

Is Product Placement Ethical? Does it Brainwash?

IBCC Reflective Project

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1. Introduction

Product placement can be seen everywhere in media. Books, TV shows, movies, magazines and radio plays are filled with partly-illusory images of branded goods and novelty items. Product placement is getting more and more popular way of advertising products varying from drinks to cars.

I chose this topic because I personally find media psychology interesting and product placement really shares people's opinions. The topic was relevant issue for me as I was in Australia working on a reality TV show about cake making. As a camera person, I was told to make sure that I don't film brand names or clearly identifiable products if they are not from the companies sponsoring the show. Furthermore I was specifically hinted to highlight the sponsors' logos with use of camera techniques.

At first I couldn't understand the orders I was given. The placement in the show was so obvious and almost straight marketing of certain products that I started to question its legality and ethics. I wanted to find out, do the viewers note product placement and what they think about shows with heavily commercial content.

In this reflective project I will concentrate on the psychological issue with embedded marketing and how product placement affects consumers, especially children. Is it really as harmless as we are told or are the companies messing up our minds with subliminal messages? My subject is narrowed to consider the issue as presented in films and TV shows.

These interrogations are undoubtedly ethical ones because they question the role played by advertisement and their effects on consumers. They also question the way a society must regulate or manage what appears on television or movies, especially if a broadcast is intended to kids. They also lead to multiple questions: Is product placement less ethical than explicit placement? Should a government forbid (or at least limit) product placement? Should product placement be only authorized for TV shows intended for adults? Should a government be more severe if product placement appears in a TV show broadcasted by a state funded corporation?

We all know that ethics is the area of knowledge that tries to determine what is best for the individuals and their societies. I have found on the Internet that definition of the word that seems relevant in the context of my reflective project: *Branch of philosophy dealing with values relating to human conduct, with respect to the rightness and wrongness of certain actions and to the goodness and badness of the motives and ends of such actions.* (<http://dictionary.reference.com/browse/ethics?s=t&path=>).

It seems to me obvious that the previous questions are ethically relevant: they lead to controversial issues and there are no easy answers to them. But the key is to answer with convincing arguments. That's why I will base my analysis on data and researches. I have consulted many websites and read two books about the topic. I have also conducted an interview with a man involved for many years in the TV business. My subject is narrowed to consider the issue as presented in films and TV shows.

2. What is product placement?

Product placement has been a part of media since 1920s. However, it wasn't named and recognized as a form of advertising not until in 1980s. USA was the first country where the product placement was accepted. In many European countries, however, it was forbidden until 2007 EU directive came into effect.

One notices that product placement is a western invention and it appears in open market economies (liberal countries) where movies and TV shows are mostly private founded. In that context, the search for money is crucial, so product placement can be a necessity. Therefore, it's not a surprise if my researches concentrate on USA, Australia and EU. On the opposite, in countries where TV and movies only depend on public funding, the situation is quite different. There is no need for product placement because the government pays for all the broadcast process. But there is no doubt for me that many countries, that used to be communists, will now begin to use product placement as they enter the market economy. That for examples Russia and China: although the state still intervenes in the TV and movie business, I wouldn't be surprised if product placement gradually appears because more and more private producers are making shows and movies. It will be interesting to follow these countries in the nearest future.

Consumers have been on their toes since the revelation of James Vicary experiment. He was a market researcher, who is best known for the notion subliminal advertising. In 1957, he added quick flashing images in between a film, telling people to eat popcorn. He reported that popcorn sales had risen over 50% in the cinemas where hidden

images were presented. When the results surfaced, consumers were shocked. Many people are still afraid they are affected by hidden messages telling them to do something against their will.

The ethics of product placement have been under discussion nearly as long as it has officially existed. Like the other countries in EU, the Finnish government is trying to get rid of subliminal advertising by allowing product placement. The theoretical difference between these two is, that product placement is not supposed to affect consumers' subconscious and it should be clearly identifiable and fair marketing. Subliminal advertising, according to its name, can contain hidden images and other rather questionable methods that have a straight effect on our subconscious. But does product placement really differ from subliminal advertising after all?

According to the Finnish Consumer Agency, who monitors the consumer rights in Finland, the product placement is considered subliminal advertising if it misleads the viewer. The 2007 EU directive specified that all entertainment programs must have mention about product placement to ensure that consumer rights are fulfilled. The law says that the consumer has a right to know when he is tried to be affected commercially.

In news or current affairs programs placing products is strictly forbidden. The same law concerns also Internet TV and on demand broadcasts, however, it's very hard to monitor all the content and the law is quite often broken according to my experiences. Unfortunately, very often there is not a mention about the program containing product placement or it's written in small font that the consumer may not note at all.

Products placement should not encourage or manipulate the viewer to buy the products and it is not supposed to be an advert inside a program. Product placement should not be a big part of the program's content, but like in the movie Cast Away where Wilson's volleyball was actually one of the main characters and therefore, it got quite a big amount of screen time during the whole film.

Forbidden in product placement:

- To show accurately the name or logo of the product, or use camera techniques.
- To highlight brand names, logos or identifiable products in a way consumer could recognize it advertising.
- To directly mention the name of the product.
- To praise or compare the product with other competing products.
- To repeatedly show the product

According to Finnish Consumer Agency

The directive is strict and even if one of these criteria is fulfilled, the placement is considered misleading and possibly subliminally affective. The line between product placement and subliminal advertising is therefore very narrow in practice.

3. Effects of product placement

For companies, the success of placement heavily depend on the products role: is it hardly identifiable, clearly identifiable, long or recurrently shown, associated with a main character, verbally mentioned or playing a key role in the storyline.

According to a recent research done by Finnish Communications Regulatory Authority (monitors TV and radio commercials and program content in Finland), 61% of viewers have noticed products placement in films and TV shows, 30% of them have bought or tried the product after they had seen it on the screen. Most of the viewers claim that they are aware of product placement, but they don't feel it's bothering or violating their rights. Many of them mentioned that products make programs more natural if there is no "taste of selling" in presenting the products in shows.

Several aspects can affect our subconscious. They can be even as minor as certain tint of color or just a simple shape, in which we don't naturally pay attention to. The players of big business effectively use these aspects in marketing to make profit out of consumer credulity. There is no way to limit it because the companies can always deny that there was an ulterior motive behind the color used in the set design etc.

Reality television constantly embeds large brand names into their weekly showings. For example, Coca Cola paid 26\$ million to American Idol Panel to display Coke cups and other items that brought Coca Cola to consumers minds. Not only the colors used in the set were "Coke red" but also the furniture was designed to remind the viewers about Coca Cola bottle. They were repeatedly presented in every episode; even 60% of the show time was subtle commercial for Coca Cola. The suggestions were planted into viewers' minds- and how many of them even realized that this was straight commercial message?

Subliminal messages like these are often unnoted as they are- in fact- not straight marketing. Therefore it's not against the law. People use to claim they are fully aware of product placement in films and TV shows and they contrast it with regular TV commercials.

In reality TV, products are not placed in an episode every once in a while, but are rather loyally displayed substantially throughout the series. It is relatively easy to include embedded marketing in reality shows because they are not scripted and companies are ready invest a lot more money on popular formats like American Idol, The Biggest Loser or Survivors.

Also, the contestants of reality TV are far more willing to participate in presenting the products inside the show, because their careers as television stars are not long-term compared to the careers of professional actors'.

4. Children and product placement

As the study by Finnish Communications Regulatory Authority presents, most of the adults from age 18 and up say that they are not bothered by product placement at all. However, most of them claimed that product placement targeted to children and young people is a great concern in which the authorities should pay more attention.

In 1982 Reese's Pieces- candies sale increased by 80% because of product placement in movie E.T. The film started a new era of product placement and provided it to be successful way of marketing. It is even nowadays considered the one of the most successful examples in the product placement history.

An experiment performed with movie product placement and children provided rather worrying results. The participating children were divided into two groups. The other half were shown a clip from a popular family film Home Alone, where the main character drinks Pepsi and the other where he drinks milk. After the screenings, both children were interviewed individually and asked if they would like to drink Coke or Pepsi.

In the first group, most of the children chose Pepsi as result of watching the clip. Seeing Pepsi in a popular film was a significant aspect for making their choice. After the children were interviewed and asked about the content of the extract, nearly no-one remembered seeing Pepsi in the clip. The film itself didn't appear to be straightly affecting to their choice.

The reason for E.T.'s success might also be its target audience. As a family film, children are regarded in the plot as well as in the marketing. The sale increment of candies might also have been connected with the fact that children are not ready to think critically.

Children are not aware they are being exposed to commercial messages and therefore product placement is rather questionable method because it seems to affect children in a preconscious way. As children are more likely to watch films they have seen several times, the exposure to product placement is multiple compared to adults. Strong exposure to embedded marketing only strengthens the children's behavior to prefer certain products.

Actually many shows targeted to children are actually commercials themselves. Usually the cartoons are made to promote a line of toys, which distorts the children's consuming models. Parents should use their discretion and watch for their child's habits and possibly discuss about the product placement to promote their media criticism at a very early stage.

5. Companies and product placement

Companies' point of view to product placement is often quite narrow. They will use it if there is evidence that it works. However, it encourages them to expand their advertising methods and try on new tactics for getting consumer

attention. We live in an information society, which has also brought new challenges to companies, as people seem to interact more critically with media- especially commercials.

Unfortunately, various companies tend to sponsor mainstream films and their sequels to ensure their profit. Usually these films are overfilled with product placement, eventually making it so obvious that the viewer cannot be unnoticing it. This kind of marketing is also annoying the consumers most.

However, many smaller film companies and TV stations are really depending on sponsors and their products. For example, one sponsoring company might provide catering services for the whole film crew if their product is visible just in one scene. For independent filmmakers this is extremely necessary- and in many cases the only way to get funding or essential goods for the production.

And how about sports events? Their funding is in most cases really dependant on sponsors. Big events like the Olympics or World Championships require a lot of funding and what would be better way to get it than sponsoring. The shows are usually broadcasted worldwide and the companies get the visibility for their products.

6. Positive aspects

Despite the product placement has been heavily criticized, many consumers are not bothered by it too much if the products are presented naturally and are not sold in the show. If the product fits the context it's a good way to get more information about the product and possibly see them in more realistic surroundings than in regular TV commercials.

The products might be presented in an entertaining way and they might be instructive considering the use of the product in real life. The films and TV shows also get extra money or other advantages for production. Because products are introduced during the show time, there's no need for separate commercial breaks which can save viewer's time.

Of course, the consumers usually benefit from the products, wherever they get the information about them. Product placement can also be educative and raise consumer awareness and make them think critically why and what makes them to buy. Parental discretion on their kids' spending habits and informing them about product placement might be just for the good of the whole family.

7. Negative aspects

Products placement is not very ethical way of advertising, if the products doesn't fit to the context or it is forced to the viewer. In the worst case it would be so called false advertising, which is an advert inside a TV show, but the consumer might not realize it.

Unfortunately often product placement can give a wrong image of the product with incorrect information or showing something the product can't actually do, which misleads the consumers. There is no possibility to skip the embedded marketing, which the viewer could do with regular TV commercial breaks if he wants so.

The line between advert and real content can sometimes be hard to recognize, especially for children and people with mental disabilities. Considering the aspect, it makes the product placement feel somewhat subliminal if we cannot define commercial message behind the apparent meaning.

8. Conclusion

Despite the negative aspects connected to product placement, without it the media would be much more surrealistic if nothing from real life couldn't be shown on screen.

I strongly believe that product placement is the future of marketing as long as it doesn't go too far. The researchers constantly get new information about advertisements' effects on our brain by the fMRI-scan researches and other advanced methods to find new uses for this so called neuromarketing. Its purpose is to study consumers' cognitive and affective responses to marketing.

This information is not only valuable to advertisers, but also the consumers benefit from the info, helping them to investigate their consuming habits and possibly learn a correct approach to marketing.

Returning to my original question is product placement brainwash or not, the answer is yes and no. It heavily depends on how it's used, what are the aims and who is the receiver. If there is a way to limit the misuse of product placement in the future, I would then consider it to be quite consumer friendly way of advertising, which doesn't underestimate the consumers' intelligence or consuming habits and behavior.

9. Appendix: interview

Background information: The interviewee is the Station Manager of a Community TV Station in Australia, wherein I did my work practice from August to October 2011.

What is the basic principle of your Community TV Station?

Our station is a locally focused broadcaster aiming to reflect Australia's cultural diversity and provide an alternative viewing platform combining nationally produced shows with locally produced material. We provide possibilities for independent producers to show their boutique programs, youth to practice their media skills and diverse communities and special interest groups to express themselves. We have only three permanent employees, and therefore, solely rely on volunteers.

Where do you get funding?

Our station is funded by two main sponsors and the city. We get some occasional donations from viewers, but they're not enough to keep us alive. We sell air time to advertisers and look for sponsors to specifically fund our productions. For example we have a current affairs show, where about half of the stories are sponsored and the other half provided by the community.

So is product placement important for you?

There's no doubt the station would be unable to continue serving the community without the support from the sponsors. We not only benefit financially. About half of our partners offer goods to use during the production. In our case that usually means catering. Therefore I would say product placement is more or less vital to us. I'd like to remind that we are non-profit Community and everything we make goes straight to cover the production costs.

How much product placement do you allow in your shows?

There's no denying sponsored products are visible in our shows. The amount depends on the sponsor. In some shows, they settle for one logo before the commercial break. In some cases they wish to embed large amount of products on air time and in most of the occasions, we let them do it. That ensures our competitiveness against the other channels.

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