

# CONSUMER ATTITUDE TOWARDS PRODUCT PLACEMENT IN PROGRAMS

## T.R. Wijesundara

Department of Marketing, University of Ruhuna, Matara, Sri Lanka Tharu bw@yahoo.com

#### **Abstract**

Product placement in programs is becoming a popular trend in Sri Lanka. Literature suggests that product placement is the inclusion of a brand name, product package or other trademark merchandise within a motion picture, television show, music video or movie. The main difference between product placement and traditional commercials is, viewers normally shift to another channel or pay less attention to the traditional commercial. But product placement links the product and the content of the program. Such as program endorser or an actor using the product. Some scholars identify this strategy as a method of subliminal advertising. In which viewers do not perceive them consciously but subconsciously. The goal of this study was to find out consumer attitude towards product placement in programs and moderating effects of demographic factors such as gender and education level. Study is a descriptive type research and attitudes were measured by tri components attitude model. One sample t test and one way ANOVA were used to examine the hypothesis developed in the study. The results suggest that there is no favourable attitude towards product placement in programs among Sri Lankan consumers. It changes as a function of gender but not based on the education level.

Keywords: Product placement attitudes, Sri Lankan consumers

#### 1. Introduction

The market place face ever increasing competition, and therefore, companies spend millions of money for advertising. It plays a major role in this dramatically changing business environment. And advertising is a major part of a company strategy. Marketers have to target their advertising rupees carefully to reach the right audience at the right time. Further they should have a proper idea about consumers' attitudes towards their advertising cues. If not every single rupee will be just an expense without providing a proper benefit to the company. But if they can build good attitude about product among the target segment it will be a good investment for the company.

Product placement in programs is one of the strategies used by marketers in order to increase brand awareness. It is becoming truly a popular trend. Scholars have given different definitions for product placement. Steorz (1987) defined product placement as the inclusion of a brand name product package, signage, or other trademark merchandise within a motion picture, television show, or music video. The main difference between product placement in programs and traditional advertisements is, viewers generally shift to another channel or do other things and not pay attention to the content of the advertisement. But product placement links product and the content of movies, TV program or music video.

When viewers watch films or TV programs, they get the messages of products or bands at the same time and keep it in their mind without being aware. Thus some scholars identify this strategy as a method of subliminal advertising. Some of them believe that subliminal stimuli are not effective in altering attitudes or behavior.

But it is essential to know consumer attitudes towards product placement in programs. This study is based on two questions. Do consumers have favorable attitudes towards the product placement in programs? Does it change according to demographic factors? In order to answer above questions author selected a sample of 100 supermarket consumers. The conclusion was drawn based on the analysis. As per authors' knowledge there has no any research done in Sri Lankan context to study the attitude towards product placement in programs. The findings of this research will help to full fill the gap in this theory. Also advertisers can use this knowledge to develop their media plans and utilize advertising budgets in an effective way.

#### 2. Literature review

## 2.1 Product Placement in Programs

At the present, product placement can be seen in lots of media, Such as music videos, radio programs, songs, video games, plays, novels, and print media (Hart, 2003). Gupta and Gould (1997) and Alain d'Astous and Seguin (1999) defined product placement respectively as "incorporating brands in movies in return for money or for some promotional or other consideration" and as "the placement of products, services, brand names, the name of a firm, package, signage or other trademark merchandise in a movie, in a television program or in music video for promotional purposes by different means. Product placement now become an accepted form of marketing communication with expenditure rising from an estimated US\$50m in 1992 to an estimated US\$3.4 billion (Kaplan, 2005). In a study conducted by La Ferle and Edwards (2006), found that, over the course of 105 hours of prime-time television, product placements were regularly featured, representing 49.5% of brand appearances.

Product placement is by no means a new promotional tool. The first reported product placement occurred in 1896, with the deliberate integration of Sunlight Soap by Unilever into Several Lumière films (Gregorio and Sung, 2010). Product placement appeared in Hollywood films throughout the 1920s (Hackley, Tiwsakul and Preuss, 2008). Most common experiment is eat popcorn" and drink Coca-Cola. James Vicary a market researcher claimed "that over a six-week period, 45,699 patrons at a movie theater in Fort Lee, New Jersey were shown two advertising messages, Eat Popcorn and Drink Coca-Cola, while they watched the film Picnic. According to Vicary, a message was flashed for 3/1000 of a second once every five seconds. The duration of the messages was so short that they were never consciously perceived. Despite the fact that the customers were not aware of perceiving the messages, Vicary claimed that over the six-week period the sales of popcorn rose 57.7% and the sales of Coca-Cola rose 18.1%" (Merikle, P,2000,497)

Product placement is now a well-accepted and frequently used marketing technique. Galician (2004) mentioned that marketers and advertising agencies in the United States paid \$1.5 billion for product or brand appearances in various types of media such as films, TV programs, novels, video games, etc. The cost of product placement is comparatively lower than other advertising formats, the imprisoned level of viewers is high because consumers cannot zip or past product exposure (Bellin 2003). With the development of technology, media diversification, and the audience having numerous media options, product placement

will be a viable part of the strategic marketing communication plan of many modern marketers (Miyazaki and Morgan 2001). Further, product placement is less conspicuous than traditional advertising because product placement is regularly fixed into movies and therefore does not interfere with the viewers' moviewatching, as traditional commercial (Terry 2001). There are three ways that product placements typically appear in the program: a logo is displayed, an advertisement is used as a background prop, or the product itself appears in the program (DeLorme & Reid 1999). Since 1982, when sales of Reese's Candy Pieces increased by 65% following placement in the movie *E.T.*, this advertising strategy has begun to attract the notice of advertisers and marketing managers. Another successful example of 'placing' a product in a movie or drama was Ray Ban's Wayfarer Sunglasses that became enormously popular when the actor Tom Cruise used the brand in the movie Top Gun. (Ming-tiem Tsai, Wen-ko Liang, Mei-Ling Liu,2007). Steven Spielberg's science fiction movie, Minority Report (2002) also can be considered as a good example for product placement in movies. It included more than 15 major name brands including Nokia, Lexus, Pepsi, American Express, Guinness, Bylgari, Reebok, Burger King, etc. These advertisers paid a total of \$25 million, which was 25% of the total cost of production, nearly as much as Tom Cruise's performance fee for this movie (Kim, 2004).

Product placement acceptance can be analyzed by two viewpoints. Those are General acceptance and acceptance concerning the insertion of specific products. (Gianluigi, Piermario ,Chiara 2010). Product placement acceptance in general, a number of consumers believe the product placed in a movie as potentially dishonest or subliminal to the extent that they direct that it should be limited or banned (Miles , 2009). According to the acceptance of specific products, it has been confirmed that the placing of product information with strong ethical contents, that is products that raise moral issues, is seen less favorable than that of regular(ethically irrelevant) products, such as cars, sunglasses or toothpastes (Gupta and Gould, 1997)., 61% of brands become visible in the TV programs, including news, sports, and feature magazine programs(Avery and Ferraro ,2000). Implicit product placement is one where the brand, the firm or the product is present within the program without being officially expressed: it acts as passive, contextual role. For instance, in a quiz the participants and the host wear clothes with the sponsor's logo. In this method the logo, the brand name or the name of the firm appears without a clear demonstration of product benefits. (Alain d'Astous and Nathalie SeÂguin 1999).

## 2.2 Attitudes

Attitude is a learned predisposition to behave in a consistently favourable or unfavourable way with respect to a given object (Schiffman and Kanuk, 2004). Lutz (1981, p. 234) defined attitudes "as representing covert feelings of favourability or unfavourability towards an object, person, issue, or behaviour". Customers apply learned attitudes as a road map to their covert behaviour relevant to the attitude object, giving rise to consistently favourable or unfavourable way of reaction. Attitude measurement can give insight of purchase predisposition for a particular object. (Hatzios ,1996).

According to the Tri-component attitude model developed by (Fishbein 1975), attitude consists of three major components: a cognitive component, an affective component, and a conative component. Cognitive component the knowledge and perceptions that are acquired by a combination of direct experience with the attitude object and related information from various sources. Affective component, a consumer's emotions or feelings about a particular product or brand. Conative component, the likelihood or tendency that an individual will undertake a specific action or behave in a particular way with regard to the attitude object. (Schiffman and Kanuk, 2004). The three dimensions do not operate independently from each other. Rather,

they are linked in a causal chain (Ajzen, 1989). Cognition imparts a direct influence on affect, which in turn directs to conative actions.

### 2.3 Attitude towards product placement

Brennan and Babin, (2004) mentioned that product placement in movies affect viewers' awareness and attitudes. In a product placement situation, cognition can be identified as brand recognition and recall, and associated product learning (Balasubramanian, 1994). Affect refers to feelings about the attitude object, These feelings are links to persuasion in advertising (Balasubramanian, 1994), for example, a consumer's feeling towards a brand is often indicative of how persuasive the advertising message (such as a product placement) is. "Conative nature is behavioral inclinations, intentions, commitments and actions with respect to the attitude object" (Ajzen, 1989, p. 244). Nebenzahl and Secunda (1993) checked the attitudes and acceptability toward product placement. They investigated that consumers generally had positive attitudes toward product placement. Most consumers considered product placement as a less obtrusive form of marketing communication than other advertising forms in the movie theater, further some respondents had criticized product placement as a marketing communication strategy. From a marketing viewpoint, this can be identified as purchase intention as a result of exposure to a product placement. A study found positive attitude changes for product placements that subjects did not recognize (i.e. a subconscious process), though there has long been public and regulatory concern regarding the deliberate use of 'subliminal' ads and messages by marketers, especially for alcohol and cigarette products (Chen & Simpson 2000). Gupta and Lord's (1998) suggest that prominent placement of products worked better than other types for consumer memory of products. Further placement is a more powerful factor in consumers' recognition of the product.Researchers have found that practitioners believed that product placements positively affect the image of a product and it is this benefit that is sought, not an increase in sales. Researchers say that the form of placement would have impact on audiences' reactions (d'Astous & Seguin, 1999) such as recall and recognition (Gupta and Lord, 1998). Nebenzhal and Secunda, (1993) mentioned that the majority of movie viewers (70 percent) have positive attitudes toward this type of marketing communication, evaluating that it is more favorable than commercials shown on the screen before the movie. Russell (2002) found that more prominent placements that had an incongruent level of plot connection would be seen as obtrusive and prompt counter argumentation from viewers. Russell (2002) exposed that the recall of audience may change under different placement forms and the way the products were connected to the plan. Balasubramanian (1994, p. 38) propose that placements "that reinforce product-use through models help individuals vicariously acquire brand preference and/or consumption behaviors that benefit the sponsor".

H1: Consumers do not have favorable attitudes towards product placement in programs

### 2.4 Attitude towards product placement and demographic factors

Asseal (1981) mentioned that consumer behaviour should be studied through demographic beliefs and attitudes. There are differences in both attitudes and behaviours across demographic characteristics (Gregorio and Sung ,2010) According to the Martha & Kirk, (1994) product placement in programs is a method of subliminal advertising. A survey by Rogers and Smith (1993) investigated that the more education a person has the more likely one is to believe that subliminal advertising works. Educated consumers reported more favourable attitudes among those who were less educated and younger (Block and

Vanden 1985). Researches have proved that males hold more positive attitudes towards the placement of ethically-charged products (e.g. cigarettes) than females (Gupta & Gould 1997). According to Tiwsakul, Hackley and Szmigin, (2005) there were gender differences between the degrees of acceptance that respondents expressed in the ethically charged product categories.

H2 a: Consumers' attitudes towards product placement in programs do not change based on gender

H2 b: Consumers' attitudes towards product placement in programs do not change based on education level

### 3. Methodology

Research design can be classified according to the fundamental objectives such as Exploratory, descriptive, or causal. The main objective of this study is to analyze the relationships between variables. As such, product placement is the independent variable and attitude toward the product placement is the dependent variable. Demographic factors are the moderate variables. This is a descriptive research. And as many studies this is Cross-sectional study. Because of the elements are measured once.

### 3.1 Sampling

All the supermarkets in Sri Lanka were considered as the sample frame for this study. First the list of the supermarkets markets were found from relevant web sites (eg. http://www.laugfs.lk/sunup/location.htm, ect). From the list ten supermarkets were selected in the Colombo district. This is one of the limitations in this study. According to the time barriers and financial barriers it is difficult to cover all districts in Sri Lanka. Sample of the research is 100 supermarket consumers. Convenience sampling method was used in this study.

#### 3.2 Data Collection

Data were collected from those consumers who entered into those 10 large supermarkets in Sri Lanka on Saturday and Sunday mornings by administering a questionnaire to the third consumer of every five consumer who entered the supermarkets. Author and his colleagues who have knowledge about research methods participated in data collection. The team helped the consumers to fill the questionnaire. If one consumer rejected to answer the questionnaire then the next one was selected. To examine the research questions and hypotheses proposed in this study, a questionnaire was developed initially in English and then translated into Sinhala. Questionnaire carried Likert like scale type questions where respondents can mentioned their preference with statements, which they can Strongly Agree, Agree, , Neither Agree nor Disagree , Disagree and Strongly Disagree; scores of 5, 4, 3, 2, and 1 were assigned respectively for above mentioned categories.

#### 4. Data Analysis

Statistical Package for Social Sciences (SPSS) was used to analyze the data. From the rankings given in the scale, 3 was taken as the decision criteria to select the favourable and unfavourable attitudes. Responses less than or equal to 03 were considered as unfavourable and responses above 03 were considered favourable. Table 01 represents the gender and table 02 represents the education level of the respondents.

Table 01: Gender

Gender	Percentage
Male	44%
Female	56%

Table 02: Education level of respondents

Education Level	Percentage c
Up to O/L	6.0
Up to A/L	44.0
University degree	22.0
Post Graduate	6.0
Professional Qualification	22.0
Total	100.0

There was a question in the questionnaire measure the awareness of the concept among the respondents. Table 03 represents the findings.

Table 03: Awareness of the concept

Awareness	Percentage
Seen the product placed	92
in programs	
Not seen or not aware	8
about it	

To check the validity of the questionnaire a pilot study was conducted. Further Questionnaire was developed based on literature study. Researcher can ensure the content validity of the study. The internal consistency of the measures was assessed using Cronbach's alpha. Alpha is a type of internal consistency reliability used for continuous item-response formats. It is a group-level summary statistic or coefficient that describes the extent to which measurements from a specific sample of respondents are replicated or consistent across a set of items or objects (Helms, et al, 2006). Cronbach's alpha was found to be .752 indicating a higher level of internal consistency of the variables used in the study.

#### 3.3.1 Hypothesis o1

One sample t test was used to check the first hypothesis of the study. According to the result corresponding two-tailed p value was 0. 109. The Significance level was 95%. P value obtains was more than 0.05. Therefore we can accept the null hypothesis at  $\alpha$  0.05. Which means consumers do not have favourable attitudes towards product placement in programs.

#### 3.3.2 Hypothesis o2 a.

One way ANOVA was used to check the 02.a hypothesis of the study. According to the result corresponding p value was 0.004. Therefore researcher can safely reject the null hypothesis and conclude that consumer attitudes towards product placement changes based on gender at 95% significance level. Mean value of female was 3.07 and males were 2.64.

## 3.3.3. Hypothesis 02 b.

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One way ANOVA was used to check the 02.b hypothesis of the study. According to the result corresponding p value was 0.480. Therefore researcher can accept the null hypothesis and conclude that consumer attitudes towards product placement do not change based on education level. Relevant mean values are shown in Table no 3.

Table 03: Mean value according to the education level

Education Level	Mean
Up to O/L	2.4242
Up to A/L	2.9870
University degree	2.8333
Post Graduate	2.6667
Professional Qualification	2.8926

#### 4. Conclusion

According to the above analysis author found that consumers have a negative attitude towards product placement in programs. This means marketers have to think twice about their media budget when allocating among alternative media. Companies allocate a big amount of money for product placement in programs. There is no proper measurement to check the direct impact of consumer response and the amount of money allocated for product placement in programs. So it is important to know consumer attitude towards product placement in programs. Above findings indicate that, it is not a good alternative to place products in programs. They can allocate that amount of money for another alternative which will be more effective for the company. When we consider about 2 a hypothesis we can see that attitude differs between gender bases. Female attitudes are above the decision criteria. So if a particular company is targeting to give their message to female audience product placement in such program could be a good alternative to build brand awareness. For example there are some TV programs, movies specially targeted at female audiences. But again they have to think further. Because of this study value "3" was taken as decision criteria. Mean value of the female respondents were "3.07". Just above the decision value. More over according to hypothesis 2.b we can see that negative attitudes are not changing based on education level. If target segment is specific education level still it is not a good idea to place the product in the programs. Therefore after considering about all above findings author can conclude that product placement is a not good alternative in Sri Lankan market as a form of advertising.

This study has number limitations. First it considers about product placement in programs from the broad view. As per definition it considered about every media which place the product. Not specified to a particular media such as TV, film, ect... If someone can do a study targeting only one media it will help to get idea about the attitudes towards product placement in that media. Then sample is selected from ten supermarkets in Colombo district in Sri Lanka. And sample size is only 100 supermarket consumers. It is due to financial and time barriers. It will be good to increase the sample size in a future research. And this study is not for any product category such as food and beverage. There attitudes can be change for different product categories. Future research can be conducted to overcome these limitations.

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