

Literature review: product placement



Product placement (PPL), also called “brand placement”, which is a prominent type of “hybrid message” in communication, and pay to place branded products (e. g., brand name/logo, package, signage) in the content of mass media programming, such as movies, music videos, TV shows, radios, or news programs in order to fulfill its promotional goals (Steertz, 1987, Karrh, 1998). The purpose of this communication strategy is to arouse audience’s awareness of product, to advance consumer recognition and further affects consumer preference and purchase intention (Morton and Friedman, 2002).

Product placement has origin since 1930s, but it was not common (Rothenberg, 1991), after 1980s, it has been widely applied into Hollywood movies and TVs, which has become a newly-developed marketing approach. At present, advertisers are becoming more aggressively, seeking prominent roles for their brands or products in featured films (McCarthy, 2000), television shows (Elliott, 2002), and video games (Rodgers, 2002). It is used to refer to the positioning of images of a brand or product in mass media, branded products are used to convey a sense of realism to a set or scene.

2. 1. 2 The Concept of Advertising and Product Placement

Balasubramanian (1994) thinks that organizations often count on two non-personal communication devices: advertising and publicity, in order to expose media audiences to product-related information. That is, advertising refers to communications that are paid for, which is clearly identify the message sponsor. In contrast, publicity represents message that are not paid for, which do not identify the sponsor (Cohen, 1988). The concepts are presented as a graph below:

Source:” Beyond Advertising and Publicity: Hybrid Messages and Public Policy Issues,” by S. K. Balasubramanian, 1994, Journal of Advertising, 23(4), p. 30.

From the above-mentioned concepts, hybrid messages include all paid attempts to affect audiences for commercial benefits by using communications that project a non-commercial character; under these situations, audiences are more likely to be unaware of the commercial impact attempt to process the content of such communications differently than they process commercial messages.

The hybrid message concept as a platform to conceptually integrate several “ hidden but paid” messages such as product placements and various types of masked communications. As long as product sponsors believe that hybrid messages provide a value-added components over and beyond advertising or publicity, hybrid messages will maintain a preferential advantage in the mass media marketplace. Thus, consumers would believe the perceived source rather than suspect description of media, because hybrid messages could improve the disadvantages of conventional advertisement, as well as having the advantages to promote their products.

2. 2 Product Placement in Trendy Dramas

According to some researches, owing to the main audience of trendy dramas are teenagers who aged 14 to 30 and they have higher involvement with the products or their consumption attitude imitation with their idols in the dramas. Therefore, teenage customers are more likely to pursue fashion, also purchase these relevant products appeared in the dramas, such as

commodity, food, mobile phone, or other affiliated products, which have brought a great deal of commercial possibilities for the industry. In other words, product placement could bring positive reaction to product placements, further to affect their purchasing behavior.

A popular trendy drama entails lots of elements, such as romantic story line, beautiful scenes and touching script. Take “ Meteor Garden” as for instance, it put “ Golden life Gold Jewelry” this brand into the scenario as product placement, which boost the sales of the jewelry to nearly NT\$100 million during two months(2003). Another example is “ Bump off Lover”, all the clothes and mobile phone in this drama are sponsored by PUMA and OKWAP, respectively.

From the above literature, it can be noticed that the increasing popularity of the technique of product placement among marketers, there is relatively little scientific evidence regarding how, even whether, it affects people. In addition, product placement has become a trend that is used widely into TV programs, movies, video games, especially in Taiwanese trendy dramas. Therefore, this research wants to explore the promotional effects of product placement in trendy dramas.

2. 3 The Effects of Product Placement

Balasubramanian(1994) defined “ placement” decades ago; afterwards, many consumer and advertising researchers started investigating the effects of placement to brand recall(Nelson, 2002; Russell, Norman and Heckler, 2004); to brand attitude(d’ Astous and Seguin, 1999); and to behavior(Auty and Lewis, 2004).

Product placements have some effects on customers that are positive for memory (Gupta and Lord 1998; Roehm and Boone 2004; Russell 2002), and brand attitude (Russell 2002), or for choice (Law and Braun 2000). However, there is potential for a negative shift in brand attitude after forcing consumers to view brand information.

2.3.1 Brand Recall

The most familiar measure for product placement has been consumer memory, and the evidence is indefinite (Law and Braun, 2000). There have been several evidences for the concept that product placements facilitate brand memory (Babin and Carder, 1996; Vollmers and Mizerski, 1994). It is critical to note that the measures normally used to evaluate placement effectiveness have been recall and recognition. Several studies have emphasized on investigating whether consumer's brand awareness is obviously adds after watching a movie or drama with more branded products (Gupta and Lord, 1998).

Traditionally, marketing researchers have relied on recall and recognition to assess advertising effectiveness. This measurement prejudice is a by-product of the

dominant theory, which retains that learning requires effort and concentration. The conclusion for placement researchers was that to be effective placement ought to be consciously memorized. Indeed, this conclusion is reflected in the way that the industry tests placement effects, in other words, impacts what marketers pay for certain placements (Gupta & Lord, 1998).

The theory to a critical classification of memory are divided into two dimensions: consciousness or awareness captured in the distinction between explicit and implicit memory (Roediger & McDermott, 1993; Schacter, 1987). Explicit memory is assessed with recall and recognition tasks that require intentional retrieval of information from a specific prior episodes, whereas implicit memory is assessed with tasks that do not require conscious recollection of specific episodes (Jacoby, 1984). The evidence from psychology and marketing literature suggesting that learning can happen without awareness, make the distinction between implicit and explicit memory measures, differentiate the research methods used to tap these very different forms of memories, and demonstrate how these approaches apply into the field of product placement research (Graf & Schacter, 1985).

The objective of positioning is to occupy a distinctive place in the minds of the target market. Product placement has shown better product/brand recall. There is a positive relationship between those product placements' recalled and product category or brand familiarity.

2. 3. 2 Purchase Intention

Purchase intention of the brand are projected personal actions refers to a brand (Bagozzi, Craig, and Sternthal, 1979). Since intention are related to plans to achieve a behaviour (Ajzen, 1991; Eagly and Chaiken, 1993), purchase intention is an individual's plot to purchase a definite brand (Spears and Singh, 2004).

The interest of marketing researchers on purchase intention derives from its correlation to purchase behaviour. Several studies have advocated that

there is a positive correlation between purchase behavior and purchase intention (e. g., Morwitz and Schmittlein, 1992; Morwitz, Steckel, and Gupta, 2007).

Furthermore, marketing managers engaging in consumer purchase intention in existing or new product sales and service forecasts. Relevant surveys of purchase intention could support managers in deciding their product demands, market segmentation, and promotional strategies (Tsotsou, 2006).

A number of studies have identified how advertisement, product trials and could impact consumer's attitude toward downstream effects on conative dimension (Deighton and Schindler, 1988; Kempf and Lacznial, 2001), and the characters and physical product experienced possibly influences these relationships (Orth and De Marchi, 2007). Apply into product placement, when consumer receives the messages of product placement, they would generate initial cognition and affection in mind. This relationship can determine whether product placement can successfully communicate with customer, then further their purchase intention.

2. 3. 3 Brand Attitude

Brand now perform well-integrated in the roles with respect to editorial context in various media, creative professionals usually use brand as appliances to communicate messages to audiences. Within a television play or film, brands often increase verisimilitude to a drama, or transmit character's personality traits (Balasubramanian et al., 2006).

Empirical results show that the impact of product placements on brand attitude. Some multinational brands, like NIKE, endorse annual contracts

with film producers and TV companies to maintain their commodities shown into the films or TV programs. There are numerous evidences that audiences take notice of and remember brands embedded in media programs (Babin and Carder, 1996; Karrh, 1994; Gupta and Lord, 1998).

Aad influences advertising effectiveness since it was discovered to be an crucial antecedent of brand attitudes (e. g., Lutz, 1985; Mehta). The effects of advertising on brand attitude is even more significant under low involvement conditions. Several scholars have tried to measure attitudes towards advertising among adult consumers (Mittal, 1994) and among student segments (Dubinsky & Hensel, 1984; Muehling, 1994), and these attitudes have been the focus of comparisons on a cross-cultural basis (e. g., Andrews, Lysonski and Durvasula, 1991). Therefore, based on prior researches, the survey uses customer's brand attitude toward product placement as a variable

Type of Product Placement

The mode of presentation

Product placement can be divided into three different types in terms of strategy of product placement : a) Visual only (VIS), when a product, service or logo can be observed in the plot; b) Audio only (AUD), when a product, service or corporation is integrated into dialogue, voice-over or – in the case of rap music – the lyrics c) Audio with visual (AV), which is combined with the above-mentioned ways, when a product, service or logo can be seen and heard both in the plot and dialogue in order to disseminate relevant brand messages to audiences (Gupta and Lord, 1998).

The level of prominence

The other types of product placement is divided by the level of prominence, which could affect consumer's attitudes: a) Prominent placement, when product are clearly to see and be placed in the center of the screen in terms of visual and use repetitive words to mention brand name in terms audio. A prominent placement may activate persuasion knowledge (Friestad and Wright 1994, 1995); b) Subtle placement, when products are not clearly to be displayed in terms of visual and just put brand name in dialogue in terms of audio. A subtle placement of products in the settings of the Movie or a TV serial, the promotional message can be effectively put across the target audience.

Table: Product placement combination(Gupta & Lord, 1998)

Visual placement

Audio placement

Visual& Audio placement

Prominent placement

Prominent& Visual

Prominent& Audio

Prominent& Visual, Audio

Subtle placement

Subtle& Visual

Subtle& Audio

Subtle&& Visual, Audio

Source: Gupta & Lord(1998). ¹/₄, Product Placement in Movies: The Effect of Prominence and Mode on Audience Recall.¹/₄, in Journal of Current Issues and Research in Advertising, 20(1), 47.

The type of placement information

Russell (1998) developed a three-dimensional framework for characterizing product placements:

a) The level of visual placement(screen placement), this occurs when a product, service, or logo can be simply observed within the setting of a television show or film. In addition, there are two methods of this purely visual placement, which are creative placement and on-set placement. So-called screen placements can have various levels, depending on the number of appearances on the screen, the style of camera shot for the product, and so forth; b) The level of auditory or verbal placement(script placement), this occurs when a character verbally refers to a product or service that is scripted within the program. Such “ script” placements have varying degrees as well, depending on the context in which the brand is mentioned, the frequency with which it is mentioned, and the emphasis placed on the brand name(tone of the voice, place in the dialogue, character speaking at the time, etc.); c) The degree of plot connection(plot placement), this occurs when a brand makes a low or high-level contribution to a storyline and it

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usually has the greatest impact on viewers. Plot connection refers to the degree to which the brand is integrated in the plot of the story (Russell, 1998). Previous research asserted that the level of plot connection determines the role and significance of a product placement within a narrative (Russell, 2002), whether in movie, television program, or video game.

2.5 The Relationship Between Types of Product Placement With Brand Recall and Brand Attitude

According to the above-mentioned categories of product placement, scholars discovered that a variety of product placements could generate different level of customer's brand recall and recognition (Sapolsky & Kinney, 1994; Brennan et al., 1999). As a result, the effects of visual with audio placement is better than visual only or audio only placement (Gupta and Lord, 1998), and visual with audio placement has higher level of recall, cognition and purchase intention (Sterotz, 1987).

Furthermore, prominent and subtle product placements will differentially impact consumer's attitude. As for prominent placement is obviously placed in the center of the screen and use repetitive words; as well as prominent placement may bring more audience's attention and higher level of brand recall; therefore, the effects of prominent placement are better than subtle placement.

In addition, lower plot placements do not contribute much to the story, whereas higher plot placements consist a major thematic element (Holbrook

and Grayson, 1986), taking an essential role in the storylines or building a character. A mere mention of the brand or an appearance of the product on the screen would be considered lower plot.

According to the literature, this study deduces that due to higher level of prominence, so prominent placement would have higher level of customer's brand recall. As for customer's brand attitude, they might have positive or negative attitudes toward different types of product placement. Thus, this research assumes product placement might affect customer's brand recall and brand attitude.

2. 6 The Impact of Brand Recall and Brand Attitude to Purchase Intention

Under product placement, if customers are aware of the appearance of products, it would generate brand recall, then become an initial stage of attitude-cognition. According to three factors model of attitude formation (Lutz, 1986), " cognition", " affection" and " intention" concepts are applied into product placement, which represents when customer see the appearance of placed products, it will definitely have cognitive and emotional dealing processes, then forming intentional purchase behaviour. Therefore, if customers have higher brand recall and brand attitude toward placed products, they are more likely to have purchase intention.

2. 7 Involvement

2. 7. 1 Definition & Evaluation of Involvement

Involvement has been paid widespread attention in marketing and been discussed in the issues of interest in attitude, consumer behavior,

persuasion, and advertising research(Tsiotsou, 2006). It is usually noted that in personal relevance to the message and product (Engel and Blackwell, 1982; Petty and Cacioppo, 1981). Prior research has found that involvement is a manipulated variable which could distract the connection between the advertisement stimuli and personal relevance of the audiences(Lee, 2000). Krugman(1977) manipulated the involvement as “ bridging experiences” which means personal references per minute that the audience connects between his or her own life and the advertisement.

In conceptualizing involvement, there are three major factors of involvement the characteristics of the person, stimulus, and situation(Bloch and Richins, 1983; Zaichkowsky, 1986). One or more these factors could influence the level of involvement with the stimulus in context of involvement with products(Hupfer and Gardner, 1971) with advertisements(Krugman, 1967) or with purchase situations (Clarke and Belk, 1978). The evidence for these three factors influencing consumer’s level of involvement or the way consumer responds to advertising, products and purchase decisions are found in the literature.

Within the field of consumer behavior, level of involvement ranges along from low to high(Antil, 1984) and varies across products and situations as well as individuals. It means although individually consumer exhibit a variety levels of involvement for different product classes and purchase situations, some product classes and purchase situations are generally perceived to be more highly-involving than others(Hupfer and Gardner, 1971).

Zaichkowsky(1994) purported that her 10-item “ Personal Involvement Inventory, PII”, was context-free and appropriate for measuring product involvement, involvement with an advertisement, and purchase decision involvement. In this research, it adopts PII theory to assess personal product involvement ensuring the reliability of each item of product involvement .

2. 7. 2 Product Involvement

Product involvement surveys measure long-term involvement, designed primarily to measure consumers’ long-term interest in a product as a function of individual differences in important values, needs, or self-concept. Zaichkowsky(1985) defined product involvement as the relevance that individuals are aware of the product’s values depending on their own interests and needs.

Some researchers declare that product involvement has two important components: importance and commitment to a brand. Importance refers to how engaged or interested an individual to a product category, whereas commitment to brand refers to the connection or binding strength between individual and brand. Moreover, involvement with products has been hypothesized to result in greater perception of attribute differences, perception of greater product importance, and greater commitment to brand choice(Howard and Sheth, 1969).

The degree of consumer involvement in a product category is now widely identified as a major variable relevant to advertising strategy(Rothschild, 1979). Depending on their level of involvement, consumers may be passive or active when they receive advertising communication, and extend their

processing of this communication. Advertisers may consider a number of operational variables such as the degree of repetition, the type of media, the length of the message, and quantity of information to adopt to these differences (Tyebjee, 1979).

Vaughn (1986) created a FCB model from “learn-feel-do” model, which combines the motivation to process information about a subject or product with the question of whether the members of the target group make decisions concerning products regarding an issue on the basis of thoughts or feelings (“think” or “feel”). FCB model shows a visually coherent matrix which has four quadrants with two factors—high and low involvement, thinking and feeling—cognitive and affective respectively, which are identified four types of products or brands. These four types of products have their own characteristics, so marketers should adopt different advertising strategies to promote their products.

In this study, HTC mobile phone belongs to high involvement/feeling category, because it is for highly involving and feeling purchase, this more psychological product accomplishing individual self-esteem. On the other hand, Häagen-Dazs ice cream belongs to low involvement/feeling category, which caters to personal taste and emphasizes personal satisfaction when consumer purchases it.

2. 7. 3 Product Involvement with Consumer Behavior

Lastovicka (1978) defined product involvement, which is the importance of product of consumers, and consumers put their cognition on the products. Different levels of product placement would indirectly influence involvement

with advertisement messages and involvement with purchase decision. High-involvement consumers are believed to be more motivated to search for and actively process product- and store-related information. Additionally, when high-involvement consumers are satisfied, they are expected to develop brand loyalty. Contrarily, low-involvement consumers are passive to search for and process product- and store-related information.

Hitchon and Thorson(1995) found from the effectiveness of advertisement(eg. brand attitude, brand recall) research that the levels of product involvement would affect advertising effects. Generally speaking, at higher product involvement stage, the effects of advertisement are better than lower product involvement. Importantly, Thorson and Page(1988) discovered that under the brand advertisement, higher product involvement has higher level of brand recall, brand attitude and purchase intention. It can be seen that levels of product involvement have a certain impacts on advertising effects; thus, this research bring high/low product involvements into one of a variable.