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The second life of a product placement in movies: the DVD

The EMAC 36th Conference, Reykjavik Iceland - 22-25 may 2007

Etienne Bressoud and Jean-Marc Lehu

Abstract: Product placement in movies seems to develop at the same pace than media fragmentation expands. Many studies have shown the potential of its impact according to the placement modalities. Rather than focusing on the way the placement is made, this exploratory research offers new insights about the second life of the placement through DVD. A sample of 3,532 DVD French viewers has been used to study the visibility of brand placements, when the film is watched on DVD.

Key words: branded-entertainment, product placement, DVD, movie, spontaneous day after recall.

Solicited track: Advertising, Promotion and Marketing Communications

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Introduction

Pfizer's Zoloft is used in *The Sixth Sense* (1999) a film by M. Night Shyamalan. More recently, Pfizer's Viagra appeared in *The Pink Panther* (2006) by Shawn Levy. Product placement in movies has become a communication technique which is used more than ever by advertisers (Karrh *et al.*, 2003; PQ Media, 2005). 63% of the American advertisers who responded to a recent ANA (*Association of National Advertisers*) survey already integrated product placement actions in their communication plan, 52% specifying that financing was a transfer from TV advertising budget (Consoli, 2005). Product placement can consume the advertiser's TV budget, but brand will finally appear on TV out of the commercial breaks. Primarily, a movie is released in theatres, but also usually shown on TV. And in the case of Zoloft or Viagra, this second life allows these medicines to be exposed on French TV, despite legal banning of prescription drugs advertising.

If many researches have been devoted to product placement in movies (Karrh, 1998), very few are about the multiple lives of one placement. This paper focuses on the potential second exposition stage by using an innovative study of DVD viewers. Product placement and brand placement are sometimes used indifferently. In this paper, new findings are offered to advertisers about the links between brand placement while watched on DVD, and its impact.

Product placement in movies

Product placements in movies are nearly as old as cinema itself (Turner, 2003; Newell and Salmon, 2004). It consists in putting a product and/or a brand into a movie scene where it can be seen and/or its name heard. The placement can either be paid by the advertiser or result in an exchange of products and/or services such as logistics facilities (Karrh, 1998). Ford paid 30 to 40 millions dollars to place an Aston Martin cars in the James bond named *Die Another Day* (2002) (Lehu, 2006). But Virgin Cola just gave his product and has not paid to be shown in *La boîte* (2001) from Claude Zidi. Mainly since the end of the 1980', several researches have contributed to a better understanding of this communication technique coined as "hybrid" by Balasubramanian (1994) since it combines several media techniques. Its positive effect on attitude (Fontaine, 2005), behavior (Daugherty et Gangadharbatla, 2005), and especially its potential impact on brand recall (Brennan, Dubas and Babin, 1999; d'Astous and Chartier, 2000) represent the main core of the research knowledge.

Confronted to media fragmentation and audience scattering on the one hand (Deloitte, 2005) and to the soar of electronic video devices allowing to skip commercials (O'Neill and Barrett, 2004) on the other hand, advertisers are more and more looking for other opportunities to expose their products and their brands in front of their consumers eyes, preferably in the most favourable condition. As product placement in movies seems to be well accepted (O'Reilly *et al.*, 2005), and since it is comparatively much less expensive than a 30-second TV spot and can also be more efficient (Jaffe, 2005), it is more frequently used for an exposition on TV after the exposition at theatre. According to this long term objective the main purpose to reach a brand recall and improving brand image remains.

Articles written on the topic usually focus on spectators' acceptability of product placement, or on product placement efficiency. This research contributes to the second focus and specifically on brand. Nevertheless, most researches on this field, explain efficiency using the way the placement is made. Authors differentiate placements by three modalities.

Prominence, audiovisual and plot placements. Prominent placements are those in which “the product is made highly visible by the virtue of the size and/or position on the screen or its centrality to the action in the scene” (Gupta and Lord, 1998). Audiovisual modality refers to “the appearance of the brand on the screen” and/or to “the brand being mentioned in a dialogue” (Russell, 2002). At least, plot placement refers to the degree to which the brand is integrated in the story plot (Russell, 1998). So most of the results are related to the influence on efficiency; efficiency of the prominence of the placement, efficiency of the verbal and/or visual character used for the placement, and efficiency of the integration of the placement (Lehu, 2005). Several authors worked on placement efficiency, either in theatres (Ong et Meri, 1994) or on TV programmes, included series (Stern and Russell, 2004). If they notice that a movie placement has a first life at theatre and at least a second one on home TV (Vollmers and Mizerski 1994), few researches focus on this topic (Brée, 1996).

This lead us to investigate one goal: exploring the efficiency of a second life brand placement on DVD support. The purpose of this research is to explore brand placements recall depending on the conditions with which the spectator is watching TV. This goal is reached by measuring recall using an experiment on DVD viewers.

Hypotheses

We do not focus on the efficiency of a brand placement according to its modalities, but on the visibility of brand placements that are in a movie on TV, a saturated media. That’s why we measure the number of spontaneous day after recall (SDAR) of the brand placements seen on TV screen after watching a DVD, and not the recall of one brand in particular. The main novelty of this research is that it focuses on the second wave of potential exposition - DVD viewing versus classical theatre. The two hypotheses focus on this aspect, before and during the exposition to the movie.

Amongst the respondents some might have seen the movie beforehand when shown in theatres. Johnstone and Dodd (2000) first tested the hypothesis that SDAR might be higher if viewers are watching the movie for the second time. Unfortunately, they concluded that prior exposure has too little impact upon brand salience level to valid this hypothesis. Their hypothesis was tested on a 53 viewers sample. Based on our largest sample (3,532 viewers), we assume that a brand placement has several lives which interact through the many diffusions of the movie (Brée, 1996). Consequently:

***Hypothesis 1:** The number of brand placements SDAR on DVD viewing is favourably influenced by a first viewing of the movie at the theatre.*

Consistent with this first hypothesis, and the desire to focus on the second exposition wave, we must notice that the size of a TV screen is smaller than a cinema screen. Spectator in a theatre all sees the movie on a large screen. This similar viewing condition in a theatre does not remain at home. Pre-tests informed us about a certain number of viewers using video widescreen projection instead of a traditional TV set. This could not be a problem if the size of the placement has no impact on its recall. Nevertheless, various previous works have insisted on the role of the placement prominence (Gupta and Lord, 1998; Brennan *et al*, 1999; d’Astous and Chartier, 2000). They have shown that the more prominent the placement, the greater the impact. Then the size of the placement, relative to the size of the screen influences the placement recall. That’s why we wonder if the absolute size of the placement could have the same impact. Due to a matter of perception, the larger the screen on which the respondents have been watching the movie, the bigger the brand placements’ appearance, and *via* this prominence the better the recall. Consequently:

Hypothesis 2: *Watching the DVD movie on a large home cinema screen improves the brand placement number of SDAR.*

Data collection

The sample includes 3,532 video viewers questioned about one of the following 11 American movies (*Men in Black II*, *Minority Report*, *Analyze that*, *Banger Sisters*, *Fashion Victim*, *Austin Powers in Goldmenber*, *Johnny English*, *Intolerable Cruelty*, *Mr. Deed*, *Hardball* and *Paycheck*) used for this research. Those movies have been selected because they were new DVD releases (meaning they could be heavily rented), because the movie was successful (meaning there would be many DVD copies available in each shop so to facilitate the data collection) and essentially because the placements were easily and clearly usable: each brand placement remained occurs just once in every considered movie. Furthermore, American movies represent 55% of 2003 France DVD market share in volume, and 69% in value (C.N.C., 2005)

The video viewers were questioned the following day after having viewed a movie on DVD at the exit of one of the three French video rental shops chosen for the study. The questionnaire was systematically submitted to every renter of one of the DVDs subject to the research. Due to the small size of video clubs, their proximity and due to the appeal of the research subject, only 6 persons refused to answer the questionnaire. The number of spontaneous day after recalls (SDAR) of the brands seen in the movie by the spectator was made, in association with the data about a possible previous watching of the movie and the size of the screen on which he watched the movie. The data collection took place from January 2003 to February 2005, each time just after the DVD has been released.

Methodology

The two hypothesis are validated by two independent Mann-Whitney tests. This non parametric test is done because the number of SDAR is not normally distributed (Shapiro-Wilk test ; p-value < 0,0001). We tested (one-tailed test) if the location difference between the number of brands recalled by the respondent were zero (null hypothesis) or lower than zero (alternative hypothesis), according to the response of the viewer about his first exposure to the movie at theatre (for hypothesis 1) or about the size of his TV screen (for hypothesis 2).

Because the number of placements varies from a movie to another (indeed from 4 to 22 in the considered movies), we first validated that the mean number of SDAR is not correlated with the total number of brand placements (Pearson correlation test ; p-value >0,05), which means, that a profusion of brand placements in one movie does not increase artificially the number of brands recalled.

Results and discussion

34% of the used sample noticed and recalled the following day at least one brand placement in the viewed movie.

Validating hypothesis 1 (see Figure 1) means that the 522 respondents who have previously seen the movie at the theatre show more SDAR than the 3,010 respondents who have seen it for the first time on DVD.

Figure 1 – Tables of results for hypothesis 1

Summary statistics:				Mann-Whitney test / Lower-tailed test:	
Variable	Observations	Mean	Std. deviation		
Number_SDAR Shown_Theater - No	3010	0,535	1,029	U	439383,000
Number_SDAR Shown_Theater - Yes	522	1,705	1,681	Expected value	785610,000
				p-value (one-tailed)	< 0,0001

On the one hand, this analysis shows that the recall is stronger among viewers watching again the movie on DVD, a few months after viewing it in a theatre. On the other hand, because some 15% respondents rent a DVD even after having seen the movie in theatres the previous year, this result supports the product placement professionals' point of view as well as the academic research which argues that the potential total audience could be tremendously bigger than the one calculated from theatre tickets (Brée, 1996).

17 % of our sample watched the movie on a large screen (home cinema equipment). Since the number of SDAR was significantly greater among these 587 respondents, hypothesis 2 is validated (Cf. Figure 2).

Figure 2 – Tables of results for hypothesis 2

Summary statistics:				Mann-Whitney test / Lower-tailed test:	
Variable	Observations	Mean	Std. deviation	U	
Number_SDAR TV	2945	0,524	1,017	Expected value	498466,500
Number_SDAR HomeCine	587	1,630	1,667	p-value (one-tailed)	864357,500
					< 0,0001

Indeed, the large dimensions of the screen allow the brand placement to appear significantly bigger in size, then to be more prominent, then to be more efficient (Brennan *et al.*, 1999; d'Astous and Chartier, 2000). This leads us to presume that placements seen for the first time at the movie theatre might be more effective than placements seen for the first time on a regular TV screen; considering only the size of the placement independently from its duration.

Main managerial implications

Those results could contribute to reinforce advertisers' favourable attitude toward brand placement as a rather profitable technique (Lubbers and Adams, 2004), considering the fact that the placement increases with the second exposition step (watching the movie on DVD for this research). Moreover in France, home cinema equipments seem to be a consumers' favourite, especially since they grew 28,3% between 2002 and 2003, 26% between 2003 and 2004 (Médiamétrie, 2005). It also seems to be a trend in developed countries (Schimetics, 2005), giving more comfort to the video viewers. As viewers are watching their movies on bigger screens at home, the possibility of better noticing and recalling the placements during the second exposition step also increases. This result could also be stimulation for advertisers to consider a placement in a movie, even after it has been released in theatres. If domestic conditions are improving and if viewers are more and more "addicted" to home cinema, the growing possibilities of digitally inserting placement for DVD releases and TV showing could lure their attention (Brown, 2003).

Limits and further possible research

The external validity of this research is naturally limited. Moreover, it has been conducted in France, on a convenient sample, and several previous researches about product placement in movies told us that disparity can occur when analyzing results coming from different countries, (Gould, Gupta and Grabner-Kraüter, 2000; McKechnie and Zhou, 2003; Devathan *et al.*, 2003). Furthermore, if choosing real movies as the material for the research offers a greater realism of the study because respondents can supply us with more natural answers, it also implies a natural structural limit. We have no control at all on the used material, which means that not all the movies can be used in such an experiment. As there is no possibility to modify the appearance of the product and/or the brand (because the shooting is already done of course), movies used for the research have to be very carefully chosen to present clear and not arguable brand placements. This has been the case here and we believe that the strength of the results, given by the use of real movies, partly compensates the limit of a reduced control.

Now, it would be interesting to extend this research to a greater number of movies, to different countries and to the next viewing steps (television programming for instance) in order to validate the correlation between a better placement recall and the number of viewings. Another contribution could be made by explaining brand placement recall according to individual characteristics and to brand placement characteristics already found to be relevant.

Conclusion

It doesn't seem that much fanciful to think that in a near future it could be possible to adapt the placements to the target, especially when the movie is watched on DVD. An interaction already occurs. The DVD main menu already offers the viewer to choose, version (short, long, director's cut...), kind of screen (pan and scan or widescreen), language, subtitles... Even about the areas where the movie is running in theatres, advertisers sometimes request adaptations; like Pepsico switching Dr. Pepper placement in *Spider-Man 2* in 2004, for Mirinda, an other Pepsico beverages, in areas where it was much more well-known than Dr. Pepper.

Considering their real communication potential, product placement and brand placement in movies have become some undisputedly attractive techniques of branded entertainment. This research helps to better acknowledge that the technique does no longer consist in just "placing" a product and/or a brand on the silver screen by "showing" it in a way or the other to be effective. With new insights about the second life of a product placement, this research takes one more step forward, towards a better understanding of branded entertainment.

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