

A company's global marketing strategy

[Business](#), [Marketing](#)



Introduction

Background

Globalization provides companies with opportunities and challenges from a marketing perspective when executives determine to present their services and products across borders. In order to pursue global market opportunities, a company's global marketing strategy addresses whether a standardization or adaptation approach should be used for each marketing mix element.

(Keegan & Green, 2017) Marketers must manage the four P's in the traditional marketing mix in order to influence the customer's purchase behavior. These four P's are product, price, place, and promotion. The promotion P consists of advertising, direct marketing, personal selling, public relations, publicity, and sales promotion (Mangold & Faulds, 2009).

These promotional tools can enhance the social development and economic progress of a society. According to the American Heritage Dictionary (2000) as referred to in Richards & Curran (2002) advertising is used to attract public attention through a paid announcement for a product or business in broadcast, print, or electronic media. It can help persuade a consumer, create product and brand awareness, and communicate a product's benefits whether they are social, emotional or functional. A challenge with advertising is that consumers are not open to this type of communication and often attempt to resist its persuasion. A key point in marketing communication is brand awareness, which consists of brand recognition and brand recall.

Brand awareness is when a customer can identify a brand within a category when making a purchase decision. It is not always necessary to remember the brand name, an image of the package that stimulates a response to the brand can be enough, meaning that brand recognition can be enough for a customer at point of purchase. In general, a majority of companies desire high recognition of their brands and view it as one of their goals with marketing. Problem specification
In recent years, media consumption has changed tremendously. Viewers have gained more control over their media consumption and therefore moved toward online video consumption instead of watching traditional broadcast channels. Digital video recorders or on-demand programming has led to the possibility for viewers to determine their own viewing schedule compared to traditional broadcast channels.

According to Gupta et al. (2000), Russell (2002), and Ferraro & Avery (2000) product placement is more preferable than traditional advertising for persuasive messages. Today this has become one of marketers' strategic communication choices, due to the fact that they have to find innovative and nontraditional ways to promote their products and reach the target audience. In comparison with traditional advertising, product placement offers a subtler and less intrusive way to cut through commercial clutter. From a marketer's perspective, the use of product placement in movies offers a unique way to make their brands popular and immortal, this provides an exceptional message reach and long message life. Among the existing media platforms for product placement, movies are increasing in popularity when targeting a worldwide audience and advertisers consider this to be a cost-effective option to reach an international market.

However, the increased use of product placement causes a problem. In cases where a brand takes a significant role in the story, viewers may realize that the brand was placed to affect their judgments and it can be perceived as a traditional advertising message, which is the exact opposite of what marketers are trying to achieve with the use of product placement. The strongest criticism towards product placement is that it has a tendency to entail subconscious and subliminal promotional effects. Research has assumed that placements can affect people to a certain degree below their level of conscious awareness, meaning it is difficult for consumers to control their acceptance or rejection of the product placement message. Another criticism is that some perceive the practice of product placement as deceptive.

Marketers and advertisers prefer to place their brands in Hollywood produced movies. A typical Hollywood movie can reach over 100 million consumers as it moves from box office to DVD or video to TV. Most prior research has been done on attitudes towards product placement in movies and television shows, with focus on brand recognition and overall acceptance (McKechnie & Zhou, 2003; Tiwsakul, Hackley & Szmigin, 2005; Karrh, Frith & Callison, 2001). Karrh (1998) stated that practitioners believe recognition is one of the most appropriate for evaluating a placements success, based on memory measure of effectiveness. Brand recognition is when consumers have the ability to correctly identify a brand if they heard or saw it. A way for products to be recognized by the audience is if the product has some defining features.

According to Brennan et al. (1999) a placement is effective when 20% or more of the audience can identify the brand. Marketing researchers and practitioners have recognized that congruence means that some things go together while others do not (Fleck & Quester, 2007). A higher degree of congruence is created when integrating a brand more strongly into the plot. In other words, the perceived fit between the movie and the brand will increase when the placement is connected to the plot. Perceived fit is measured by the audience and to what degree they perceive the matchup between the movie and the brand. It is argued that plot connection influence audience perceptions of congruence positively, since consumers that are exposed to congruent placements in a movie will more easily develop positive brand attitudes.

My goal with this study is to describe the theory behind produced placement and analyze if product placement affect customers purchase making-process. This study is not restricted to a yes or no answer and is concluded to provide relevant information within this field. There is a very big variety of product placement strategies within the marketing field. With regards to the Information Technology adapted by many companies, it is a very big subject to research within. My delimitation for this study is therefore to consider the basic theories for produce placement, to be able to understand how sales promotions impact customers.

Method

Below section will cover the method use to achieve the purpose of this study. It will present concepts to how the method procedure carried out, how the

method selection was made and a critical review of the method.

Procedure The method of this study is restricted to secondary research, where the requirement is to use data produced by third party sources. This study will therefore be based on literature studies such as, books, articles and websites.

Selection

The study book "Essentials of Marketing" is covering a big part of the marketing basics which is of great use for my study. Furthermore, Mälardalen University provides multiple license databases with direct access to scientific journals and reports to provide me with relevant data. I have relied my study on the scientific journals from the university's databases and study book as I have found this literature to be both well - established and theoretically based within the marketing field. Method criticisms There is a need to analyze the use of the presented methods in the study to be able to reach the greatest fulfillment of the aim, with regards to the available resources. As my study is restricted to secondary data, it is important to be aware that the information might be biased or not fully comprehensive when using literature studies (Björklund and Paulsson 2014). To be able to gather sources from an objective point of view, I will need to question the information and methods used and collected, to fully reach method awareness.

Theoretical framework

Product placement

As mentioned earlier, there are multiple theories on why product placement is preferred over traditional advertising for persuasive messages. The first is attribution theory, which predicts an endorsement ad's persuasiveness, viewers' perception of the ad diminished when they knew it was financially motivated. The source credibility will be less of a problem if viewers believe that the actor within a movie context has nothing to gain by using the product. The second theory is classical conditioning and suggests that a desired consumer response can be encouraged, when for example the product is repeatedly associated with a highly-regarded celebrity. Classical conditioning is a more natural and less expensive form of advertising than traditional. The third theory is the modeling paradigm and describes that individuals learn by observing others. If the actor within a movie context is a highly-regarded celebrity and show products in a positive setting, it can lead to desirable consequences for the viewers. Strategies for product placement Russell (1998) described screen, script, and plot placement as a three-dimensional framework of product placement in movies.

Screen placement is purely a visual type of placement which involves placing a brand in the background of a show. This can be done through creative placement, e. g. outdoor advertisements in street scenes, another way is through on-set placement, e. g. kitchen scenes with placed food brands. Depending on appearance on the screen or the camera shot's style on the product decides what type of degree of screen placement it is. Script placement is when a brand is mentioned in a dialogue. Depending on the

tone of voice, place in the dialogue, which character that is speaking at the time, etc, makes script placement varying in degrees of audio placement.

Plot placement is when a product becomes a part of the plot, for example building the persona of a character or taking a significant place in the story line. Plot placement can be conceived in different degrees of connection between the product and the plot, depending on which combination of visual and verbal components that is practiced. For example, a plot placement is integrated in the screen and conversation, which creates an opportunity for both visual and auditory encoding. Instead of a pure screen placement that would provide a visual encoding or a pure script placement that would provide an auditory encoding.