

Branded Entertainment: Using Product Placement to Reach Consumers in the New Media Environment

Transitioned Media Conference
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“Product placement is a small price to sell your soul for....

Product placement is a line that marketing and editorial shouldn't cross....

If you're a brand with integrity, people will want you in their content, but if product placement is allowed, we won't pay for it.”

theguardian

Dr. Pepper Product Placement in *90210* on The CW television network April 14, 2009



The Critics and Bloggers Panned It

“Were they kidding with that tonight? Tonight's episode of 90210 deserves an award, for the single most egregious example of product placement in the history of television. Once or twice, it felt like a ... spoof of a television show doing product placement. ... Product placement was so ubiquitous and clunky it was almost insulting.”

Los Angeles Times

But actual viewers - including Dr. Pepper's core target - responded quite favorably

Brand Recall

Dr. Pepper in 90210	85%
Category Norm	49%
Index	173

Brand Opinion Improvement:

Dr. Pepper in 90210:	29%
Category Norm:	15%
Index	193

1.1.09 – 12.31.09; Carbonated Soft Drink Category; P13+ Limited to Primetime Non-Sports Programming – all airings

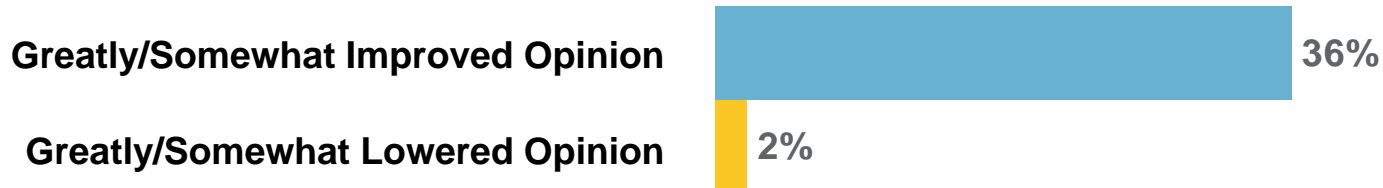
And the majority of viewers found the placement to be a seamless fit with the show's plotline

- 62% of Viewers thought it fit “naturally” into the 90120 program
- Only 4% cited a “lowered” opinion of Dr. Pepper as a result of the placement

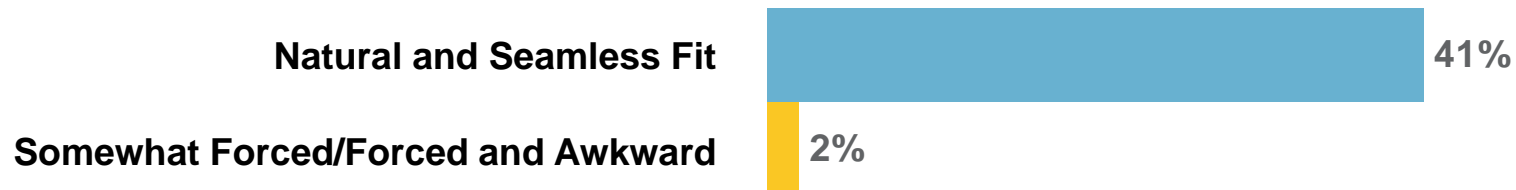
1.1.09 – 12.31.09; Carbonated Soft Drink Category; P13+ Limited to Primetime Non-Sports Programming – all airings

In fact, it is very unusual for products to experience negative perceptions from their in-show integrations

BRAND OPINION LINK



PERCEIVED FIT LINK

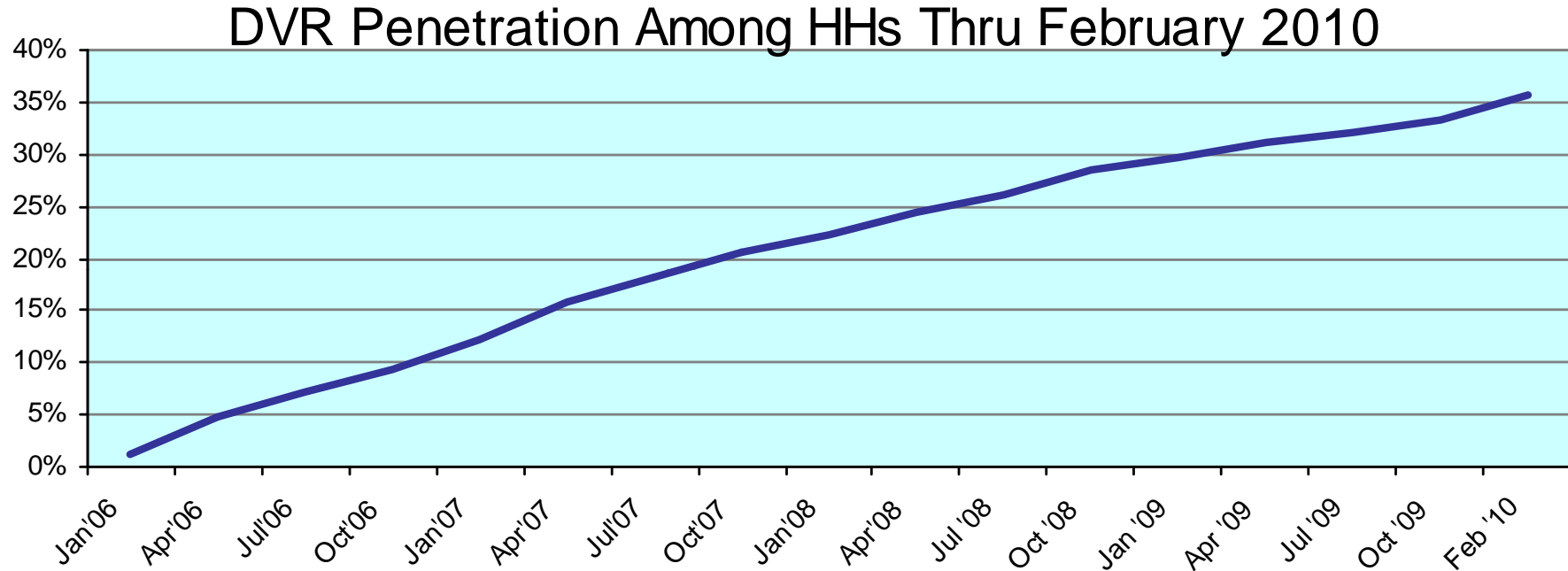


9.22.08-3.31.09; P13+
Limited to Primetime Non-Sports Programming – all airings

Why the Rise of Branded Entertainment such as Product Placement?

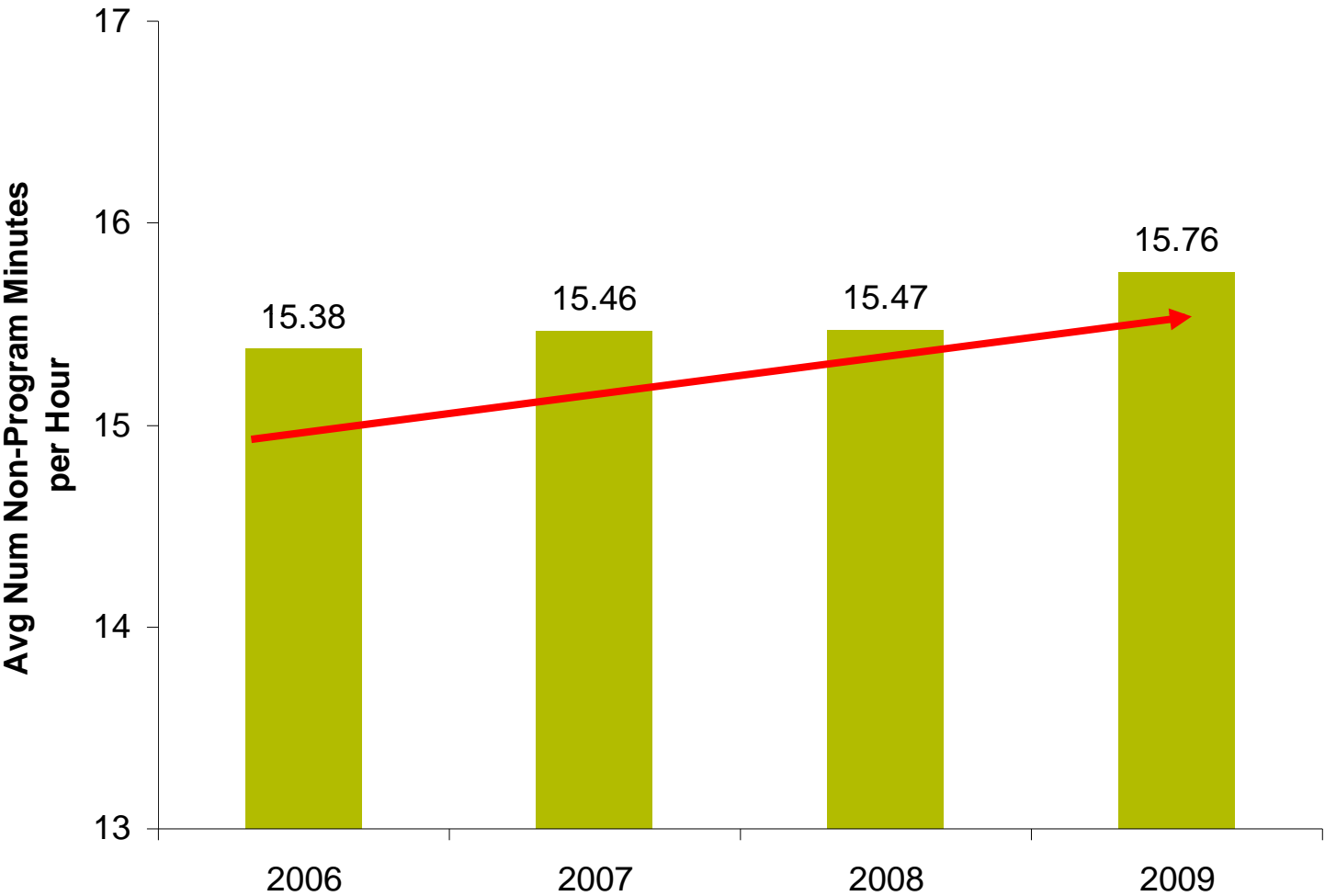
What's the Value for Advertisers?

The ability to commercial-skip has grown substantially over the last several years



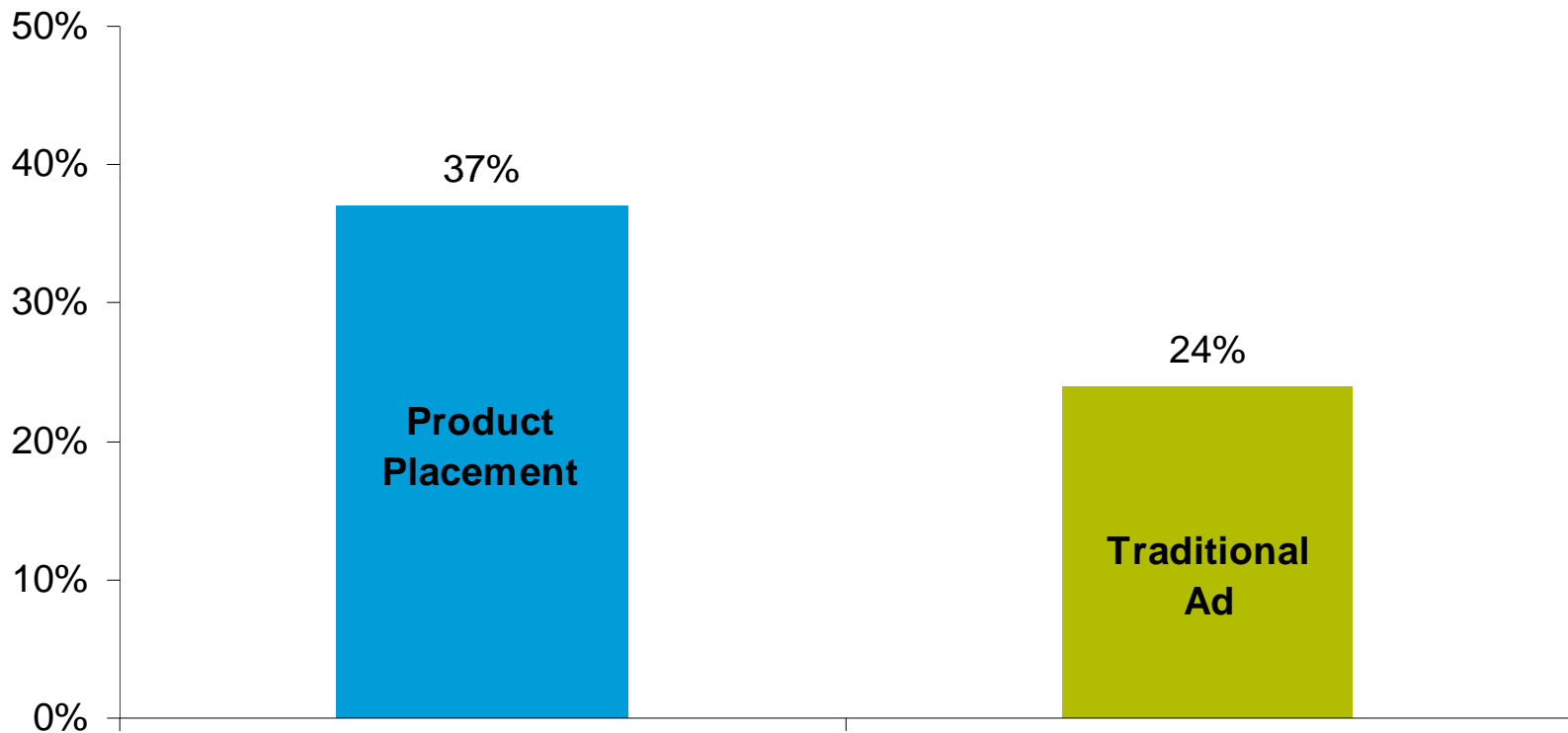
DVR owners fast-forward more than 50% of all commercials recorded

Ad break clutter continues to rise ... comprising nearly 16 minutes of the average programming hour last year



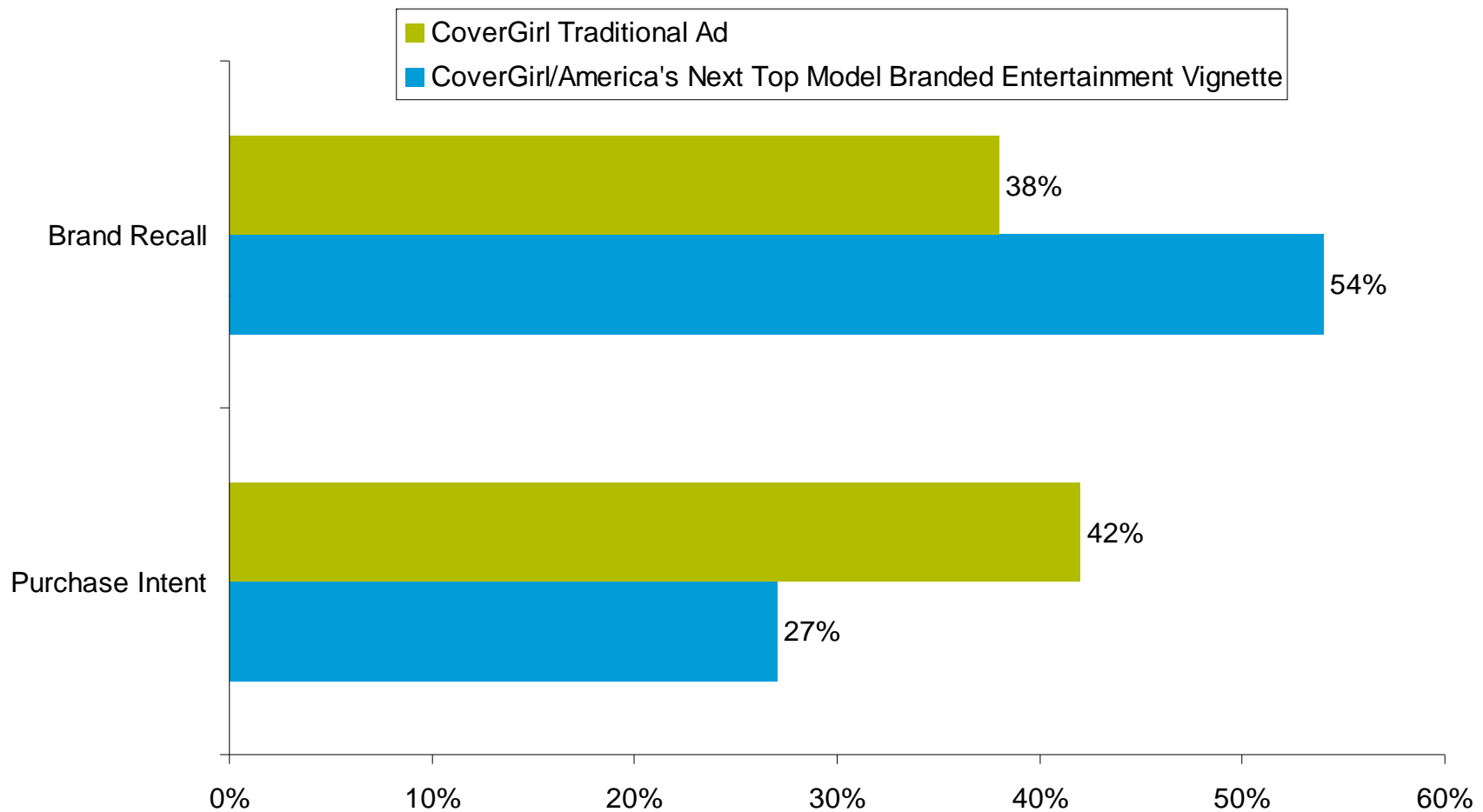
Source: The Nielsen Company, Primetime Broadcast + Cable TV, Includes national, syndication and local ads, plus PSAs and Promos, Only networks available all 4 years were included

Brands in program have better exposure opportunity and historically have generated 54% higher brand recall compared to traditional ads



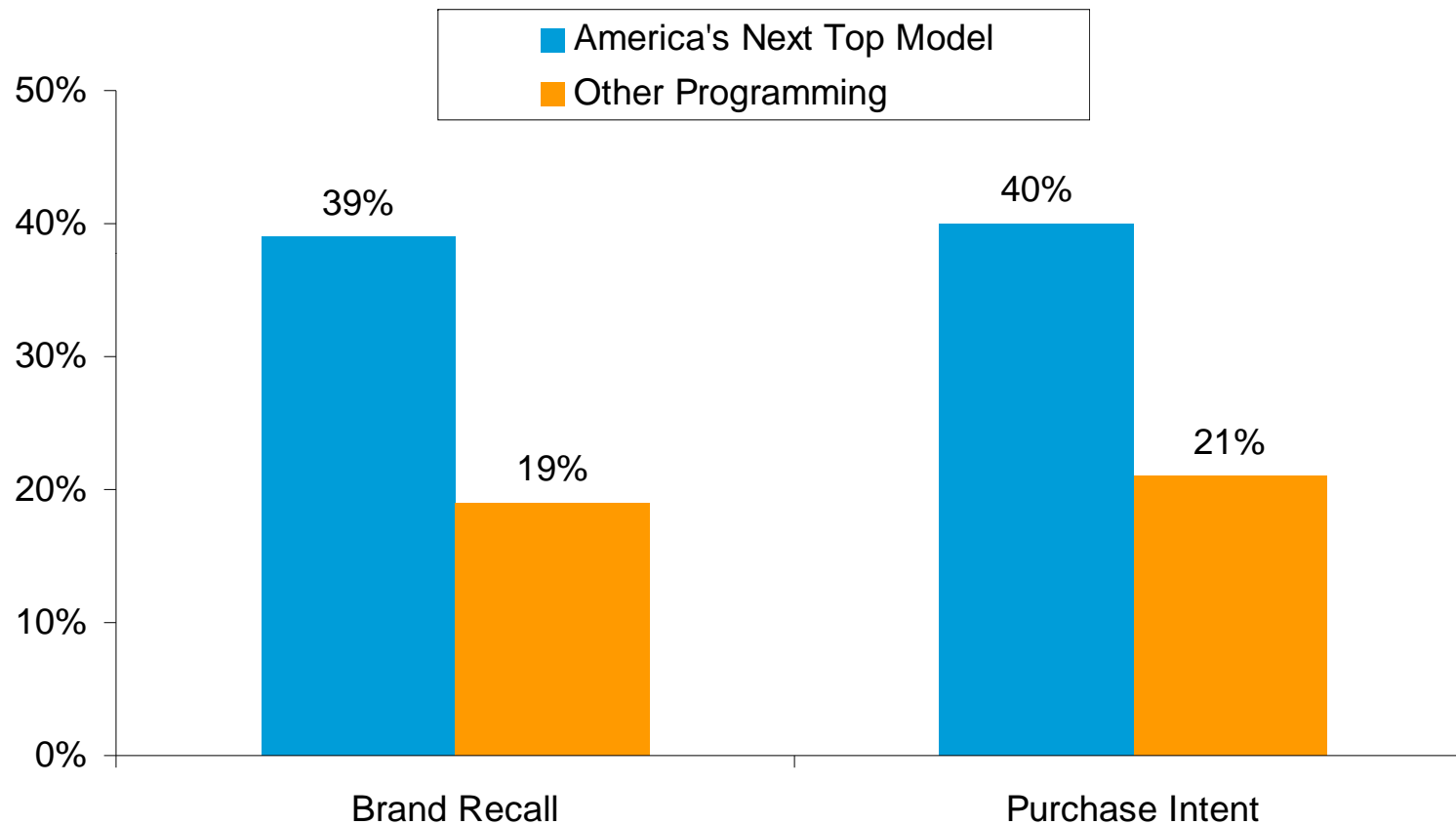
Based on non-sports primetime; to control for media weight: new traditional ads in first week of flight included, new IPPs with single program airing included

But it takes two to tango: traditional ads often generate higher purchase intent



9/19/07 – 12/12/07; Among W18-49; Original America's Next Top Model episode airings only

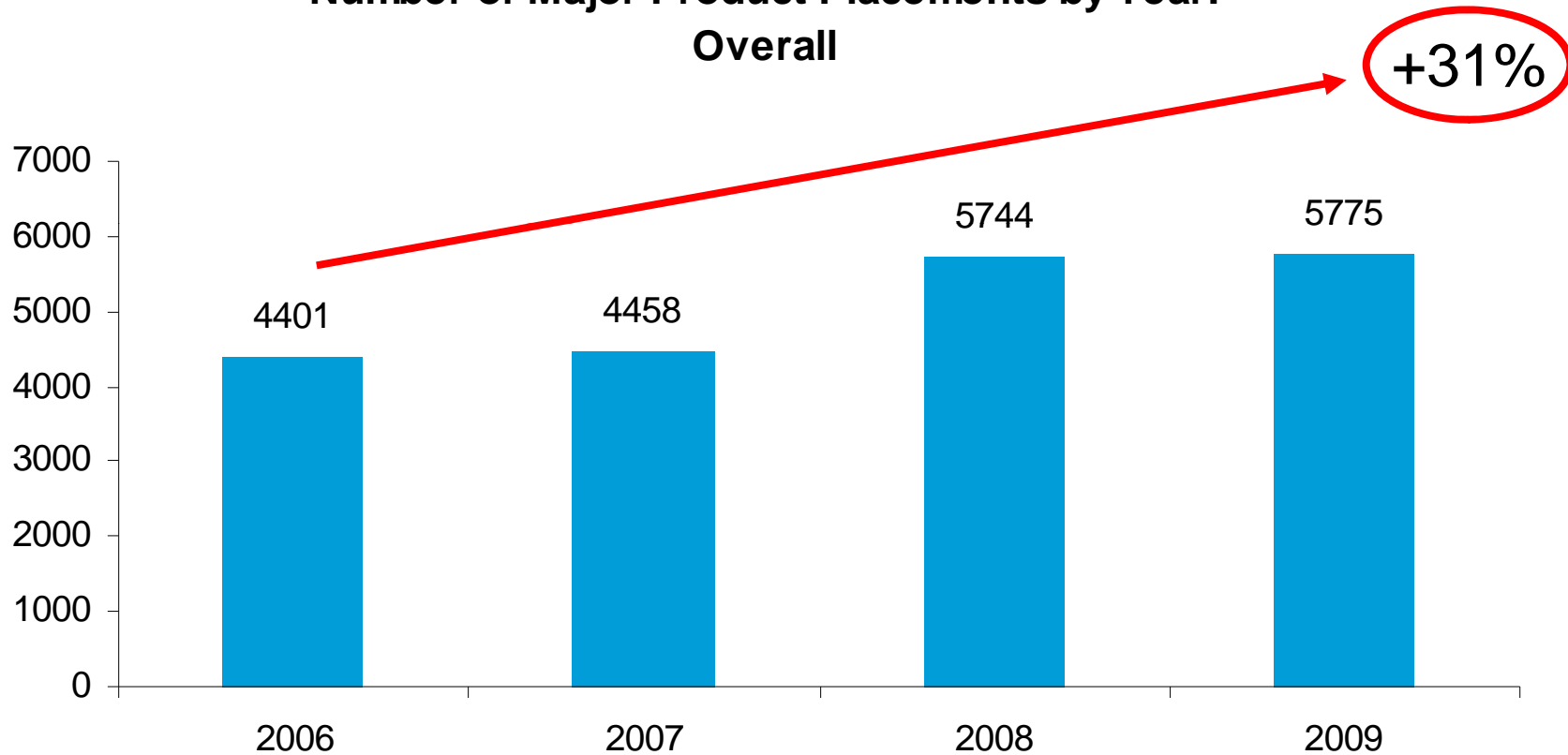
And 1+1 does equal 3: Ads paired with product placement generated double the recall and double the purchase intent



2/28/07-5/16/07 & 9/19/07 - 12/12/07; Among W18-49; Original episode airings only
Inside vs. Outside Ad analysis limited to only those creative executions which aired both inside and outside ANTM; Purchase Intent is among brand-recallers

Viewers are seeing more major branded entertainment than ever before

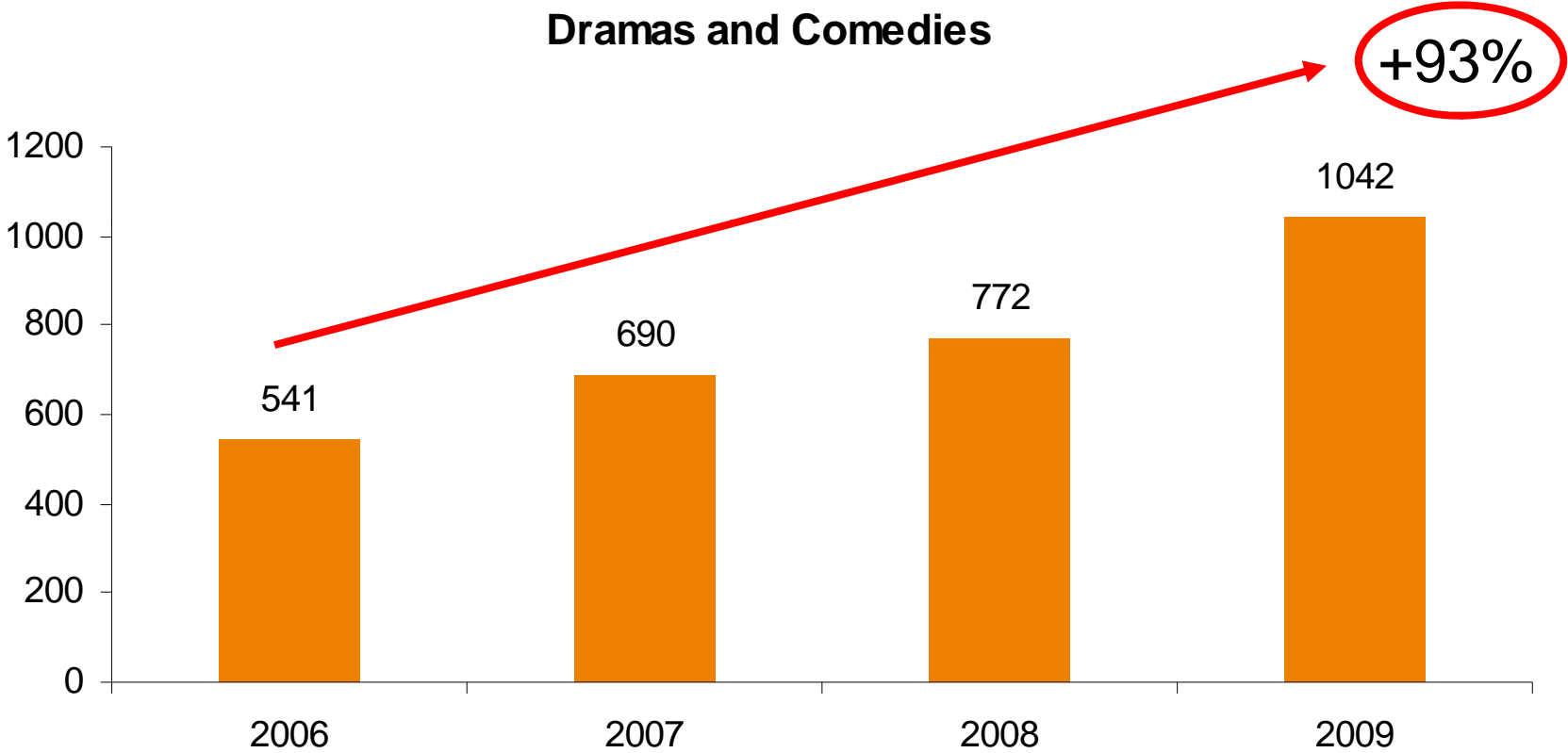
Number of Major Product Placements by Year:
Overall



Includes 12 networks in Primetime with Ad/Sponsor Adjacency

And the rate of growth in scripted programs is even higher

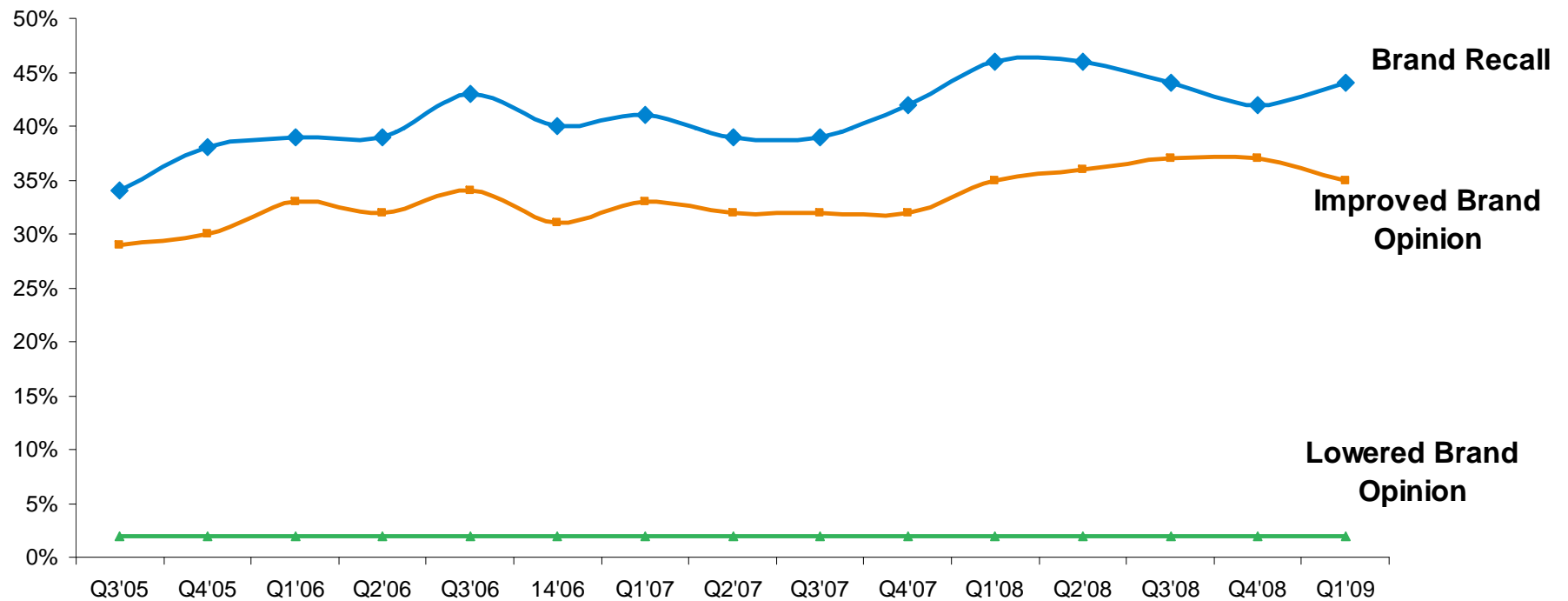
Number of Major Product Placements by Year: Dramas and Comedies



Includes 12 networks in Primetime with Ad/Sponsor Adjacency

Yet viewers have actually responded more favorably to placements in the last several years, with consistently negligible negative impressions

Product Placement Trends Over Time



9.24.05 – 3.31.09; P13+.
Broadcast and Cable, Non-sports, all airings

Reality programs are the most active genre and offer the most optimal environment

	Placement Density	Brand Recall	Brand Opinion Improvement
Reality	10	46%	37%
Comedy	3	45%	25%
Drama	4	38%	30%

Jan 1 – Dec 31, 2009; Primetime Broadcast & Cable Entertainment

Note: Brand Opinion Improvement is Top 2 Box among brand-recallers; Placement Density includes only those episodes with at least one measured placement



UGLY BETTY



+100% Brand Opinion
vs Drama Norm

TOP CHEF



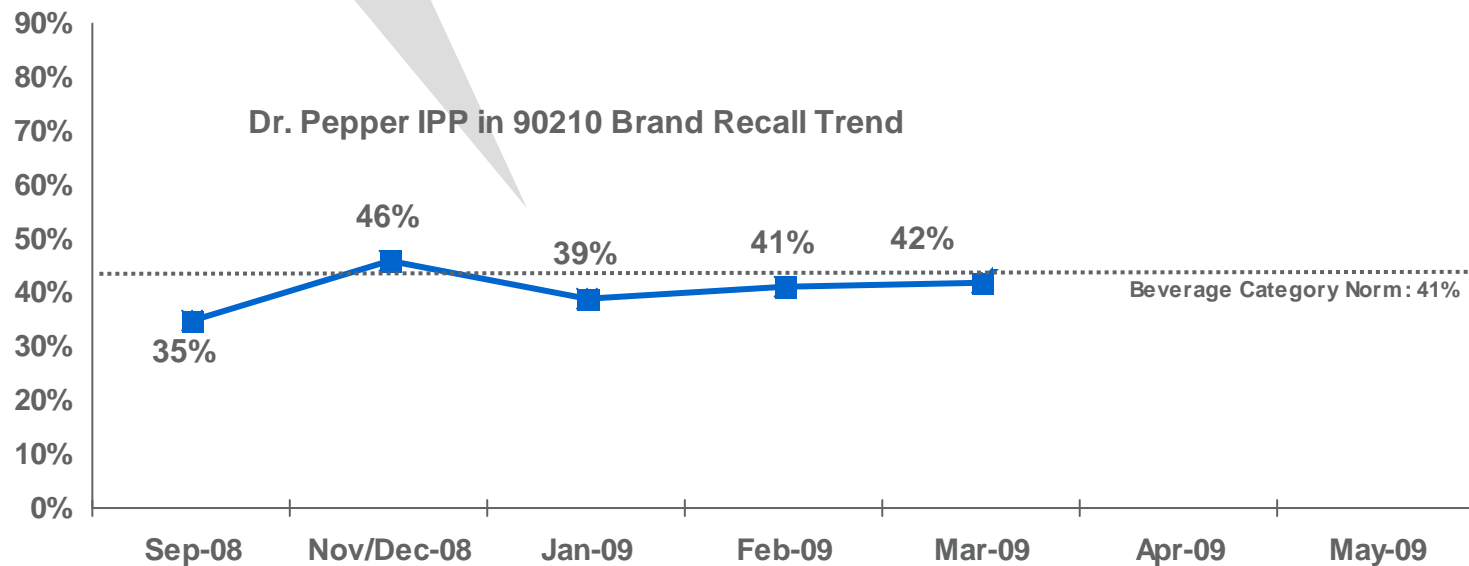
+76% Brand Opinion
vs Reality Norm

Jan 1 – Dec 31, 2009; Primetime Broadcast & Cable Entertainment

Sometimes being too “organic” means that few viewers take notice...



The passive nature of most early-season integrations hindered Brand Recall



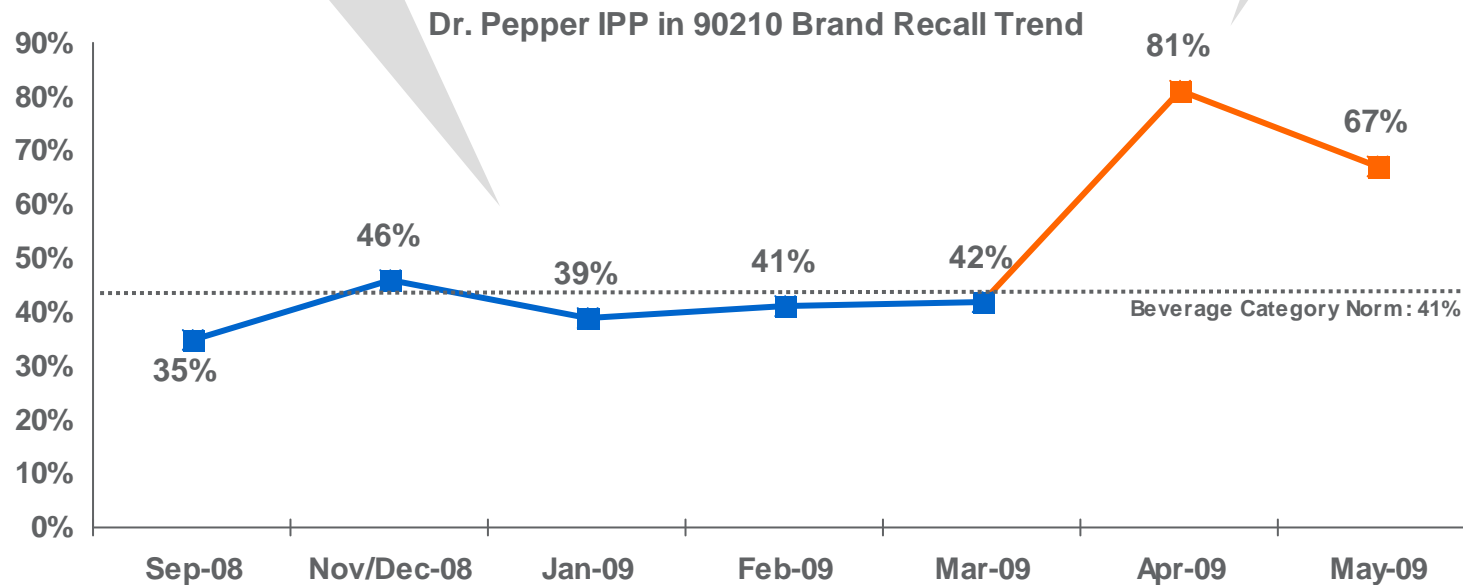
If well-executed and relevant, more overt placements can heighten recall without turning off viewers



The passive nature of most early-season integrations hindered Brand Recall



The strong April Brand Recall score reflect the success of the 'road trip' integration



Implemented well, Program Placements provide Valuable Branding for Advertisers



Top 10 Most Effective Product Placements on Brand Opinion Broadcast/Cable



Rank	Brand	Placement Description	Program (Network/Air Dates)	Brand Opinion Index
1	Subway	Contestants eat at restaurant; trainers describe "Fresh Fit" meals	The Biggest Loser (NBC, 2/10 - 11/03/09)	344
2	Kids Crooked House	Company assembles kids playhouses in the Gosselin's yard	Jon & Kate Plus 8 (TLC, 6/22 - 9/21/09)	300
3	Vaseline	Sponsor of miniseries and contest; Clarissa wears Aloe Fresh	Maneater (LIFE, 5/30 - 6/1/09)	290
4	Food & Wine Magazine	Gail Simmons is identified as working for the magazine	Top Chef Masters (Bravo, 6/10 - 8/20/09)	285
5	Cheerios	Cereal is recommended as a healthy food; sponsor of challenges	The Biggest Loser (NBC, 2/3 - 11/24/09)	266
6	Whole Foods Market	Contestants shop for ingredients to use in challenges	Top Chef Masters (Bravo, 6/10 - 8/20/09)	261
7	CVS Pharmacy	Company donates money and provides supplies to families	Extreme Makeover: Home Edition (ABC, 1/11 - 11/8/09)	259
8	Mood Designer Fabrics	Designers shop at store for supplies for their challenges	Project Runway (LIFE, 8/20 - 11/19/09)	259
9	GE	Alex and Simon install Monogram appliances in their remodeled kitchen	The Real Housewives of New York City (Bravo, 4/28 - 7/7/09)	253
10	Glad	Company provides prize to winner; products are used during challenges	Top Chef (Bravo, 1/7 - 11/25/09)	242

Source: The Nielsen Company, 1/1 - 11/30/09

Thank you!