

Hollywood Media Synergy as IMC

by Linden Dalecki

Abstract

Contemporary marketers and brand managers can learn a great deal from the media synergy strategies developed by Hollywood studio executives in the past several decades, wherein various media products are deployed to promote one another. Hollywood's penchant for the sequelization of blockbuster movies is but one form of media synergy. Other important and profitable convergent forms include theme park rides, soundtracks, novel tie-ins, and—of ever increasing importance to the bottom line at media conglomerates—videogames. This article provides a broad overview of the various strategies utilized by the big-six media conglomerates to create a particular iteration of media synergy—what one might term “the Hollywood megafranchise”. A simple heuristic for understanding Hollywood megafranchises is proposed—what the author has termed the “4-S Megafranchise Model”, comprised of synergy, sequelization, story and spectacle.

Following the unprecedented success of *Star Wars* (1977) and its various sequels and “pre-sequels”, Hollywood focused more and more attention on developing, greenlighting and marketing megafranchise movies—big-budget sequelized titles with synergistic media tie-ins including, but not limited to, theme park rides,

videogames, soundtracks and toy licensing. A glance at the top performing Hollywood megafranchises produced by the conglomerated “big-six”¹ and DreamWorks,

¹ The big-six are Time Warner (Warner Bros.), News Corp (Fox), Sony (Sony), Disney (Disney), Viacom (Paramount), and NBC Universal (Universal and MGM).

reveals that the megafranchise model initiated by *Star Wars* is the one which has generated the most revenue for the majors—with theatrical box office in and of itself being of lesser and lesser importance. Culture critic Mark Crispin Miller (1990) is one of the first academics to analyze Hollywood's move from vertical integration towards horizontal integration, and films whose core value is their deployability across multiple media platforms, as well as their “sequelizability” and ability to be cross-promoted with other media texts. Top decision makers within contemporary media conglomerates understand that every piece of media under the same brand-umbrella promotes every other piece of media under that umbrella. As former Walt Disney CEO Michael Eisner put it, “The Disney Stores promote the consumer products which promote the [theme] parks which promote the television shows. The television shows promote the company. *Roger Rabbit* promotes Christmas at Disneyland. It's constant ideas.” (Miller 1990). This can also be described as constant media synergy, wherein everything within a franchise promotes everything else.

Hollywood Megafranchises

In Hollywood parlance a franchise film is any film title that is itself a sequel, or a title that has one or more sequels that follow from it—obviously, sequels are at the core of that which constitutes a film franchise. And the notion that Hollywood has been suffering from a worsening sequelitis² epidemic has never been more timely—yet, sequelitis is a disease that “hurts so good” as far as the big-six media-conglomerates are concerned. As noted film scholar David Bor-

dwell (Bordwell, 2006) points out, sequels begin to account for over 25 percent of domestic box office in 2003—a historic first for Hollywood. And Bordwell is referring exclusively to sequel generated revenue alone and thus could not factor in the revenue generated by what would later become the first title in a franchise. In 2003 top-10 performing cases in point include *Bruce Almighty*, which was sequelized as *Evan Almighty* (2007), and *Cheaper by the Dozen*, sequelized as *Cheaper by the Dozen 2* (2005).

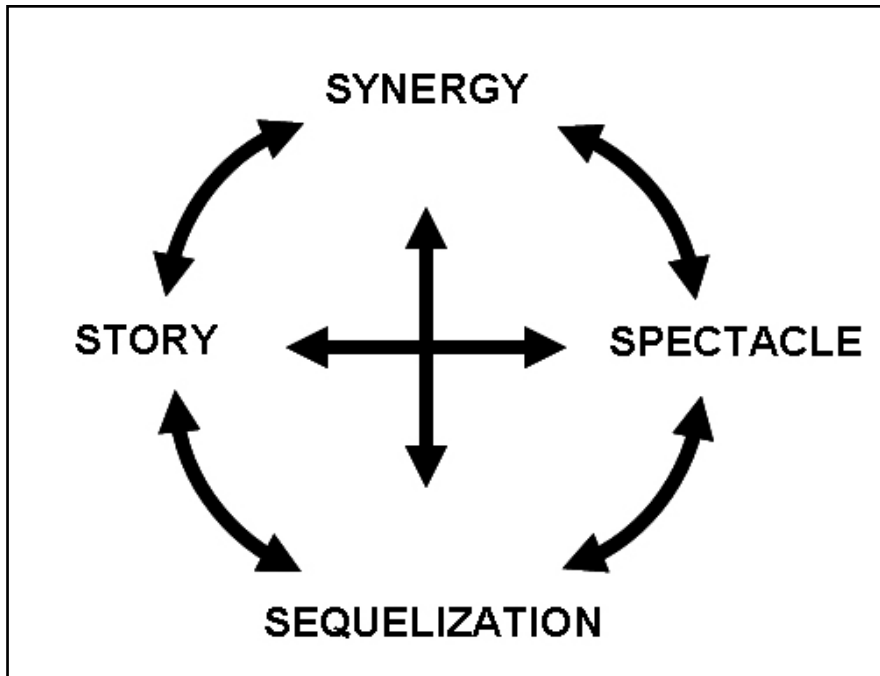
Sequels can certainly be thought of as theatrical brand-extensions vis-à-vis their preceding titles, but sequels also drive revenues beyond raw box office. Most media industry scholars and contemporary industry players regard domestic box office revenue to be the single best predictor of all follow-on ancillary revenue: from foreign box office to domestic DVD sales, from toy merchandising, from soundtrack tie-ins to videogame tie-ins. And when one further considers that the tightly-diversified big-six media-conglomerates—which market and distribute virtually all blockbuster product—have come to depend to an increasing extent on sequelized fare, the ante and the impact associated with this population of films is raised even higher. In the roughly three decades following the *Jaws* (1975) blockbuster tipping-point demarcated by media scholar Thomas Schatz, there have been well over 100 “New Hollywood” film franchises, ranging from relatively low performing sequelized franchises such as *Shiloh* (1997) with only one theatrical sequel in the franchise, few product tie-ins and a combined franchise domestic box office barely exceeding \$1 million, to *Star Wars* with its two sequels, three prequels, unprecedented—and unsurpassed—merchandizing tie-ins and a combined unadjusted domestic box office of well over \$2

billion. Though it is too early to make the claim, another potential tipping point—and disruptive innovation from a business model standpoint—may have occurred when, following the property's turnaround status at Miramax, New Line executive Robert Shaye made the unprecedented decision to produce the entire *Lord of the Rings* trilogy in one fell swoop for a combined cost of \$270 million.

And if the decision to presequelize has not yet become the dominant pattern within the industry there are signs that such presequelization is a burgeoning business strategy. A recent example would be the three *Star Wars* prequels, which were planned and produced in, more or less, one go. A slightly differentiated example is *Pirates of the Caribbean: Dead Man's Chest* (2006) and *Pirates of the Caribbean: At Worlds End* (2007), wherein the *At Worlds End* installment was financed and produced before the release of *Dead Man's Chest*. Although this double production bill decision was obviously predicated on the success of *Pirates of the Caribbean: The Curse of the Black Pearl*, the decision represents a new inflection of the presequelization model, albeit a decision which has already paid off for Disney given the enormous successes of both the *Dead Man's Chest* and *At Worlds End* installments. The model may impact the business strategies behind active franchises such as *James Bond*, *Batman*, and *Spider-Man* where the efficiencies inherent in presequelization are likely to appeal to studio executives and where the downside risk is lowered by the presold elements inherent to a long-running film franchise.

With the increasingly tight diversification of media conglomerates, sequelized block-busters have come to comprise the nucleus around which the colossal media conglomerates are formed and ex-

² In the mid-1990s the Hollywood trades begin to utilize the term “sequelitis” to describe the increasing ratio of sequels—often critically dubious sequels—in studios' slates.



The 4-S Hollywood Megafranchise Model.

tended. As Schatz (1997) points out, “film franchises such as *Jurassic Park* comprise a profitable product line and a cultural commodity whose form directly reflects the structure of the media industry at large. It also indicates that the industry can scarcely be treated in terms of movies and videogames and theme-park rides as separate entities or isolated media texts. Rather, they are related aspects or ‘iterations’ of entertainment supertexts, multimedia narrative forms which can be expanded and exploited almost ad infinitum, given the size and diversity of today’s globalized, diversified entertainment industry. The essential UR-text within these media franchises is the Hollywood-produced blockbuster film and, thus, the

key holding for today’s media conglomerates is a film studio.” And, perfectly illustrating the industry-wide adoption of the megafranchise model, each of the big-six and DreamWorks are represented in seven of the highest performing franchises of all time: *Star Wars* (Fox), *Indiana Jones* (Paramount), *Jurassic Park* (Universal), *Shrek* (DreamWorks), *The Lord of the Rings* (New Line/Sony), *Spider-Man* (Warner Bros.), and *The Pirates of the Caribbean* (Disney).

Synergy, Sequelization, Story and Spectacle

Hollywood’s megafranchises are undoubtedly themselves a particular flavor and style of megabrand and are as strategically developed and tightly managed as mega-

brands such as Coke and Nike—in fact, arguably more so. Megafranchises such as *Star Wars*, *Indiana Jones*, *Jurassic Park*, *Shrek*, *The Lord of the Rings*, *Spider-Man*, and *The Pirates of the Caribbean* generally deploy four key elements to insure their continuing success—namely, synergy, sequelization, story, and spectacle. In terms of media synergy all seven of the above mentioned megafranchises have theme-park rides, videogames, books, and soundtracks under their respective brand umbrellas. As previously touched on, the importance of videogames to contemporary Hollywood megafranchises cannot be underestimated. Not only do they directly generate enormous revenues for their respective studios, they have become Hollywood’s most important form of media cross-promotion with movies. And sequelization is itself a form of cross promotional media synergy, particularly in an environment where the release of a theatrical sequel is timed to coincide with the DVD release of a prior title in the franchise, as was the case with the latter two *Lord of the Rings* titles.

Although an admittedly broad concept, the notion of story is key to understanding the success of Hollywood’s megafranchises. All of the above franchises invested heavily in the development of their respective screenplays, whether or not the screenplays were adapted from presold properties, as was the case with *Shrek* (a children’s book), *The Lord of the Rings* (a lengthy novel, initially published as a trilogy of novels), *Spider-Man* (a comic book series) and *The Pirates of the Caribbean* (a theme park ride). And the vast majority of megafranchises present, and then re-present, a “Campbellian” hero’s journey in fairytale-like fashion—an effective, simple, and reduced narrative which then is integrated into other synergistic media within

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the franchise. Spectacle - big sets, big action, bleeding-edge computer generated imagery (CGI) and other special effects, high production value in any form— does not simply attract and provide enjoyment to audiences, it also increases the given megafranchise's brand value. The ultra-high-budget spectacle actualized in megafranchises provides a robust "barrier to entry" to lower-budget, would-be competition. Spectacular design elements developed via CGI can be leveraged directly into other media, particularly videogames. As important as these "four Ss" are to Hollywood megafranchises, it might go without saying that simply deploying heavy doses of synergy, sequelization, story, and spectacle will not insure success. In the case of any successful megafranchise there is unquantifiable "glue" holding the entire array of elements together.

Megafranchise Film/Videogame Convergence

As media scholar Kristin Thompson points out, many of today's biggest videogame operations achieved their success by "gravitating toward licensing films, especially big franchise titles" (Thompson, 2007). Remarkably, over 100 *Star Wars* videogames have been licensed and released since the franchise began, starting with *The Empire Strikes Back* (1982) published by Parker Bros. for the now antique Atari 2600 console. Currently, extremely young gamers are being actively targeted by the media conglomerates. In an inventive and somewhat counterintuitive cross promotional maneuver, Lucas arranged a license for a "Lego" *Star Wars* videogame, complete with blocky, kid-like Lego-style action figures and spacecraft. This simultaneously brilliant, if somewhat disconcerting, strategy appears to be wildly effective in getting children to interact in the *Star Wars* brand universe at a

very tender age. A sure sign that the strategy is working, *Lego Star Wars* videogame recently released a sequel of its very own. And Sony has developed a massively-multiplayer-online-role-playing-game (MMORPG) titled *Star Wars Galaxies* that charges a monthly sliding fee to gamers depending on their class of membership. Not to be outdone, Disney developed a MMORPG for *Pirates of the Caribbean* as well as a multiplayer-mobile game for mobile-device gamers. In keeping with past strategy, LucasArts developed a new Indiana Jones videogame that will be released and cross-promoted to coincide with the release of *Indiana Jones and the Kingdom of the Crystal Skull* in summer 2008.

Since 1993, each installment of the *Jurassic Park* franchise was synchronized with the release of a related videogame and *Jurassic Park IV* (2008) continues the strategy. The movie *Spider-Man* (2002) spawned several iterations of videogames for a variety of platforms ranging from PlayStation 2 and Xbox to Game Boy Advance and featured the voices of the leading actors from the film, as did subsequent videogames in the franchise. Likewise, *The Lord of the Rings* (LOTR) followed a synchronized release strategy, and also utilized the voices and images of the lead actors in their franchise. This sort of direct convergent-repurposing of elements from film to videogame was not the case historically and only came into common practice in the mid-2000s (Thompson, 2007). Though the final film installment in the LOTR franchise, *The Return of the King*, was released in 2003, *The White Council*, a new open-world role-playing game set in the LOTR universe before Bilbo finds "The One Ring" (viz., before *The Hobbit*), is slated for a 2008 release. There is every reason to suppose that the movie, *The Hobbit* (2009), will be synchronized with the re-

lease of a fresh videogame—sure to feature the images and voices of the lead actors—a re-release of the Tolkien novel, and any number of other synergistic media texts.

General IMC Implications

Although the economic logic that prevails over Hollywood is of a specific type and stripe not typically found in other industries, except perhaps the music and fashion industries, there are still generalizable lessons to be gleaned by IMC practitioners. For a start, IMC practitioners can benefit by observing the ways in which successful Hollywood megafranchises practice brand-consistency across multiple iterations and sequels. IMC practitioners would also be wise to note the skill with which conglomerated Hollywood has adopted the uber-synergized-media model initiated by *Star Wars* in 1977. If, as consumers, we no longer think twice when "the Disney Stores promote the consumer products which promote the [theme] parks which promote the television show," an IMC practitioner would do well to envision opportunities for clients to cross-promote whatever their given array of related products, i.e. their integrated suite of media iterations. One may already observe synergistic matrices where the athletic shoe promotes the athletic shirt [and vice-versa] that promotes the athletic jacket [and vice-versa] in the case of Nike, the soft drink that promotes the cooler that promotes the t-shirt in the case of Coca-Cola and the key-chain that promotes the leather jacket that promotes the motorcycle in the case of Harley-Davidson. Broadly viewed, all the above are examples of media-synergy and, regardless of industry, the power of synergy is a force IMC practitioners have the opportunity to help design and unleash for clients in their respective marketplaces. ■

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