Commentary

Antibusiness Movies and Folk Marketing

Steven M. Shugan

Warrington College of Business, University of Florida, 201B Bryan Hall, P.O. Box 117155, Gainesville, Florida 32611, steven.shugan@cba.ufl.edu

We observe a disproportional number of movies that vividly portray business and businesspeople with an unfavorable bias, often depicting ordinary business activity as zero-sum and sometimes depicting it as callous, immoral, and criminal. These movies also often aggrevate existing economic misconceptions that might include what we could call folk marketing. Folk marketing includes false ideas, such as marketing being a zero-sum game (rather than adding value), marketing research being intrusive clandestine surveillance (rather than advocating the buy viewpoint), and secrecy about market data being evidence of nefarious activities (rather than simply hiding strategies from competitors). Marketing scholars need to combat vigorously these false ideas. Moreover, when advertisements sponsor movies, it might be necessary to consider the conjoined movie content and the consistency of that content with the desired brand image.

Key words: antibusiness movies; motion pictures; films; motion picture industry; bias; villains; perceptions of businesspeople

An Antibusiness Bias in Movies

Eliashberg et al. (2006) provide an excellent summary of a stream of business research that studies the motion picture industry or business research that is relevant to the study of motion picture industry. Indeed, many recent articles on this interesting topic include Krider et al. (2005), Ainslie et al. (2005), Godes and Mayzlin (2004), Tyagi (2004), and Sun et al. (2004). However, ironically, motion pictures also study business and provide there own perception of businesspeople. Moreover, the depiction of business and businesspeople in motion pictures might have as great an influence on public perceptions of business as all of our research combined.

We who teach marketing and business often preach the virtues, and the necessity, of satisfying consumer wants and the positive role of business toward that end. In contrast, the motion picture industry often seems to convey a diametric image. Senter and Overell (2001) provide numerous examples of films casting businessmen as the nefarious villains, the exemplar perhaps being the fictional character Gordon Gekko, in Oliver Stone's 1987 film *Wall Street* (Arsenault 1998). There are myriad other examples including a recent film in which crazed movie business people somehow find profit by destroying life in Australia (Seligman 2000).

Business executives seem to be aware of their negative image in the media. A Harris poll found that 70% of responding business executives believed that television coverage was antibusiness (Berry 1984). Moreover, businesses receiving negative news coverage rarely had an opportunity to respond (Berry 1984). An old study (Theberge 1981) conducted by the Washington-based Media Institute carefully recorded the depiction of businesspeople in 200 episodes of 50 prime time U.S. TV programs. The study found that 55% of businesspeople (usually men) commit illegal acts, ranging from fraud to murder; 45% of all so-called business activities on TV were portrayed as illegal; and only 3% of TV businesses engage in socially or economically productive behavior. Subsequent analysis generally reported similar results. For example, a subsequent documentary reported that "The businessmen...portrayed on TV...make an awful lot of money, without ever having to ... produce useful products ... " they just "lie, steal, cheat, blackmail, even murder" (e.g., Bayles 1987, p. 20). As Stein (1997) observed, if it is an adventure movie, the businessmen are usually murderers and gangsters, while the gangsters were usually businessmen.

Thomas and LeShay (1992) later argued that television stigmatizes wealth, rather than business. That study concluded that screenwriters target businesspeople only because popular culture resents the wealthy, and the public often associates businesspeople with wealth. However, subsequent analysis (Lichter et al. 1997) rejects that argument, based on a content analysis of all occupations depicted in 30 television seasons. This study found a negative porformed solely occupational activities. In contrast, nonbusiness characters were portrayed most positively precisely when they engaged in occupational activities. Seventy-six percent of nonbusinesspeople were portrayed as "good guys" at work. Business and nonbusinesspeople were depicted more similarly when engaged in nonoccupational activities but screenwriters still more often depicted businesspeople in a negative role even for nonoccupational activities.

Apparently, the depiction of businesspeople as villains is deliberate. For example, the Lichter et al. study (1997, p. 82) cites television director Philip DeGuere, Jr., who proclaims: "When the business community (complained) that they were being constantly treated like villains on television shows, it hit me like a sledgehammer. I said, yes, that's exactly what I've been doing personally ... and I'm going to do it even more because...it makes sense. It's... probably pretty close to the truth."

Morris (2000) finds that screenwriter attitudes might be representative of writers in general. For example, Morris (2000, p. 137) finds that "it is difficult to find positive and appreciative images of business in 20th-century English literature. This is especially true in the period leading up to the Second World War. By then the entrenched feeling among many writers reflected the powerful influence of Charles Dickens to the effect that business-capitalism-was a dirty, disreputable, tarnished affair in practice."

Ribstein (2005) provides a remarkably exhaustive study of American films that directly or indirectly depict business activities. Ribstein (2005, p. 19) argues that films usually depict business as evil and portray businesses as making profits by hurting people (more so than television). For example, "in James Cameron's Aliens (1986), Burke, the company man, wants to make money off of the title monster, not destroy the repulsive thing...Coma (1978) has the inhuman Jefferson Institute turning people into organ farms...the relatives of the endangered crew in The Perfect Storm (2000) vilify the owner of the boat that is tossed around in the title event for making money from others' lives... Twister (1996) portrays the 'corporate' tornado-chasers as the bad guys." Ribstein provides an extraordinary number of relevant examples. Perhaps the biggest film of all time, James Cameron's Titanic (1997), depicts passenger J. Bruce Ismay (the chairman and managing director of the Titanic's owner, the White Star Line) as the primary villain. Although Cameron's version of events focuses on an engrossing fictitious romance, it is more accurate than most dramatizations. In most versions, Ismay causes the ship's demise by encouraging Titanic's Captain, Edward J. Smith, to maintain a purportedly unsafe speed. Considerable controversy

(e.g., Sanderson 1998, Gilchrist 2002, Price 2002) surrounds the consistency of Titanic dramatizations with eyewitness testimony (e.g., Titanic's surviving barber), Ismay's true motivations (e.g., promoting reckless speed or falsely believing the ship was unsinkable), the actual reason Ismay survived (e.g., cowardice or luck), and aggravating factors (e.g., The Californian's fatal mistakes). Nevertheless, dramatizations of the Titanic disaster often fail to mention that most firstclass men (purportedly, wealthy businessmen) gave their lives (only 32.6% survived) so that most secondclass (86.0%) and many third-class (46.1%) women could live (e.g., Simonoff 1998).

Why Is There an Antibusiness Bias?

Trying to explain the antibusiness bias in Hollywood, Senter and Overell (2001) find that many people in Hollywood, including screenwriters, are just ignorant of what executives do. Senter and Overell (2001) argue that Hollywood dislikes moral ambiguities and needs a hated villain in a black hat who is often the town's leading businessperson (usually businessman). Senter and Overell (2001) argue that convenient past villains (e.g., Russians, Chinese Communists, etc.) are no longer politically acceptable, but big business is (the bigger, the more evil).

Fumento (1992) and others (Billingsley 1987), in contrast, argue that the screenwriter's guild deserves ample blame. Fumento quotes one screenwriter who emphasizes the heavy unionization in Hollywood and states: "It's a closed shop policed very strictly through the Department of Labor...All the relationships are forced union...the reason you don't get scripts that are pro-business is that this is seen as anti-labor."

By exhaustively analyzing the content of numerous movies, Ribstein (2005) examines several theories about the antibusiness attitude of movies. He rejects several theories, including the mere envy of wealthy businesspeople or hatred for the capitalistic system that creates that wealth, in part, because that system has also created wealth for screenwriters, directors, stars and the moviegoing audience. After all, the movie business is just another big business. He also rejects the idea that films are merely depicting popular attitudes, audience politics, or historic trends. Instead, Ribstein (2005) concludes that filmmakers are merely reflecting their own economic self-interest.

Ribstein (2005) views the filmmakers' problem as an economic agency problem. Pursuing a creative vision in the filmmaking industry requires substantial capital, more than most artists require, and the businesspeople, who ultimately provide that capital, want market success, rather than artistic success. Consequently, filmmakers must often painfully crimp their artistic vision for market success and express that painful compromise in their films. Aggravating the situation is the fact that filmmakers appreciate film nuances and subtle quality differences often ignored by the market. Filmmakers disdain for audiences, who apparently lack appreciation for these nuances, creates further conflict between intrinsic rewards and market outcomes. The conflict with capital providers and creative vision is limned in Joel Coen's movie Barton Fink, when the henchman of movie mogul Jack Lipnick tells leftwing New York playwright Barton Fink that "the contents of your head are the property of Capital Pictures" (Ribstein 2005, p. 44). Ribstein's theory is consistent with the early views of Hollywood critic, lawyer, and economist Stein (1979), who argues that films reflect the frequent hostile relationship between scriptwriters and the businesses that control the purse strings.

Serwer (2004), in contrast, suggests that Hollywood movies mirror society and, in particular, the economy, so that a poor economy propagates antibusiness feelings. Casual observation of stock market performance and film release dates seems quickly to refute that hypothesis. There is also empirical evidence that the antibusiness segment of the general U.S. population is small (14%–18%) but that segment includes the very vocal activist educated elite that seeks social change (e.g., Hustad and Pessemier 1973, Bauer and Greyser 1968). One opinion survey showed that 79% of the respondents agreed that the private enterprise system in the United States works better than systems in all other industrialized countries and that 60% believed that what is good for business is good for the average citizen (Berry 1984).

In any case, Serwer (2004) concludes: "The business cycle has turned" downward and "given the way some executives have behaved over the past few years, they might get what they deserve." One must wonder whether future movies will also praise the employment, wealth, and superior products arduously created by Mary Kay Ash, Jeff Bezos, Richard Branson, Warren Buffett, Michael Dell, Bill Gates, Louis Gerstner, Andy Grove, Lee Iacocca, Steve Jobs, Herb Kelleher, Charles Schwab, Sam Walton, Jack Welch, and numerous other business leaders. Certainly, their remarkable stories can be as entertaining (as well as inspiring) as the story of Kenneth Lay. However, criminal acts by a few top executives at Enron will probably inspire future portrayals of all businesspeople as wealthy conmen stealing the money of innocent Americans (Kehr 2002). This is ironic, given Hollywood's own pervasive creative accounting practices.

Implications for Marketing Scholars

Before discussing the implications for marketing scholars, some caveats are in order. Although the

objective evidence seems overwhelming that motion pictures often exhibit a bias against business and businesspeople, the number of scientific research studies is small. More importantly, the extant studies are only convincing on a very basic level without an adequate test of causality. We still require a rigorous test of the competing theories to determine the true cause of this bias and, with confidence about that cause, subsequently discover possible moderating variables and possible unexplored covariates. Given this caveat, however, consider some possible implications.

If ignorance is a partial cause, one implication is that many filmmakers and the public would benefit from rudimentary training in economics and, of course, marketing. Rubin (2003) encourages awareness of folk economics, i.e., the intuitive and, often, wrong misconceptions of people untrained in economics. We must understand these misconceptions before attempting to correct them. For example, Rubin (2003, 2006) notes that naïve people often think of market prices as merely allocating wealth, rather than being important mechanisms for influencing the allocations of resources or the production of goods. Naïve people believe price increases are always the result of collusion, rather than expectations about current and future market conditions (e.g., supply and demand). Rubin (2003) theorizes that the fallacies are a consequence of competition in primitive societies that was often zero-sum (e.g., territorial disputes).

Contrary to folk economics, there is no fixed wealth for a modern society or a fixed number of wealthy people in a trillion dollar economy. Volatile economic conditions across countries and time provide ample evidence to refute folk beliefs. Contrary to folk economics, demand is not fixed (e.g., consider healthcare), and any massive subsidies to the users of any service would clearly increase demand and shortterm prices as well. Of course, the more complex concepts of productivity and economic efficiency are absent from most folk economic sophistry.

Shermer (2006) reveals the recurrent dangers associated with folk science. For example, Shermer (2006, p. 34) explains that "much of physics is counterintuitive...Folk astronomy...told us that the world is flat, celestial bodies revolve around the earth...Folk biology intuited an élan vital flowing through all living things...Folk psychology compelled us to search for...a mind...disconnected from the brain...Folk economics caused us to disdain excessive wealth...." Well-trained scientists have long understood junk science and its trust in nonrepresentative anecdotes. When presenting new counterintuitive scientific findings, sagacious scientists must sharply contrast those findings with popular folk beliefs. We in marketing should also do the same.

Folk marketing ideas are just as dangerous. Although Hollywood movies usually propagate a misunderstanding of financial and labor markets, rather than marketing activities, movies can easily spread folk marketing myths. After all, Hollywood, when making many films, usually perverts the marketing function. Rather than providing the critical information for making design decisions (similar to other industries), moviemakers often create movies oblivious (and sometimes uncaring) about buyer preferences and engage in marketing only after the movie is complete. Beyond setting the launch date (Radas and Shugan 1998) and distribution decisions (Moul and Shugan 2005), Hollywood often forces marketing people into the untenable and dishonest position of either misrepresenting the movie as something desired by viewers or begging the studio into making the film more marketable through editing. Years ago, Goldwyn (1951, p. 100) stated: "Misleading advertising has reached the point where it is now self-defeating. All of the people simply refuse to believe most motionpicture advertising " There are many compelling examples of misleading advertisements for recent films, including deceptive trailers and quotes from nonexistent film critics and phony audience members (e.g., Lippman 1997, van Munching 2001, Ives 2003, Lyman and Elliott 2001, Medved 2005, Rainer 2006).

Notwithstanding images in Hollywood movies and contrary to folk marketing, pure zero-sum business games are not the norm. Most successful marketing campaigns precipitate profits by creating buyer value, not extracting it. Contrary to folk marketing, market research is uninterested in spying on buyer personal lives. Market research only seeks to understand deficiencies in extant products and unmet buyer wants. Contrary to folk marketing, advertising is unable to sell everything. Advertising is often only effective as part of a more comprehensive brand strategy that provides buyers with specific benefits except, perhaps, in the very short run (e.g., Hennig-Thurau et al. 2006). Contrary to folk marketing, sellers are not secretive about their marketing data because the exposed data reveal illegal activities. Usually, sellers keep marketing data strictly confidential to hide strategic information from competitors. Contrary to folk marketing, marketing is unable to sell anything with sufficient marketing effort. Many new products fail despite substantial marketing expenditures. Contrary to folk marketing, competitive marketing activities and firm reputations benefit buyers far more than regulation of marketing activities. We, who teach marketing, must be more active in dispelling folk marketing.

Beyond dispelling folk marketing, consider two other implications of the antibusiness bias of Hollywood movies and, perhaps, the public at large. First, when buying media for brand advertising, sellers might need to go well beyond traditional performance metrics (e.g., reach and frequency) and consider the content conjoined with the advertisement. This is not an argument for promoting content with a particular political bias. It is not an argument for implicit capitulation to the pressure from special interest groups. When ABC proposed hiding content from advertisers (Ross 1997) to shield advertisers from threatened boycotts, their actions were not in the interest of the advertisers (Ross 1998). In fact, 94% of all national advertisers want explicit notification of controversial content (Gomes 1998).

Notwithstanding ABC's efforts, when content goes beyond good entertainment and contains specific social messages, those messages should be consistent with the brand strategy. No longer can sellers merely focus on audience composition alone. Brand advertisements are intricately intermingled with the accompanying content. It is important that the accompanying content be consistent with the brand image. While it is unnecessary, and probably unwise, to advocate particular political viewpoints, we must understand both desirable synergy and possibly fatal conflicts with the accompanying content.

Still another implication is that traditional branding must soon go well beyond classic brand benefits to convey a strong sense of corporate image. Obviously, most sellers already engage in public relation activities. However, with the possible exception of some pure services where the seller and brand are virtually synonymous, conventional brand strategies have exclusively focused on brand benefits, rather than articulately projecting the seller's image. In the near future, corporate and brand advertising might effectively blur. Future advertising must both convey the product benefits as well as the integrity of the seller who certifies those benefits. For example, Costco, Subway, Travelocity, Southwest Airlines, Dell Computers, Wal-Mart, and many other firms have adopted a similar marketing strategy, i.e., offering the customer low prices made possible from operational efficiencies. Subsequently, each firm enjoyed rapid grow and consumer acceptance while taking substantial business from ill-positioned competitors. However, the positive friendly overall image and the specific image of transparency of some firms (e.g., Travelocity, Southwest Airlines, and Dell Computers) seem to evoke less antibusiness sentiment than Wal-Mart's narrow lowprice image and, possibly, an image of indifference and penchant toward secrecy.

Summary and Conclusions

We observe a disproportional number of movies that vividly portray business and businesspeople with an unfavorable bias, often depicting ordinary business activity as zero-sum and sometimes depicting it as callous, immoral, and criminal. These movies also often aggravate existing economic misconceptions that might include what we could call folk marketing. Folk marketing includes false ideas such as marketing being a zero-sum game (rather than adding value), marketing research being intrusive clandestine surveillance (rather than advocating the buyer viewpoint), and secrecy about market data being evidence of nefarious activities (rather than simply hiding strategies from competitors). Marketing scholars need to combat vigorously these false ideas. Moreover, when advertisements sponsor movies, it might be necessary to consider the conjoined movie content and the consistency of that content with the desired brand image. Finally, preemptive measures require advertising to go beyond brand benefits and support the image of the seller who certifies those benefits.

References

- Ainslie, Andrew, Xavier Drèze, Fred Zufryden. 2005. Modeling movie life cycles and market share. *Marketing Sci.* 24(3) 508–517.
- Arsenault, Raymond. 1998. Wall Street (1987): The stockbroker's son and the decade of greed. *Film Hist.* **28**(1–2) 16–27.
- Bauer, Raymond A., Stephen A. Greyser. 1968. Advertising in America: The Consumer View. Harvard University Press, Boston, MA.
- Bayles, Martha. 1987. TV: Big bad businessmen. *Wall Street Journal* (Eastern Edition, March 23) A.20.
- Berry, Waldron. 1984. Overcoming public distrust of business. Bus. Forum 9(1) 15–19.
- Billingsley, Lloyd. 1987. Writers guild in need of revision. Wall Street Journal (Eastern Edition, January 12) A.24.
- Eliashberg, Jehoshua, Anita Elberse, Mark Leenders. 2006. The motion picture industry: Critical issues in practice, current research and new research directions. *Marketing Sci.* **25**(6) 638–661.
- Fumento, Michael. 1992. Why Hollywood hates business: Executives are usually heavies, rarely heroes. *Investor's Bus. Daily* (January 3).
- Gilchrist, Jim. 2002. Sinking the myths. The Scotsman (April 8) 9.
- Godes, David, Dina Mayzlin. 2004. Using online conversations to study word-of-mouth communication. *Marketing Sci.* 23(4) 545–560.
- Goldwyn, Samuel. 1951. On hollow praise: Producer warns against ads that mislead. *New York Times* (April 1) 100.
- Gomes, Lee. 1998. Too-clever ad against Digital yanked by H-P. Wall Street Journal (Eastern Edition, February 17) B.1.
- Hennig-Thurau, Thorsten, Mark B. Houston, Shrihari Sridhar. Can good marketing carry a bad product? Evidence from the motion picture industry. *Marketing Lett.* **17**(3) 205–219.
- Hustad, Thomas P., Edgar A. Pessemier. 1973. Will the real consumer activist please stand up: An examination of consumers' opinions about marketing practices. J. Marketing Res. 10(3) 319–324.
- Ives, Nat. 2003. The U.S. plans to see if there is misleading marketing of movies. *New York Times* (Late Edition, East Coast, January 14) C.12.
- Kehr, Dave. 2002. Seeing business through Hollywood's lens. New York Times (Late Edition, East Coast, July 14, Section 4) 5.

- Krider, Robert E., Tieshan Li, Yong Liu, Charles B. Weinberg. 2005. The lead-lag puzzle of demand and distribution: A graphical method applied to movies. *Marketing Sci.* 24(4) 635–645.
- Lichter, S. Robert, Linda S. Lichter, Daniel Amundson. 1997. Does Hollywood hate business or money? J. Comm. 47(1) 68–84.
- Lippman, John. 1997. Warner Brothers hopes shift in ads can give lift to "The Postman." Wall Street Journal (Eastern Edition, December 24) 1.
- Lyman, Rick, Stuart Elliott. 2001. Sony admits it used employees as bogus fans. *New York Times* (Late Edition, East Coast, June 16) B.11.
- Medved, Michael. 2005. In the fray: My "Million Dollar" answer. Wall Street Journal (Eastern Edition, February 17) D.8.
- Morris, John. 2000. Mid-late twentieth century: "An Unprecedented Moral Quagmire." Arthur Pollard, ed. *The Representation of Business in English Literature*. The Institute of Economic Affairs, London, UK.
- Moul, Charles C., Steven M. Shugan. 2005. Theatrical release and the launching of motion pictures in a concise handbook of movie industry economics. Cambridge University Press, New York.
- Price, Stuart. 2002. Television: The sinking of a myth. London Independent (Sunday Edition, April 14) 43.
- Radas Sonja, Steven M. Shugan. 1998. Seasonal marketing and timing new product introductions. J. Marketing Res. 35(3) 296–315.
- Rainer, Peter. 2006. "Break-Up" should have been dumped. Christian Science Monitor (June 2) 12–15.
- Ribstein, Larry E. 2005. Wall Street and Vine: Hollywood's view of business. Working Paper LE05-010, University of Illinois Law and Economics,
- Ross, Chuck. 1997. ABC withholds ad info on controversial shows. *Advertising Age* **68**(39) 1–2.
- Ross, Chuck. 1998. GM's Guarascio galled by uninformed ad buys. Advertising Age 69(7) 6.
- Rubin, Paul H. 2003. Folk economics. Southern Econom. J. 70(1) 157–171.
- Rubin, Paul H. 2006. Oil prices and folk economics. *Regulation* **29**(2) 8–9.
- Sanderson, Alan. 1998. Titanic injustice. London Independent (February 26) 18.
- Seligman, Dan. 2000. Tom Cruise versus corporate evil. *Forbes* (September 4) P.082.
- Senter, Al, Stephen Overell. 2001. Straying out of character. *Director* 55(4) 50–53.
- Serwer, Andy. 2004. Does Hollywood really get big business? Fortune 150(4) 45.
- Shermer, Michael. 2006. Folk Science. Sci. Amer. 295(2) 34.
- Simonoff, Jeffrey S. 1998. Logistic regression, categorical predictors, and goodness-of-fit: It depends on who you ask. *Amer. Statistician* 52(1) 10–14.
- Stein, Benjamin J. 1979. The View from Sunset Boulevard: America as Brought to You by the People Who Make Television. Basic Books, New York.
- Stein, Benjamin J. 1997. How to fix Hollywood. Amer. Enterprise 8(5) 72–73.
- Sun, Baohong, Jinhong Xie, H. Henry Cao. 2004. Product strategy for innovators in markets with network effects. *Marketing Sci.* 23(2) 243–254.
- Theberge, Leonard J., ed. 1981. Crooks, Conmen and Clowns: Business Men in TV Entertainment. Media Institute, Washington, D.C.
- Thomas, Sari, Steven V. LeShay. 1992. Bad business? A reexamination of television's portrayal of businesspersons. *J. Comm.* **42**(1) 95–105.
- Tyagi, Rajeev K. 2004. Technological advances, transaction costs, and consumer welfare. *Marketing Sci.* 23(3) 335–344.
- van Munching, Philip. 2001. The Devil's adman. *Brandweek* **42**(27) 26.