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A STUDY ON EFFECTIVENESS OF PRODUCT PLACEMENT IN DIVERSE MEDIA

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Abstract:

Product placement is a worldwide accepted aspect of advertisement. Technology has changed type of advertising technique that embeds the company brand/product within print media, audio/visual media such as movie, TV program and digital platforms becoming a large arena for business organizations for product placement. Advertisements have been integrated into these things very effectively so as to catch just the right amount of attention. This study examines effectiveness of product placement in diverse media using demographic variables. The survey has been carried out at Mumbai city. Collected data has been analysed by means of ANOVA and t-test. The study revealed that factors like age, education, income considerably impact the consumers' perception in usage of digital media for effectiveness of product placement. Present study concludes that product placement through digital media is one of the most effective way of promotion of products while not making the consumer feel that they are being bombarded with an advertisement. This study also suggests that it is important to understand how a consumer will feel about the product placement in order to determine what his next steps might be. Care must be taken to avoid any negative feelings as these would definitely create a bad image of the brand in their minds and only cause loss of current customers.

KEYWORDS: Product placement, ANOVA, t-test

1. INTRODUCTION

Today, advertisers are finding it increasingly difficult to establish a good image of a brand in a potential customers' mind. This is due to the ever changing mass media business, increased competition and the rapidly changing mind-sets of people. The impact of product placement in movies and shows is seen to be more effective than digital marketing as consumers seek entertainment from these things. Perfectly integrating product placement in entertainment would boost sales and also promote positive or negative feelings towards the brand depending on the content being shown. It appears to work as people are highly focussed on what they are watching as that interest them and anything that is a part of the content will also receive the same attention. One of the best solutions to these problems was seen as placing the advertisements in the content. Product placement also known as embedded marketing can be defined as compensated promotion of a company's product, name or service through TV programs and/or movies. The average adult spends at least 50 hours a week of his time watching movies and TV shows as compared to the 21 hours he or she spends on social media. Hence, product placement concentrates on attracting a customer's attention in a place where they are spending more time.

Since then product placement has evolved, from being featured in black and white movies to all sorts of movies shown across

the globe. It's being featured in TV shows through binge watching platforms; it has also entered into the music industry. Advertisements were supposed to be a small drift during entertainment, but now they have become a part of entertainment. Results of product placement show more and more positive response to this form of marketing and thus this industry is likely to develop at an alarming speed in the years to come. Hence the present study reveals the use of demographic factors so as to understand the effectiveness of product placement in diverse media.

2. LITERATURE REVIEW

Law and Braun [1] highlighted the complexity of utilising memory measures as a measure of the effectiveness. According to Kamins M. A. [2] a product utilised by characters in the movie/ TV is superior than normal advertising the product in the movie. Till, B. D. and Busler [3] Audiences desire to recognize themselves with definite movies and characters, therefore "lifestyle" products has advantage greater from product placements rather than daily-use products.

Bimaldeep Kaur [4] reported the effectiveness of product placement in movies/ TV as a way for advertising and recommends that this plan can be designed into a very effective tool for promotion of the products if product placements are

planned in a artistic, inventive and pleasant manners of product placements revealed that there feeling of audio visual products led to the best performance on succeeding memory measures (recognition and recall measures), but adverse outcomes in the brand choice job .Weaver and Oliver [5], revealed that experience to a product placement occasion both enhanced recognition scores and enhanced attitude ratings for a brand that appeared in a clip from a TV show. Russell [6], however, found both a positive and negative relationship between memory measures and attitude ratings for embedded brands. Lee and Faber [7] revealed that the level of captivation affected the impact of product placements that happened within online games.

Brian Gillespie et. al. [8] developed Product Placement Fit model that identified the significance of congruency between narrative consumption of customer's goals and the way in which products are placed. Findings shows that when product placements are matching with both the narrative's story structure (cognitive fit) and the sentimental tones elicited by the narrative (affective fit), more positive brand mind-sets are produced. Prateek Maheshwari and Nitin Seth [9] suggested select enablers for print media in Indian background using an integrated way of literature review and investigative interviews with academicians and professionals from the field of advertising. Su-Houn Liu et. al. [10] revealed that the impacts of product placement in social media are same to the effects of product placement in other media. In addition, a match among the vehicle and product would create deeper browsing depth and longer browsing time on the product web site. Product placement on a superior awareness vehicle would be more efficient for marketing. Jeffrey Meyer [11] reported product placement data on 134 movies released between 2000 and 2007 demonstrate that product placements have a major positive outcome on customer ratings, but when utilized in surplus, the consequence becomes negative. Kaylene Williams et. al. [12] examined product placement in terms of definition, use, purposes of product placement, definite media vehicles, variables that impact the efficiency of product placement, the disadvantage of utilizing product placement, and the principles of product placement.

3. RESEARCH METHODOLOGY

3.1 Objectives

The objectives of the present study are as follows

- To study the growth of product placement in different media
- To analyse impact of demographic factor on effectiveness of product placement in different media

3.2 Methodology

The present study involves 450 respondents from Mumbai city, India. Convenience sampling method was used for sample size determination. Data has been gathered in the form of questionnaire on 5 point Likert scale. The secondary data were gathered from various journals, websites, books, reports and articles. The demographic factor such as gender, age, education and income has been used to analyse effectiveness of product placement in different media. The ANOVA and t Test has been used to study impact of demographic factor on effectiveness of product placement in different media. Present study considered Print media, digital media, and electronic media to understand effectiveness of product placement in different media

Hypothesis

- H0 1: The effectiveness of product placement in different media will not differ significantly for gender
- H1 1: The effectiveness of product placement in different media will differ significantly for gender
- H0 2: The effectiveness of product placement in different media will not differ significantly for age
- H1 2: The effectiveness of product placement in different media will differ significantly for age
- H0 3: The effectiveness of product placement in different media will not differ significantly for education
- H1 3: The effectiveness of product placement in different media will differ significantly for education
- H0 4: The effectiveness of product placement in different media will not differ significantly for income
- H1 4: The effectiveness of product placement in different media will differ significantly for income

4. RESULTS AND DISCUSSIONS

The collected data has been analysed using descriptive statistics. Out of 450 respondent 304 were male which is 67.6 % respondent and female respondent were 32.4%. Maximum the respondents were male. Most of the respondents came from Up to 24 years which is 52.7%. Most of respondents were Graduates 47.1%. The majority of respondents were from INR 20,001- INR 50,000 income group which is 31.1%

4.1 Growth of product placement in different media

From below graph shows that Indian media and entertainment (M&E) industry developed at a CAGR of 18.55% from 2011-2017 as per Fig,1. Currently digital technologies increase their influence across the change in consumer behaviour across all segments. So the scope for product placement in Indian media is huge. In Indian media and entertainment (M&E) industry major segment is which is T V 44.8%, followed by print 20.6%, Film

10.6% and digital advertising 8.1% as per Fig 2. So from this statistics it reveals that for product placement TV, print, Film and digital advertising will be the most effective media. Hence,

it is important to study effectiveness of product placement in this different media.

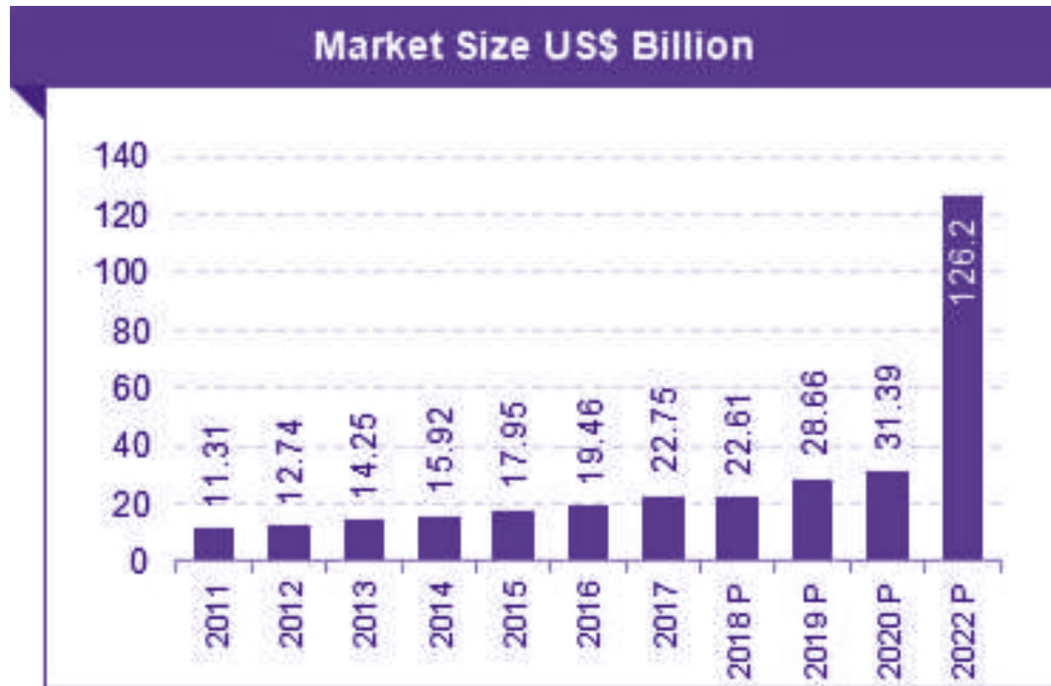


Fig. 1. Market Size US\$ Billion (Source: KPMG – FICCI Report 2018, Aranca Research)

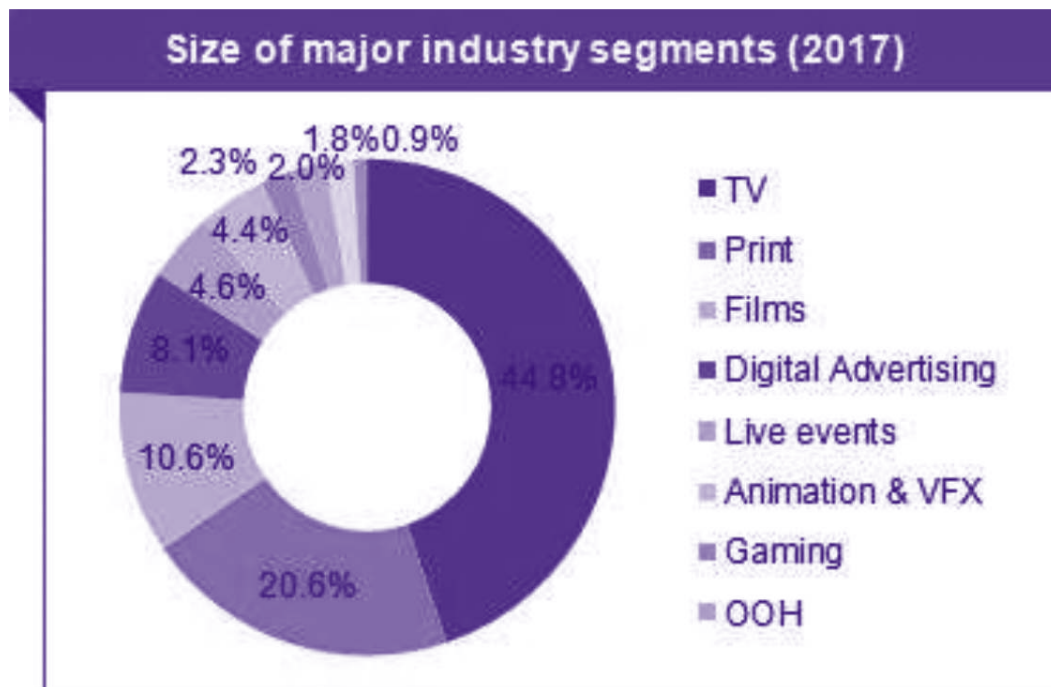


Fig. 2. Size of major Industry Segments (2017) (Source: KPMG – FICCI Report 2018, Aranca Research)

4.2 Effectiveness of product placement in different media

4.2.1 Gender The t-test has been used to determine perception effectiveness of product placement in different media for gender

Table 1. Test of equality of variance

Parameter	Hypothesis	P- value	Decision	Interpretation
Product Placement is more effective in print media	$H_0: \sigma_m^2 = \sigma_f^2$ $H_1: \sigma_m^2 \neq \sigma_f^2$	0.520	$P > \alpha$ Accept H_0	Variances are assumed to be same
Product Placement is more effective in digital media	$H_0: \sigma_m^2 = \sigma_f^2$ $H_1: \sigma_m^2 \neq \sigma_f^2$	0.005	$P > \alpha$ Accept H_0	Variances are assumed to be not same
Product Placement is more effective in electronic media	$H_0: \sigma_m^2 = \sigma_f^2$ $H_1: \sigma_m^2 \neq \sigma_f^2$	0.285	$P > \alpha$ Accept H_0	Variances are assumed to be same

From Table No.1, it shows that variances are assumed to be same for print media and electronic media for male and female

consumers. Variances are assumed to be not same for digital media for male and female consumers.

Table 2. Independent t-test

Parameter	Hypothesis	P-value	Decision	Interpretation
Product Placement is more effective Print media	$H_0: \mu_m = \mu_f$ $H_1: \mu_m \neq \mu_f$	0.750	$P > \alpha$ Accept H_0	Perception of male respondents are same as the female respondents on Product Placement is more effective in Print media.
Product Placement is more effective digital media	$H_0: \mu_m = \mu_f$ $H_1: \mu_m \neq \mu_f$	0.126	$P > \alpha$ Accept H_0	Perception of male respondents are same as the female respondents on Product Placement is more effective in digital media.
Product Placement is more effective Electronic media	$H_0: \mu_m = \mu_f$ $H_1: \mu_m \neq \mu_f$	0.094	$P > \alpha$ Accept H_0	Perception of male respondents are same as the female respondents on Product Placement is more effective in Electronic media

From above Table no.2, we recommend perception of male respondents are similar as the female respondents on product placement is more effective Print (3.61, 3.65), digital (4.93, 5.09), electronic media (4.05, 4.21). From the descriptive statistics also we are observed that value of mean score for male and female are usually close to each other which is agree that Product Placement is more

effective in diverse media.

4.2.2 Age

The ANOVA test has been utilised to determine perception effectiveness of product placement in different media for age.

Table 3. Analysis of variance for Age

		Sum of Squares	df	Mean Square	F	Sig.
Product Placement is more effective Print media	Between Groups	1.358	2	.679	.738	.479
	Within Groups	382.814	416	.920		
	Total	384.172	418			
Product Placement is more effective digital media	Between Groups	7.709	2	3.854	4.211	.015
	Within Groups	387.176	423	.915		
	Total	394.885	425			
Product Placement is more effective Electronic media	Between Groups	5.608	2	2.804	3.309	.038
	Within Groups	354.202	418	.847		
	Total	359.810	420			

As per Table 3, $p > \alpha$ ($0.738 > 0.05$) Accept H_0 . Therefore there is no significant difference in mean for age on effectiveness of Product Placement in Print media. $p < \alpha$ ($0.015 < 0.05$), Accept H_1 . Therefore there is significant difference in mean for age on effectiveness of product placement in digital media. $p > \alpha$ ($0.038 > 0.05$). Accept H_0 . Therefore there is no significant difference in mean for age on effectiveness of product placement in electronic media. Hence product placement is more effective digital media comparing to print and electronic media.

4.2.3 Education

The ANOVA test has been used to determine the effectiveness

of product placement different media for different levels of education.

As per Table No. 4 $p > \alpha$ ($0.813 > 0.05$) accept H_0 . Therefore there is no significant difference in mean for educational qualification on effectiveness of product placement in Print media. $p > \alpha$ ($0.416 > 0.05$), accept H_0 . Therefore there is no significant difference in mean for educational qualification on effectiveness of Product Placement in digital media. $p > \alpha$ ($0.913 > 0.05$) accept H_0 . Therefore there is no significant difference in mean for educational qualification on effectiveness of product Placement in electronic media. Hence the effectiveness of product placement in different media will not differ significantly for education.

Table 4. Analysis of variance for Educational Qualification

		Sum of Squares	df	Mean Square	F	Sig.
Product Placement is more effective Print media	Between Groups	.382	2	.191	.207	.813
	Within Groups	383.790	416	.923		
	Total	384.172	418			
Product Placement is more effective digital media	Between Groups	1.634	2	.817	.879	.416
	Within Groups	393.251	423	.930		
	Total	394.885	425			
Product Placement is more effective Electronic media	Between Groups	.158	2	.079	.092	.913
	Within Groups	359.652	418	.860		
	Total	359.810	420			

4.2.4 Income

The ANOVA test has been used to determine the effectiveness

of product placement in different media with the income of family.

Table 5. Analysis of variance for Educational Qualification

		Sum of Squares	df	Mean Square	F	Sig.
Product Placement is more effective Print media	Between Groups	3.584	4	.896	.975	.421
	Within Groups	380.588	414	.919		
	Total	384.172	418			
Product Placement is more effective digital media	Between Groups	17.823	4	4.456	4.975	.001
	Within Groups	377.062	421	.896		
	Total	394.885	425			
Product Placement is more effective Electronic media	Between Groups	5.754	4	1.438	1.690	.151
	Within Groups	354.056	416	.851		
	Total	359.810	420			

As per Table No. 5, $p > \alpha$ ($0.421 > 0.05$) accept H_0 . Therefore there is no significant difference in mean for income on effectiveness of Product Placement in Print media. $p < \alpha$ ($0.001 < 0.05$) accept H_1 . Therefore there is significant difference in mean for income on effectiveness of Product Placement in digital media. $p > \alpha$ ($0.151 > 0.05$) accept H_0 . Therefore there is no significant difference in mean for income on effectiveness of Product Placement in Electronic media. Hence the effectiveness of product placement in different media will not differ significantly for print and electronic media but it differ significantly for digital media.

5. CONCLUSION

Product placement not only ensues that the viewer sees the product or service of the company but also understands the use of the product and how to get the most out of the company's services. Product placement also promotes self-identification among the viewers. The present study shows that potential for product placement in Indian media is vast. In Indian media and entertainment (M&E) industry major segment is TV, print; Film and digital advertising will be the most effective media. Among diverse media consumers are highly absorbed with digital media. It is shown from the study that there is difference in perception of respondents on effectiveness of product placement in digital media due to demographic factors like age and income. Hence it is important to understand how a consumer will feel about the product placement in order to determine what his next steps might be. Care must be taken to avoid any negative feelings as these would definitely create a bad image of the brand in their minds and only cause loss of current customers.

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