to the plot<sup>14</sup> and did not interfere with the film.

According to a behind-the-scenes interview with Spielberg, it was important to the credibility and believability of this futuristic story that there be a connection between the future and reality. Product placement using familiar brands positioned in a futuristic setting featuring cutting-edge product technologies helped bridge the gap. The brand names lent an “air of authenticity” to the plot. Spielberg was quoted as saying, “We are not making a sci-fi – we are making a future reality film.”<sup>15</sup> What better way to accomplish that goal than to use real products available today?

Spielberg chose car manufacturer Lexus and designer Harald Belker to develop a car for the model year 2054. Featured in the movie was a sleek, red two-seater Lexus with technical specifications that included a “titanium and composite body, an exotic 500 horsepower power plant, retinal scan entry and ignition system and “biosensing” capability.”<sup>16</sup> The Lexus vehicle had a prominent position in the storyline as the hero’s get-away car. The placement lent “hero” status to the car and framed the brand in a positive light. Prior to the movie release, the 2054 Lexus was on display at the New York International Auto Show, easily becoming the most striking concept car at the show.<sup>17</sup> The film’s website highlighted product photos of the Lexus concept car and provided a link to Lexus.com where an interactive car designing experience was made available.

Nokia developed two conceptual video-enabled mobile phones for the movie that incorporated elements of actual products in development.<sup>18</sup> In the Nokia film placement spot, a split screen depicted people using a phone with video while a transparent Nokia logo floated by.<sup>19</sup> Although Nokia received product placement in the film, the real marketing benefit for the brand came with the promotional tie-ins to the movie. Prior to the movie’s release, a film clip from the movie depicting lead actor Tom Cruise on the phone was the feature element in Nokia’s 9260 Communicator phone campaign with TV spots running on E! and Comedy Central.

Print ads showing the Communicator juxtaposed with a poster of the film and the tagline “Connect to the future?” ran in *Entertainment Weekly*, *USA Today* and *Rolling Stone*.<sup>20</sup> The Communicator phone itself was not featured in the movie, but a futuristic mock-up along with a vision of what Nokia advertising might look like 50 years from now was placed.<sup>21</sup>

Advertising Age identified other placements that used the concept of interactive billboards and advertising to tailor messages.<sup>22</sup>

Guinness – Visual placement and auditory: “John Anderton, you look like you could use a Guinness.”

Aquafina – Main character is “splashed” from an interactive billboard.

Reebok – Ad with hooded athletes in space-age running suits preparing to run what appears to be a 100-meter dash. Reebok’s name appears on the starting blocks.

MINORITY REPORT opened at \$35.7 million in weekend box office sales narrowly edging out Disney’s “Lilo & Stitch” to take the top weekend spot.<sup>23</sup> In its initial movie release, MINORITY REPORT’s estimated gross was \$132 million<sup>24</sup> and cost more than \$100 million to make.<sup>25</sup> The movie reportedly received as much as \$25 million in product placement revenue.<sup>26</sup> *Advertising Age* reported that Nokia and Lexus each spent about \$5 million to \$7 million in paid media to promote their respective tie-ins.<sup>27</sup>

## **WORSE CASE SCENARIO -- DICKIE ROBERTS: FORMER CHILD STAR**

While the comedy-genre movie DICKIE ROBERTS: FORMER CHILD STAR may have squeaked into the top spot on its opening weekend in September 2003, its debut netted only \$6.7 million. The movie’s lack-luster box office performance and questionable use of products in the film failed to produce notable brand results. Some product mentions and placements included Angel City Beer, Cap’n Crunch’s Oops! Choco Donuts Cereal, and Wham-O’s Slip ‘n Slide.

Angel City beer made a visual appearance in two scenes. The first seems appropriate enough as Angel City beer is positioned around a poker table where lead character David Spade plays poker with former child star personalities, now turned adults. The second placement is inappropriate as Spade carries a carton of Angel City beer and offers it to underage children. Although the brand does not receive a verbal mention, the brew’s “ultra-cool, Art Deco-inspired logo that sports a stylized rendition of [Los Angeles] City Hall pierced by lightning bolts”<sup>28</sup> creates a visual sensation and given an extended exposure at each point of introduction. Since the brand is limited to regional distribution in the Los Angeles area and does not have reach or availability nationwide, it seems an unsuitable placement of a brand in a film of widespread release.

Cap’n Crunch’s Oops! Choco Donuts Cereal was launched in 2002 as a flanker to the Cap’n Crunch cereal line. In the film, the product received prominent placement in a kitchen breakfast table scene and was used in a way that favorably maintained its brand image as a breakfast cereal. The exposure was long enough to read the cumbersome product name. Inquiries to the parent company, Quaker Oats, failed to yield any sales data or marketing insight on the effectiveness of the promotion. The information requested was not available due to the “proprietary nature of marketing [and] advertising strategies.”<sup>29</sup> Competitor General Mills reports a goal of a 60/40 ratio of brand-to-property exposure for measuring the value of its cereal placements.<sup>30</sup> With the product launch in 2002, the Cap’n Crunch placement was likely brokered to be used as a new product introduction and to increase sales. No evidence that a promotional tie-in strategy at the sales level was utilized for this brand.

Talk about product placement gone bad – Wham-O Inc., makers of Slip 'N Slide outdoor water toy, filed a lawsuit against Paramount Pictures for the unauthorized use of their trademark and product.<sup>31</sup> Central to a comedic scene, Spade's character dives onto a dry Slip 'N Slide product identified by name and visual reference, only to incur painful skin burns, which he validates by screaming "Oooh, it stings."<sup>32</sup> On a second attempt, the product, now lubricated with vegetable oil, finds Spade crashing into a picket fence. This particular scene was also used in movie trailers. Wham-O alleges the scene constitutes an unauthorized and inappropriate use of the product and claims the misuse of the product may cause injury to children and adults who may use the product with the same reckless disregard for personal safety. The suit claims the film violated all safety guidelines clearly marked on the product and its presence in the movie implies Wham-O allowed their product to be portrayed in an unfavorable light.<sup>33</sup> Wham-O's protective stance is certainly understandable considering the product's litigious history.<sup>34</sup>

## EVALUATION AND BLUEPRINTS FOR SUCCESS

Limited material is available that provides insight into the effectiveness of product placements. In the Media-edge research survey, the impact of product placement of three mobile phone brands – Nokia, Samsung and Sony Ericsson – in the four movies MINORITY REPORT, MATRIX, MATRIX RELOADED and DIE ANOTHER DAY was tested. Among those surveyed who saw MINORITY REPORT, 64 percent reported Nokia brand recognition. Interestingly, in one market Nokia was credited for product placement in all four movies despite only being featured in two. Even more puzzling was the fact that Nokia's highest score came in for MATRIX RELOADED even though Samsung was the product featured in that movie.<sup>35</sup> This may have had more to do with a 'perceived own brand phenomenon' that Nokia enjoys as the brand most likely to be at the top of a consumer's consideration set.

Many movie deals are predicated on national media buys from tie-in partners.<sup>36</sup> Such was the case for Lexus and Nokia in their association with the movie MINORITY REPORT. Caution must be taken so as not to overload the consumer with tie-in fatigue, but there are additional tactics that could have been utilized to further the brand exposure and reach for both products examined.

Lexus, brand positioned as a conservative vehicle, might have considered introducing a sportier model car to appeal to a younger demographic with high disposable income. Additional tie-in opportunities could have included sponsorship of special events that draw a younger, trendier audience, such as Manhattan Beach volleyball or MTV Music Awards.

Nokia was fortunate to sign Tom Cruise on to promote their products. In addition to print and broadcast ads, in-store point-of-sale materials featuring Cruise would have strengthened and reinforced key messages. In-theater promotions, website interactives, and radio giveaways would have created additional buzz and excitement about the product and film.

Appropriateness is the most important element when devising a successful placement. The film DICKIE ROBERTS: FORMER CHILD STAR missed the mark on several counts. First, a product should have far-reaching domestic and international appeal since many films find themselves being distributed in global markets. From a marketing perspective, there is an inherent structural inflexibility in not being able to adapt product placements to specific markets. Angel City beer is a regional brand and gaining brand recognition outside the Los Angeles area creates little value for the company. Second, alcohol is considered to be an ethically-charged product and so placement within the category would not be expected to be well received.

The Cap'n Crunch cereal placement was appropriate within the context of the movie and provided deep product exposure in the film. Tie-in activities relating the product to the film might have strengthened both product sales and box office attendance. In-store point-of-purchase displays, website links with interactives, and celebrity cereal profiles (see pitch letter following) in a major print outlet are tactics that could have been utilized to coincide with the product placement.

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<sup>1</sup> Sarah Sennott, "Gone in 30 Seconds," *Newsweek* (February 23, 2004)

<sup>2</sup> Ibid.

<sup>3</sup> Robert W. McChesney and John Bellamy Foster, "The commercial tidal wave," *Monthly Review*, New York, Vol. 54, Issue 10 (March 2003) pg. 1-16.

<sup>4</sup> Jim Edwards, "Too Much of a Good Thing?" *Brandweek*, New York, Vol 45, Issue 29 (August 9 – 16, 2004) pg. 20.

<sup>5</sup> Stephen J. Gould, Pola B. Gupta and Sonja Grabner-Krauter, "Product Placements in Movies: A Cross-Cultural Analysis of Austrian, French and American Consumers' Attitudes Toward This Emerging, International Promotional Medium," *Journal of Advertising*, Vol. 29, Issue 4 (Winter 2000) pg. 41.

<sup>6</sup> Evelyn Nussenbaum, "Products slide into more TV shows, with help from new middlemen," *New York Times* (September 6, 2004) pg. C-1.

<sup>7</sup> Jimmy Yap, "Product placement a success at box office," *Media*, Hong Kong (February 13, 2004) pg. 6. Note: The survey studied and compared media habits of respondents in China, Singapore and Hong Kong.

<sup>8</sup> Op.cit., Gould, pg. 54.

<sup>9</sup> Studies cited: Babin and Carder 1995, 1996; Gupta and Lord 1998; Karrh 1994; Ong and Meri 1994; Vollmers and Mizerski 1994; McKee and Pardun 1998.

<sup>10</sup> Op.cit., Gould.

<sup>11</sup> Ibid.

<sup>12</sup> "A New Stealth Weapon," Editorial, *Los Angeles Times* (January 21, 2003) pg. B-10; and "The 10 top product placements in features," Campaign, Teddington, UK (December 17, 2002) pg. 36.

<sup>13</sup> Op.cit., Nussenbaum.

<sup>14</sup> Timothy M. Gray, "Hollywood keeps plugging along," *Variety*, Vol 389, Issue 8 (January 13 – January 19, 2003) pg. 6.

<sup>15</sup> Wayne Friedman, " 'Minority Report' stars Lexus, Nokia," *Advertising Age*, Vol 73, Issue 24 (June 17, 2002) pg. 41

<sup>16</sup> Phil Patton, "The Newest Car of the Future is Just a Vehicle for Tom Cruise," *New York Times*, (March 31, 2002) pg. 12.1.

<sup>17</sup> Ibid.

<sup>18</sup> J. D. Biersdorfer, "Hollywood's Gadget Factories," *New York Times*, (September 26, 2002) pg. G.1.

<sup>19</sup> Op.cit., Friedman.

<sup>20</sup> Todd Wasserman and David Finnigan, "Cruise cedes some control to Nokia for Minority report TV and print," *Brandweek*, New York: Vol. 43, Issue 22 (June 3, 2002) p. 6.

<sup>21</sup> Ibid.

<sup>22</sup> Op.cit., Friedman.

<sup>23</sup> Robert W. Welkos and Richard Verrier, " 'Minority Manages to Slip Past 'Lilo'," *Los Angeles Times* (June 25, 2002) pg. F.1.

<sup>24</sup> Peter Bart, "The Strivings of Sir Steven," *Variety*, Vol 395, Issue 9 (July 19-25, 2004) pg. 5.

<sup>25</sup> Ibid.

- <sup>26</sup> David Ward, “Company takes product placement to DVD,” *Video Store Magazine*, Vol. 25, Issue 20 (May 11-17, 2003) p. 8.
- <sup>27</sup> Op.cit., Friedman.
- <sup>28</sup> “The Best...the Beautiful...and the Bizarre; Ale City; Just Brew It,” *Los Angeles Times Magazine* (October 11, 1998) pg. 10.
- <sup>29</sup> Email response from Ken (no last name given) at consumerrelations@cr.capncrunch.com
- <sup>30</sup> T.L. Stanley and Karen Benezra, “Hollywood creative types getting in on corporate partner development,” *Brandweek*, Vol. 39, Issue 20 (May 18, 1998) pg. 16.
- <sup>31</sup> “Toy Company Sues Paramount,” *World Entertainment News Network* (September 15, 2003)
- <sup>32</sup> Ibid.
- <sup>33</sup> Ibid.
- <sup>34</sup> Wham-O was founded in 1948, almost by accident, by two USC students – Richard Knerr and Arthur Melin. Famous for its iconic toys, a judgment was passed against the makers in 1991 for an accident involving the Slip ‘N Slide product that left a California man paralyzed.
- <sup>35</sup> Op.cit., Yap.
- <sup>36</sup> Op.cit., Stanley

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