Toy Wars
Manuel G. Velasquez

Tom Daner, president of the advertising company of Daner Associates, was contacted by the sales manager of Crako Industries, Mike Teal. Crako Industries is a family-owned company that manufactures children’s toys and had long been a favorite and important client of Daner Associates. The sales manager of Crako Industries explained that the company had just developed a new toy helicopter. The toy was modeled on the military helicopters that had been used in Vietnam and that had appeared in the “Rambo” movies. Mike Teal explained that the toy was developed in response to the craze for military toys that had been sweeping the nation in the wake of the Rambo movies. The family-owned toy company had initially resisted moving into military toys, since members of the family objected to the violence associated with such toys. But as segments of the toy market were increasingly taken over by military toys, the family came to feel that entry into the military toy market was crucial for their business. Consequently, they approved development of a line of military toys, hoping that they were not entering the market too late. Mike Teal now wanted Daner Associates to develop a television advertising campaign for the toy.

The toy helicopter Crako designers had developed was about one and one-half feet long, battery-operated, your eye on the right people and avoiding obstacles such as conflicting interests, hostile beliefs, cultural missteps, and political minefields that can come out of nowhere and cause collisions.

Woo. Simple to say. Hard to do.
Now it’s up to you.

QUESTIONS

1. Shell and Moussa offer practical advice on selling with integrity. But isn’t this just another way of manipulating people?
2. Is selling inherently deceptive?
3. What makes the difference between a good salesperson—morally speaking—and a bad salesperson?
and made of plastic and steel. Mounted to the sides were detachable replicas of machine guns and a detachable stretcher modeled on the stretchers used to lift wounded soldiers from a battlefield. Mike Teal of Crako explained that they were trying to develop a toy that had to be perceived as “more macho” than the top-selling “G. I. Joe” line of toys. If the company was to compete successfully in today’s toy market, according to the sales manager, it would have to adopt an advertising approach that was even “meaner and tougher” than what other companies were doing. Consequently, he continued, the advertising clips developed by Daner Associates would have to be “mean and macho.” Television advertisements for the toy, he suggested, might show the helicopter swooping over buildings and blowing them up. The more violence and mayhem the ads suggested, the better Crako Industries was relying heavily on sales from the new toy, and some Crako managers felt that the company’s future might depend on the success of this toy.

Tom Daner was unwilling to have his company develop television advertisements that would increase what he already felt was too much violence in television aimed at children. In particular, he recalled a television ad for a tricycle with a replica machine gun mounted on the handlebars. The commercial showed the tricycle being pedaled through the woods by a small boy as he chased several other boys fleeing before him over a dirt path. At one point the camera closed in over the shoulder of the boy, focused through the gun sight, and showed the gun sight apparently trying to aim at the backs of the boys as they fled before the tricycle’s machine gun. Ads of that sort had disturbed Tom Daner and had led him to think that advertisers should find other ways of promoting these toys. He suggested, therefore, that instead of promoting the Crako helicopter through violence, it should be presented in some other manner. When Teal asked what he had in mind, Tom was forced to reply that he didn’t know. But at any rate, Tom pointed out, the three television networks would not accept a violent commercial aimed at children. All three networks adhered to an advertising code that prohibited violent, intense, or unrealistic advertisements aimed at children.

This seemed no real obstacle to Teal, however. Although the networks might turn down children’s ads when they were too violent, local television stations were not as squeamish. Local television stations around the country regularly accepted ads aimed at children that the networks had rejected as too violent. The local stations inserted the ads as spots on their non-network programming, thereby circumventing the Advertising Codes of the three national networks. Daner Associates would simply have to place the ads they developed for the Crako helicopter through local television stations around the country. Mike Teal was firm: if Daner Associates would not or could not develop a “mean and tough” ad campaign, the toy company would move their account to an advertiser who would. Reluctantly, Tom Daner agreed to develop the advertising campaign. Crako Industries accounted for $1 million of Daner’s total revenues.

Like Crako Industries, Daner Associates is also a family-owned business. Started by his father almost fifty years ago, the advertising firm that Tom Daner now ran had grown dramatically under his leadership. In 1975 the business had grossed $3 million; ten years later it had revenues of $25 million and provided a full line of advertising services. The company was divided into three departments (Creative, Media, and Account Executive), each of which had about 12 employees. Tom Daner credited much of the company’s success to the many new people he had hired, especially a group with M.B.A.s who had developed new marketing strategies based on more thorough market and consumer analyses. Most decisions, however, were made by a five-person executive committee consisting of Tom Daner, the Senior Account Manager, and the three department heads. As owner-president, Tom’s view tended to color most decisions, producing what one of the members called a “benevolent dictatorship.” Tom himself was an enthusiastic, congenial, intelligent, and widely read person. During college he had considered becoming a missionary priest but had changed his mind and was now married and the father of three daughters. His personal heroes included Thomas Merton, Albert Schweitzer, and Tom Dooley.

When Tom Daner presented the Crako deal to his Executive Committee, he found they did not share his misgivings. The other Committee members felt
that Daner Associates should give Crako exactly the kind of ad Crako wanted: one with a heavy content of violence. Moreover, the writers and artists in the Creative Department were enthused with the prospect of letting their imaginations loose on the project, several feeling that they could easily produce an attention-grabbing ad by "out-violencing" current television programming. The Creative Department, in fact, quickly produced a copy-script that called for videos showing the helicopter "flying out of the sky with machine guns blazing" at a jungle village below. This kind of ad, they felt, was exactly what they were being asked to produce by their client, Crako Industries.

But after viewing the copy, Tom Daner refused to use it. They should produce an ad, he insisted, that would meet their client's needs but that would also meet the guidelines of the national networks. The ad should not glorify violence and war but should somehow support cooperation and family values. Disappointed and somewhat frustrated, the Creative Department went back to work. A few days later they presented a second proposal: an ad that would show the toy helicopter flying through the family room of a home as a little boy plays with it; then the scene shifts to show the boy on a rock rising from the floor of the family room; the helicopter swoops down and picks up the boy as though rescuing him from the rock where he had been stranded. Although the Creative Department was mildly pleased with their attempt, they felt it was too "tame." Tom liked it, however, and a version of the ad was filmed.

A few weeks later Tom Daner met with Mike Teal and his team and showed them the film. The viewing was not a success. Teal turned down the ad. Referring to the network regulations, which other toy advertisements were breaking as frequently as motorists broke the 55 mile per hour speed law, he said, "That commercial is going only 55 miles an hour when I want one that goes 75." If the next version was not "tougher and meaner," Crako Industries would be forced to look elsewhere.

Disappointed, Tom Daner returned to the people in his Creative Department and told them to go ahead with designing the kind of ad they had originally wanted: "I don't have any idea what else to do."

In a short time the Creative Department had an ad proposal on his desk that called for scenes showing the helicopter blowing up villages. Shortly afterwards a small set was constructed depicting a jungle village sitting next to a bridge stretching over a river. The ad was filmed using the jungle set as a background.

When Tom saw the result he was not happy. He decided to meet with his Creative Department and air his feelings. "The issue here," he said, "is basically the issue of violence. Do we really want to present toys as instruments for beating up people? This ad is going to promote aggression and violence. It will glorify dominance and do it with kids who are terrifically impressionable. Do we really want to do this?"

The members of the Creative Department, however, responded that they were merely giving their client what the client wanted. That client, moreover, was an important account. The client wanted an aggressive "macho" ad, and that was what they were providing. The ad might violate the regulations of the television networks, but there were ways to get around the networks. Moreover, they said, every other advertising firm in the business was breaking the limits against violence set by the networks. Tom made one last try: why not market the toy as an adventure and fantasy toy? Film the ad again, he suggested, using the same jungle backdrop. But instead of showing the helicopter shooting at a burning village, show it flying in to rescue people from the burning village. Create an ad that shows excitement, adventure, and fantasy, but no aggression. "I was trying," he said later, "to figure out a new way of approaching this kind of advertising. We have to follow the market or we can go out of business trying to moralize to the market. But why not try a new approach? Why not promote toys as instruments that expand the child's imagination in a way that is positive and that promotes cooperative values instead of violence and aggression?"

A new film version of the ad was made, now showing the helicopter flying over the jungle set. Quick shots and heightened background music give the impression of excitement and danger. The helicopter flies dramatically through the jungle and over a river and bridge to rescue a boy from a flaming village. As lights flash and shoot haphazardly through the scene the helicopter rises and escapes into the
The final ad was clearly exciting and intense. And it promoted saving of life instead of violence against life.

It was clear when the final version was shot, however, that it would not clear the network censors. Network guidelines require that sets in children’s ads must depict things that are within the reach of most children so that they do not create unrealistic expectations. Clearly the elaborate jungle set (which cost $25,000 to construct) was not within the reach of most children, and consequently most children would not be able to recreate the scene of the ad by buying the toy. Moreover, network regulations stipulate that in children’s ads scenes must be filmed with normal lighting that does not create undue intensity. Again clearly the helicopter ad, which created excitement by using quick changes of light and fast cuts, did not fall within these guidelines.

After reviewing the film Tom Daner reflected on some last-minute instructions Crako’s sales manager had given him when he had been shown the first version of the ad: The television ad should show things being blown up by the guns of the little helicopter and perhaps even some blood on the fuselage of the toy; the ad had to be violent. Now Tom had to make a decision.

NOTE
1. Although the events described in this case are real, all names of the individuals and the companies involved are fictitious; in addition, several details have been altered to disguise the identity of participants.

QUESTIONS
1. Should he risk the account by submitting only the rescue mission ad? Or should he let Teal also see the ad that showed the helicopter shooting up the village, knowing that he would probably prefer that version if he saw it?
2. And was the rescue mission ad really that much different from the ad that showed the shooting of the village?
3. Did it matter that the rescue mission ad still violated some of the network regulations?
4. What if he offered Teal only the rescue mission ad and Teal accepted the “rescue approach” but demanded he make it more violent; should he give in?
5. And should Tom risk launching an ad campaign that was based on this new untested approach?
6. What if the ad failed to sell the Crako toy?
7. Was it right to experiment with a client’s product, especially a product that was so important to the future of the client’s business?

CASE 8.2
Advertising at Better Foods
Rogene A. Buchholz

The Better Foods Corporation had been producing a cereal that tasted good and was nutritious for children as well as adults. When first introduced, the product captured a significant share of the market and had held this market share for several years. The company did not tout the health benefits of its cereal because of regulations that prevented companies from making such claims. Thus, its advertisements stressed the taste features of the product as well as other characteristics such as crispiness that might appeal to consumers.

When the government relaxed restrictions on making health claims, the company’s competitors