

How Product Placement Works

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The DeLorean played a prominent role in the "Back to the Future" movies. See more movie making pictures.
PHOTO COURTESY AMAZON.COM

The latest trend in advertising is to make it, well, less advertorial. The tendency is to move away from in-your-face ads, where the product is the star, to mini-movies or quasi-documentary vignettes that feature "real-life scenarios" with the product(s) hovering in the background. Some would argue it's a sort of "art imitating art imitating life" scenario -- where ads are imitating the practice of **product placement**.

This may seem a bit confusing, but really, it's quite simple. The majority of us are getting tired of ads. Today's consumer is inundated with advertising everywhere: television, radio, billboards, magazines, buses, newspapers, the Internet... And these are just the usual suspects. More and more ad-space is popping up every day. From people walking down the street wearing signs, to flyers on our cars and in our mailboxes, to ads on the ATM screen as we wait for it to dispense our cash -- we see ads all day, every day.

Even television networks that depend on advertising dollars to stay in business know that it can be useful to ditch the interruptions and present a show without ads from time to time. The ABC network did it for "Gideon's Crossing" in 2000 and for "Alias" in 2001. FOX did it for its hit series "24" in 2002.



Apple laptop computer on "24"
PHOTO COURTESY ISABELLA VOSMIKOVA/FOX

Wait a minute -- networks turning down cold, hard advertising cash? That doesn't sound quite right, does it? Of course they don't drop the advertising dollars all together. If you watched that "ad-free" version of "24" you know what we're talking about. Ford sponsored the show with two three-minute spots opening and closing the episode. And, Ford vehicles have been integrated into the show -- the main character, Jack Bauer, drives a Ford Expedition.

So, when is an ad not an ad? When it's a product placement. Once mainly found only on the big screen, product placement has been making quite a few appearances on TV -- not to mention in video games and even books. In this article, we'll explain what product placement is and examine how it is used in movies, television shows and other media.

What is Product Placement?



Perhaps the producers of "24" did not find a phone company that wanted to sponsor this episode.

PHOTO COURTESY ISABELLA VOSMIKOVA/FOX

Have you ever watched a television show or a movie and felt like you were watching a really long commercial? If so, then you've been the victim of bad product placement. There's certainly a line that can be crossed when presenting brand-name items as props within the context of a movie, television show, or music video. Clever marketing folks try never to cross that line. They want their products to be visible within a scene, but not the focus. The product needs to fit, almost seamlessly (*almost* being the key word here) into the shot and context of the scene.

When done correctly, product placement can add a sense of realism to a movie or television show that something like a can simply marked "soda" cannot.

Product placement is something that dates back to at least the early 1950s when Gordon's Gin paid to have Katharine Hepburn's character in "The African Queen" toss loads of their product overboard. Since then, there have been countless placements in thousands of movies.

Think about it. You can probably remember quite a few examples. One of the most commonly discussed is the placement of Reese's Pieces in the movie "E.T." Originally intended for another product (they melt in your mouth, but not in your hand), this prime spot essentially catapulted these tiny peanut butter morsels into mainstream popularity. A slightly more recent and easily as effective example is the placement of Red Stripe, a Jamaican-brewed beer, in the movie "The Firm." According to BusinessWeek Online, Red Stripe sales saw an increase of more than 50% in the U.S. market in the first month of the movie's release.

Now that you have an idea of what product placement is, let's take a look at some of the basics involved in leveraging a product placement arrangement.

Realistic Product Placement

A worldwide trend in advertising, product placement is a vehicle for everything from foodstuffs to electronics to automobiles. So, how does it work, exactly? It's actually pretty simple. Basically, there are three ways product placement can occur:

- It simply happens.
- It's arranged, and a certain amount of the product serves as compensation.
- It's arranged, and there is financial compensation.

If the Shoe, Shirt, Car or Soda Fits...

Sometimes product placement just happens. A set dresser, producer, director, or even an actor might come across something he thinks will enhance the project. Usually this has to do with boosting the level of credibility or realism of the story being told. One example can be found in the surprising use of a can of RAID -- an ant killer made by the SC Johnson company -- in an episode of the popular HBO series "The Sopranos." The poisonous prop was used in a particularly violent fight scene in the show. According to an article in USA Today, Therese Van Ryne, a spokeswoman for SC Johnson, said the company was not approached about the use of their product and they would not have given it a thumbs-up.

For illustrative purposes throughout the rest of this article, we can create a less controversial scenario. Let's say the main character in a program or movie is an unmarried, successful, well-travelled architect in his thirties. From this description, it's easy to start thinking up things to enhance the feel of this character. Maybe he'd drive an SUV -- the four-wheel drive would come in handy when visiting building sites. He'd read particular magazines, drink certain wines, eat certain foods... In making the character's life seem real, products necessarily come into play.

REPO MAN

The one uber-evident product that is placed in frame after frame are tree-shaped air fresheners. These fragrant props hang in just about every moving vehicle in the movie -- even the police motorcycle has one. According to [The Internet Movie Database](#), the company that makes the air fresheners was one of the sponsors of the movie.

Arranged Product Placement

As we mentioned earlier, arranged product placement deals fall into two categories:

- Trade-off of integration or placement for a supply of product
- Financial compensation for placement or integration

The most common type of deal is a simple exchange of the product for the placement. Using our existing example, let's say the production team wants *The Architect* to display a quirky affinity for a particular type of beverage. This will come across rather strongly over the course of the program (because the character even collects the drink's labels) -- which means the chosen product could get a lot of air time. It turns out that someone on the crew knows someone who works for [Honest Tea](#). The movie people approach the Honest Tea folks with a proposal and a deal is made; in exchange for the airtime, the cast and crew are provided with an ample supply of various Honest Tea drinks at work.

Sometimes, a gift of the product isn't an appropriate form of compensation, so money powers the deal.

Imagine that the marketing team at Tag Heuer has heard about this project and feels that, given the stardom of the actor playing *The Architect*, this project would be a great vehicle for showcasing its product. Someone from Tag Heuer approaches the set dresser with a financially lucrative proposal. Eventually, they come to an agreement. Consider this scene: Our male character (*The Architect*) stands outside a movie theater waiting to meet a friend. The camera pans down to show a slight tap of the actor's foot. Next, it moves up and zooms in to show him checking his wristwatch for the time. After switching from the actor's face to the face of the wristwatch, the camera pauses just long enough for you to really *see* the wristwatch. He's wearing a link-style, stainless steel Tag Heuer luxury sports-watch. The camera pans out and swings around, introducing a beautiful woman into the scene... During the next hour of the program, the wristwatch casually appears in several scenes.

Both teams are happy -- the integration of the Tag Heuer product is a success. Remember, the advertised product's role is to be part of an ensemble cast rather than the (obvious) star. Tag Heuer manages to reap the benefits of conventional advertising without being overly obvious or intrusive to the audience/consumers.

Getting the Job Done

Before product placement really saw a surge in the mid 1980s, it was pretty much a DIY effort. Now there are specific corporate positions and entire agencies that can handle the job. Some larger corporations will dedicate personnel to scout out opportunities for product integration or placement within films, television shows and even games and music. [This site](#) provides suggestions on how to pick a product placement agency.

IT'S A MISS!

Like lots of advertising methods, product placement can be hit or miss. One particular example of product placement gone awry is the Reebok/Jerry Maguire fiasco.

Reportedly, Reebok had a placement agreement to integrate one of its commercials at the end of the film "[Jerry Maguire](#)." The commercial didn't make it to production -- but something else regarding Reebok did. In a pivotal scene, Cuba Gooding Jr.'s character makes disparaging remarks about the company.

Product Placement in the Movies

The next time you watch a movie, try to keep an eye out for products or brand-names you recognize. It's highly likely that you'll see one of the major soft drink companies represented. Is it [Coke](#)? [Pepsi](#)? [Snapple](#)? Once you've spotted something, see how many other scenes include that product. You'll start to see a trend. "How," you'll wonder, "can the actor hold the Coke can just the right way every time so that the logo is perfectly visible?"

Take a minute to comb through your movie memories. You'll probably recall at least a few of these now-famous product placements:

- **Risky Business** - Ray-Ban sunglasses
- **Back to the Future** - Pepsi products
- **Demolition Man** - Taco Bell (In the future, *everything* is Taco Bell...)
- **You've Got Mail** - America On-Line (AOL), Apple, IBM and Starbucks
- **Austin Powers** - Pepsi and Starbucks
- **Cast Away** - FedEx and Wilson
- **Men in Black II** - Ray-Ban sunglasses, Mercedes Benz, Sprint, Burger King

Product placement in movies is so ubiquitous that it's even become something to parody on the big screen. Two movies that do a good job of this are "[Wayne's World](#)" and "[Josie and the Pussycats](#)." In [Wayne's World](#), the two main characters hawk a variety of stuff, including [Nuprin](#), [Pepsi](#), [Pizza Hut](#) and [Reebok](#). The amusing part about this is that the product placement vignette takes place while the characters Wayne and Garth are lambasting the very thing they're doing. As Wayne says "Contract or no, I will not bow to any corporate sponsor," he is opening a [Pizza Hut](#) box and pulling out a slice of pizza. The camera lingers on the [Pizza Hut](#) logo and Wayne, holding the slice of pizza lovingly beside his face, smiles straight at the camera.

The movie "[Josie and the Pussycats](#)" takes the joke several steps further. A send-up on the music industry, "[Josie and the Pussycats](#)" manages to satirize name-brand integration throughout the film. To get an idea of just how saturated with brands, logos and products this movie is, here's a taste of what you can see in just the trailer alone (Keep in mind that the trailer is only two minutes and twenty-five seconds long!): [America Online](#), [American Express](#), [Bebe](#), [Billboard Magazine](#), [Bugles](#), [Campbell's Soup](#), [Coke](#), [Entertainment Weekly Magazine](#), [Evian](#), [Ford](#), [Gatorade](#), [Kodak](#), [Krispy Kreme](#), [McDonald's](#), [Milky Way](#), [Motorola](#), [Pepperidge Farm Cookies](#), [Pizza Hut](#), [Pringles](#), [Puma](#), [Ray-Ban](#), [Sega](#), [Starbucks](#), [Steve Madden](#), [Target](#), and [T.J. Maxx](#).

CARS IN THE MOVIES

- "Herbie, the Love Bug": Volkswagen Beetle
- "RoboCop": Ford Taurus
- "Back to the Future": DeLorean
- "Smokey and the Bandit": Pontiac Trans Am
- "The World Is Not Enough": BMW Z8
- "Lara Croft: Tomb Raider": Jeep Wrangler Rubicon

The "I, Robot" Movie Car: Audi RSQ



Will Smith and the Audi RSQ
PHOTO COURTESY AUDI.COM

In 2004, product placement reached a new level with Audi's involvement with the movie "I, ROBOT."

The Audi RSQ concept car plays a central role in the futuristic action film. So how is this different from the placement of the BMW Z8 in "The World is Not Enough" or the DeLorean in "Back to the Future"? Audi didn't just place the RSQ in the movie; Audi created the RSQ for the movie.

The Audi automotive brand has been involved in movies before. Audis have been featured in such movies as "Ronin," "The Insider," and "Mission Impossible II." This time, though, it wasn't just a question of promoting the right car in the right movie. It was a full-blown custom job. And since this custom job was also a product-placement job, the car had to fit seamlessly into the movie world while still screaming "Audi."



PHOTO COURTESY AUDI.COM

The RSQ is not just a movie car -- those have been done before, with movie designers creating a car and simply attaching the highest-bidding car logo to the hood. Audi put the same amount of thought and detail into designing the RSQ as they do into designing any other concept car. It has a fully developed interior and exterior.

The carmaker worked with the director of the movie, Alex Proyas, and with set designers to achieve a concept that both Audi and the movie people were happy with -- Audi designers toured the movie sets and got their hands on the futuristic props used in the film. The result of the collaborative effort is the futuristic RSQ sports coupe, featuring, most notably, spherical wheels, mid-engine design, butterfly-action doors, a color-changing, luminescent paint job and a low, sleek profile.

In the creative partnership between a carmaker and Hollywood, we may be looking at the future of this type of advertising -- name-brand products that are not simply chosen to fill a role that benefits both parties, but products that are *created* to fill that role.

Product Placement on TV



L-R: Judges Simon Cowell, Paula Abdul and Randy Jackson
PHOTO COURTESY RAY MICKSHAW/FOX

Product placement is not quite as widespread in TV land as it is in the movies, but it is a rapidly growing industry. More commonly referred to as **product integration** in this medium, this process has to share its advertising space with traditional advertising, also known as the 30-second spot. Since the beginning of televised programming, advertisers have shelled out the big bucks to promote their products and brands. The 30-second spot has been the reigning champion for a very long time. Does that mean there can only be one winner in the television advertising arena? Not necessarily.

There's a big difference between product integration and a standard 30-second advertising spot. Yes, both are a means to a similar end, but that doesn't mean there's only room for one of these vehicles on the advertising block. In fact, the current trend is a combination of the two. This trend can in large part be attributed to many of today's reality-based television shows, which seem to be a perfect match for

product integration. The very best example of this is the popular talent show "American Idol." Not only are segments of each episode sandwiched between ads for Coca-Cola, AT&T Wireless, Old Navy and Ford, but some of these companies' brands and products are evident (REALLY EVIDENT) in each episode. Here are some examples:

- **Coca-Cola** - Each of the three judges sits behind large red cups emblazoned with the Coca-Cola logo.

In the "elimination episodes," contestants nervously await their turn in the Coca-Cola room, perched on a Coca-Cola sofa.



- **AT&T Wireless** - Host Ryan Seacrest mentions AT&T wireless each time a contestant finishes



Contestants in the Coca-Cola room, on the Coca-Cola couch

PHOTO COURTESY RAY MICKSHAW/FOX

his/her song. Fans can submit their vote as a text message if, and only if, they have AT&T wireless.

In an article for the [New York Times](#), Bill Carter writes:

Searching for ways to thwart any trend toward skipping commercials on programs recorded on personal video recorders like TiVo, the networks are increasingly integrating their sponsors and their products into the shows themselves, rather than limiting their presence to commercials. Ford Motor and Coca-Cola, for example, are two of the advertisers that have paid millions of dollars to have their logos prominently displayed during episodes of "American Idol."

According to AdAge magazine, the phrase "millions of dollars" mentioned above actually refers to about \$26 million per integration/sponsorship deal. Yes, that means that EACH of the companies -- AT&T Wireless, Coca-Cola, and Ford -- dished out 26 million dollars.

These companies do get a lot of bang for their bucks, though. In fact, after visiting the "[American Idol](#)" Web site, it makes you wonder if the product placement there is included in that bill. Now, you may be wondering "product placement on a Web site?" "Isn't that just an ad?" Well, no, not exactly. There are actual sections of the Web site that integrate the brand or sponsor's name entirely:

- Coca-Cola Behind the Scenes
- AT&T Wireless
- Old Navy Fun and Games Section
- Herbal Essences Music Section

BACK TO BASICS

Radio and television dramas known as *soap operas* acquired their moniker from the products advertised during their shows. In addition to the standard 30-second spots -- *and now a word from our sponsor* -- the products were often integrated into the story line.

One of today's most popular soap operas, "[All My Children](#)," recently managed to revisit its advertising roots. But, instead of soap, the folks at AMC opted for cosmetics. In a story-line that spanned several months, famous cosmetics company [Revlon](#) was front and center in Pine Valley's plotline.

Product Placement in Books and Video Games

Product placement isn't just for movies and television anymore. You'll find it in books, music videos, [video games](#) and on the Internet. Let's take a look at how product placement is being used in these other arenas.

Read All About It!

To some, especially if you haven't seen it, product placement in a book or a video game is pretty difficult to imagine. *Where exactly would they place the products?* It turns out there's plenty of opportunity for this manner of advertising. Let's start with books. -->Imagine a well-known company commissioning an equally renowned author to write a book that prominently features its brand and products. Sound a bit far-fetched? It's not. The world-famous jewelry company, Bulgari, paid noted British author Fay Weldon to write a novel that would feature Bulgari products.

The commissioned work was to be given as a present to an elite group of Bulgari clientele. Not only did Weldon agree to the deal, but she eventually took her work public. "[The Bulgari Connection](#)" has met with skepticism and praise from Weldon's colleagues and fans alike. Undoubtedly, Weldon has set a precedent that other authors and publishers will follow.

It turns out that even a modest amount of investigation can unearth several other product-prominent published works. Actually, one of the largest genres to feature product placement is children's learning books. Here are just a few examples of what you can find at your local library or bookstore:

- Skittles Riddles Math, by Barbara Barbieri McGrath, Roger Glass
- The Hershey's Kisses Addition Book, by Jerry Pallotta, Rob Bolster
- The M&M's Brand Counting Book, by Barbara Barbieri McGrath
- Twizzlers Percentages Book by Jerry Pallotta, Rob Bolster
- The Cheerios Christmas Play Book, by Lee Wade

After reading these titles, you may be assuming that the companies are merely sponsoring the book and that the content is pretty standard fare -- possibly not even incorporating the product into the content of the book. Think again. In "[The Oreo Cookie Counting Book](#)," the back cover reads:

Children will love to count down as ten little OREOs are dunked, nibbled, and stacked one by one...until there are none!

A quick flip through the pages confirms that [Oreo cookies](#) are indeed featured prominently on every page!

Product Placement in Video Games

As they continue to become more and more realistic, it's actually pretty easy to understand the advertising possibilities available within today's video games. The USA Today article [What's in a name: Product placement in games](#) states:

Play *Crazy Taxi* and a lot of your passengers will ask you to take them to Pizza Hut or KFC (both owned by Tricon Global). Dive into *Die Hard: Nakatomi Plaza*...and you'll see Zippo lighters and Motorola cell phones. UbiSoft's *Surf Riders* has G-Shock watches and banners for Mr. Zog's Sex Wax, a surfboard wax.

According to [USA Today](#), product placements in video game software have been around since the 1980s. Back then, Sega was placing banners advertising Marlboro in its auto-racing arcade games. Apparently, Sega's still onboard with product placement. In Sega's *Super Monkey Ball*, the bananas sport *Dole Food Company* stickers. Surprisingly, this kind of product integration isn't about the cash. Just as product placement in movies promotes credibility and realism in the movie, it does the same thing in the video game -- making the "environment" of the game more lifelike.

ACAPPELLA ADVERTISING

The headlines might have read "Product placement takes Broadway by storm" when Baz Luhrmann ([Strictly Ballroom](#), [Romeo + Juliet](#), [Moulin Rouge!](#)) decided to perform a little product placement, Puccini style. Luhrmann surprised many in the theater community by displaying billboard-style ads for [Montblanc pens](#) and [Piper-Heidsieck champagne](#) in his stage production of "La Bohème."

Product Placement in Songs

One of the earliest examples of product placement within a song can be found in *Take Me Out to the Ball Game*. Not only did it have its little toy surprise going for it, Cracker Jack also had a memorable mention in the chorus of this (now) immortalized melody. Written in 1908 by Jack Norworth and later scored by Albert Von Tilzer, the chorus goes like this (feel free to sing along...):

*Take me out to the ball game, Take me out with the crowd. Buy me some peanuts and **Cracker Jack**, I don't care if I never get back, Let me root, root, root for the home team, If they don't win it's a shame. For it's one, two, three strikes, you're out, At the old ball game.*

Since then, many products have popped up in tunes around the world -- some have even garnered top billing, appearing in the title. Consider Run-DMC's track "My Adidas" from their multi-platinum album, *Raising Hell*. Long before Biggie Smalls and Jay-Z were giving props to Cristal champagne, Run-DMC was giving a lot of air time and screen time to the fashionable footwear. They weren't only singing about their Adidas; the tennis shoes were a prominent element in their dress.

While Adidas didn't commission Run DMC, and Norworth and Tilzer weren't paid to promote Cracker Jack, many of today's music professionals are striking deals and getting paid. According to [AdAge: Marketers Explore Product Placements in Music](#):

In an attempt to further leverage its diverse artist roster, Island Def Jam Music Group [incidentally, Def Jam Music was founded by Russell Simmons, brother of Joseph Simmons -- Run of Run-DMC] is in formal talks with Hewlett-Packard Co. in an unprecedented paid product-placement deal.

AdAge also reports:

In almost all cases, a brand has found its way into a rap song because of artist preference or through an organic, creative predilection and not because of a record label dictate to appease an advertiser. For example, not until Busta Rhymes' recent single "Pass the Courvoisier Part Two" moved a healthy number of units was a promotional deal with Allied Domecq completed. This relationship has had a significant boost on sales of the Allied Domecq brand, according to the company.

As products are finding their way into movies, television, music, books and video games, it would seem like there's nowhere else to go. But with digital technology continuing to skyrocket in both form and function, there's a seemingly endless stream of new and innovative ways to put products in front of potential consumers. Whatever the future holds, there's no doubt you'll continue to see many of your favorite stars holding, handling and using products of all kinds on the big and small screens for years to come.

For more information on product placement and related topics, check out the links on the next page.

ON THE FLIP SIDE

In an interesting turn of events, music artists who have been promoting products on television are using those promotions to their own advantage.

According to [AdAge.com](#), artists such as Dirty Vegas and Phil Collins are clueing consumers in on their product-endorsement pastimes by placing "as seen in TV commercial" stickers on their albums.

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