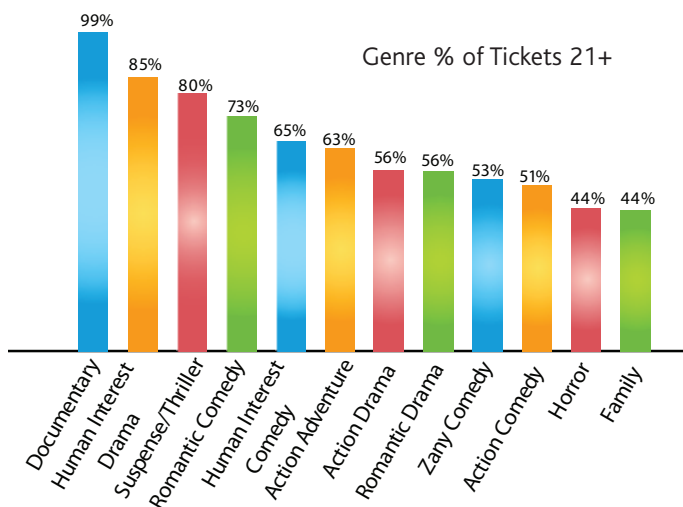


ABOUT ADDING VALUE

Unlike the MPAA ratings, many genres break the 70% 21+ audience requirement for their audiences, with three genres at or above 80%. Utilizing genres provides an advantage for targeting not revealed by the MPAA ratings.



ABOUT THE BIG PICTURE

In conjunction with a cinema advertising leader, National CineMedia (NCM), Nielsen PreView integrated cinema demographic tracking data and genre classification data for wide-release movies in 2008 utilizing some decision-tree techniques. This research highlighted opportunities for beverage/alcohol clients that were more or less hidden by the MPAA ratings data.

Applying decision-tree statistics to the data, it was determined that the most important attribute in predicting movies that appeal to 21+ adults was not MPAA rating, but in fact genre. The MPAA rating was important, but only for selected genres.

Sorting through the opportunities

Human-interest dramas and documentaries and select R-rated genres like suspense thrillers and romantic comedies appear best bets for reaching out to the 21+ audience.

GENRE	% OF TICKETS 21+
HUMAN-INTEREST DRAMA AND DOCUMENTARIES	85%
R-RATED SUSPENSE THRILLERS, HUMAN-INTEREST COMEDIES, ROMANTIC COMEDIES, ACTION-ADVENTURE, AND ROMANTIC DRAMAS.	82%
NON-R-RATED SUSPENSE THRILLERS, HUMAN-INTEREST COMEDIES, ROMANTIC COMEDIES, ACTION-ADVENTURE, AND ROMANTIC DRAMAS.	65%
ALL FAMILY, HORROR, ACTION DRAMA, ZANY COMEDIES AND ACTION COMEDIES	49%

KEY INSIGHT:

Primary genre classification is the most important means to discriminate the LDA moviegoer. MPAA ratings provide only selective value for this purpose.

ABOUT THE COMPARISON

In a heads-up comparison between choosing *only* R-rated films or utilizing the decision-tree methodology as determined by the research, we find there are clear benefits to our new method.

ABOUT THE DIFFERENCE

While targeting films with an R-rating will bring in an audience comprised of 71%, of which are 21+ in age, this barely survives our threshold target of 70%. In contrast, targeting films using decision-tree techniques, we improve the percentage of 21+ age by 13 points to 84%. Surprisingly, we achieve this improvement while still exposing the brand to as many movies as under the rated R approach (albeit, slightly more niche movies).

METHOD	# OF MOVIES CHOSEN	% TICKETS 21+	AVERAGE GROSS SALES
DECISION TREE TECHNIQUE	55	84%	35.1MM
R-RATED FILMS ONLY	55	71%	42.3MM

KEY INSIGHT:

For agencies and advertisers looking to capitalize on the growing cinema advertising dollars, targeting can be improved immensely without sacrificing reach or frequency by utilizing genres first and foremost.

“This study shows what we at National CineMedia have long suspected—that MPAA ratings don’t always give the full picture of movie audience composition,” said Doug Pulick, senior VP of research and analysis at National CineMedia. “Genre targeting is a new way of looking at cinema advertising, and one that could be very valuable to explore for any advertiser looking to reach the 21+ demographic in the future. It definitely warrants further analysis.”

CONCLUSION

Isolating new opportunities for brands, particularly in the beverage/alcohol industry, requires rethinking what we often might have thought of as “common knowledge.” In the case of the cinema advertising industry, the common knowledge was always this: “Cinema advertising is great at targeting young consumers.” It is this mantra, albeit a successful one, that has obscured the knowledge of the industry’s ability to target more finely than this, and the agencies and brands that capitalize on this fact first stand to reap the rewards of a more integrated marketing campaign.

For agencies—

Understand that cinema advertising is entering a new era—an era with the ability and the means to begin targeting more finely than ever before. Agencies that engage in understanding this stand to gain by building more effective campaigns for their clients.

For advertisers—

Rethink: The historical thinking of cinema advertising as a targeting vehicle only for the young needs to change. With more movies being produced now more than ever, the ability to find and deliver content that is targeted toward select populations that aren’t necessarily young is growing.

Be brave: Many brand marketers might take PG-13 advertising as advertising *only* to 13-year-olds, but this simply is not the case. In fact, *The Curious Case of Benjamin Button*, a PG-13 film, generated millions of dollars, primarily pulling in an audience of 21+ individuals. PG-13 is a label, a threshold, but it is not the end result.

Make no assumptions: R-rated films, on the other hand, are simply films that tend toward higher nudity and violence, certainly not a precursor for a younger audience. In fact, *Tropic Thunder*, a smash comedy hit from 2008 was rated R, but could only pull in an audience of 55% that were 21+.

The learnings here may also be applied to other forms of movie content distribution. For example, movies appearing on televisions or iPods can learn to target their audience more effectively while still meeting the FDA 21+ target.

METHODOLOGY

The information contained in this brief pulls from a variety of sources including Nielsen’s American Moviegoer Survey (2007), custom analysis in conjunction with National CineMedia, Nielsen’s proprietary weekly tracking of the demographics of the cinemagoer, and Nielsen’s database of movie classifications.

More specifically, for each of the movies included in this analysis, Nielsen tracked overall box-office gross, three classifications of genre, and MPAA rating. All of the weekly demographic tracking and movie classification data was entered into a decision-tree model to uncover which attributes are most predictive at attracting a greater than 70% 21+ audience.