

# Product placement requires involvement



By Bart A. Lazar

As a parent and marketing lawyer, I am extremely conscious of product placement and integration in entertainment. In fact, my children are good at pointing out clear paid-for placements while watching television or (whispering) in the movies.

There is no doubt that alternative marketing strategies such as product placement and product integration are dramatically increasing. Recently, Stamford, Conn.-based PQ Media LLC, in its Global Product Placement Forecast indicated that paid product placement spending increased 42.2% to \$2.21 billion in 2005, and continued growth is predicted for this year. One of the primary reasons for the increase in product placement is the fact that television users are filtering out traditional advertising through the use of their DVRs, watching DVD releases of television programs and other digital means. Other types of event-based or event-creating promotions are also increasing as marketers try to take their message directly to the public.

While these types of promotions are not new—product placement is believed to have started as early as the 1930s involving placement of liquor, telephones, automobiles and cigarettes—products are now being directly integrated into programming. A recent movie, such as *Talladega Nights* has about 80 brands playing a role, many in a tongue-in-cheek parody of product placement. Popular television programs also do some form of this, such as *24* and *Gilmore Girls*, and music videos, such as Jessica Simpson's "Public Affair," which prominently features Hewlett-Packard computers and accessories. In addition, products are featured in reality television programs, making the product part of the program so that consumers cannot miss the message.

What is wrong with these promotions? Nothing, though I am not an expert on consumer perception and whether there is a saturation point for prominent placements. However, when engaging in product placement deals, it is important to use foresight in developing these kinds of uses. It is extremely important that a marketer understands One hopes that the use of the brand can also portray positive performance attributes or character recognition of the quality of the product or service. In this way, the use will be sure to be in good taste and designed to promote goodwill in your product. This can be handled through contractual language giving the marketer some control over the use of the product or service placed. But understanding the placement and staying involved is equally important so that the marketer can get the desired impact from the placement. And if the marketer puts money behind the product placement, rather than a barter deal, the marketer is likely to have more leverage in the contract negotiation and ultimate execution of the placement. Product placement agencies can also assist marketers in making sure that the promotions are successful.

One example, where the marketer did not get what it wanted from product placement and ended up in litigation involved the blockbuster *Jerry Maguire*. In this movie Tom Cruise played an agent of a football star played by Cuba Gooding Jr. The sport shoe manufacturer Reebok had bargained to put a fake commercial for Reebok sneakers at the end of the movie. Ultimately, the deal did not go through and the lead character ultimately criticized Reebok products in the

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movie. As a result Reebok sued producer TriStar Pictures for \$10 million. The parties ultimately settled, and the video and DVD of the movie now contain the commercial. However, the loss of potential goodwill from a positive mention in a major motion picture coupled with the actual loss of brand value from a critique of the product still remains.

In 1996, in another Tom Cruise movie, *Mission Impossible*, an Apple computer was used to save the day, and some view this product placement as being memorable. However, some technophiles thought the product placement was not successful because the product, as shown and operated, did not function the same as an actual Apple computer. Such concerns did not seem to bother Audi, who for the movie *I, Robot* designed a futuristic high-performance Audi automobile to "appear" in the movie.

The more engaged in the process a marketer is, the more likely she will get what she wants. When product placement is involved, there can be a clash between the producer, who wants drama or comedy to be evoked by the product, and the marketer, who wants the product to be portrayed properly. In what is now called the "Junior Mints" episode of *Seinfeld*, a Junior Mint candy was dropped by mistake into a patient undergoing surgery.

Apparently, the dialogue included the doctor saying something negative about how candy could kill, but drug maker Warner-Lambert was able to step in and change the dialogue to be positive. While the marketer could have had a claim if the statement was negative about the product, this was prevented by being engaged in the process and making sure it reviewed the dialogue around the placement. This is the kind of involvement that can potentially make the



*Talladega Nights*, starring Will Ferrell (center) takes a jab at NASCAR's corporate sponsors and blatantly brandishes numerous logos and brands throughout the movie.

difference between a successful product placement and a lawsuit. ■

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