Product placement in South Africa: Piercing through the packaging

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This exploratory study investigates the role that product placement plays in integrated marketing communications. As the merits of product placement are debated in the scholarly literature, practitioners are pushing boundaries in promoting their wares through using this technique. Our study considers television and cinema audiences in South Africa. Results reveal that these consumers are open to the idea of product placement, particularly if it adds value to the entertainment by bringing about a sense of familiarity with their own lives. It is advisable for marketers to promote their products in a highly visual sense and to attach these to leading characters which have a genuine rapport with the audience. This was found to maximise effect. The choice of setting is also important - humorous scenes yielded positive results, whereas painful and depressing settings yielded negative results. However pursued, product placement should remain as unobtrusive as possible so as not to detract from the storyline.

Key words: Product placement, integrated marketing communications, advertising, media, television, cinema, South Africa.

INTRODUCTION

The advertising industry has been bringing brands into the lives of consumers for decades. The industry is constantly reinventing itself to find viable and original ways to engage with the consumer; yet, continued fragmentation of mass audiences is making communicating with the consumer more challenging (Mackay et al., 2009). Furthermore, media clutter has resulted in the consumer being bombarded with approximately 3225 marketing messages a day (Jaffe, 2005). To this end, consumers have built up a resistance or have found ways to avoid, ignore and tune out media messages. This constant exposure to commercial messaging has forced marketers to look for innovative ways to engage with consumers and, as a result, have turned their attention towards non-conventional advertising practices such as product placement within mass media entertainment. The majority of studies investigating product placement are centered around issues related to: factors that contribute to maximising the effectiveness of product placement (van Reijmersdal et al., 2009; Brennan and Badin, 2004; Karrh et al., 2003); consumer perception concerning product placement (Cowley and Barron, 2008; Percy, 2006; Nelson, 2002); as well as the ethics of surreptitiously embedding commercial content within entertainment media consumed by both children and adults (Benjamin, 2005; Gloede, 2005). Despite the body of international literature on the subject, there remains a dearth of literature in the South African context.

This research therefore seizes upon the opportunity to explore crucial issues surrounding this aspect of promotion and the challenges faced by marketers in this respect.

Research statement

The research serves to understand consumers’ perceptions of the practice of product placement, the linkage between the media context and product placement, as well as the means through which the effectiveness of product placement can be enhanced. The context of this study is limited to mainstream media consumption the
through television and cinema in Republic of South Africa.

**LITERATURE REVIEW**

**Product placement and integrated marketing communication**

Advertising is a core component of integrated marketing communications (IMC). IMC describes the process of developing and co-ordinating a communications program that allows a brand to reach a wide variety of consumers through the use of various media channels (Kotler et al., 2010; Eagle and Kitchen, 1999). As there appears to be a decline in marketers’ confidence in traditional advertising, coupled with the increase in the number of reported product placement success stories, product placement is assuming increased prominence within organisations’ IMC strategies. The surge of IMC has lead to what has been described as a ‘circle of synergy’ for brands (Schultz, 2006). This is due to the fact that the same advertising message is repeated through various media vehicles, which in turn consolidate and reinforce a distinct view of the brand within consumers’ minds (Homer, 2009; Karrh et al., 2003).

Product placement is not intended as a standalone component of the advertising mix; hence it needs to be supported through an integrated marketing communications and promotional strategy (Welsh, 2004). Advertising and promotional activities surrounding a placement prime the consumer to interpret this in terms of predetermined attributes, thereby aiding marketers to achieve the desired consumer response (Karrh et al., 2003). As consumers are users of many different media sources, the image portrayed needs to be consistent throughout all media types (Solomon and Englis, 1994). Moreover, consumers do not absorb media messages in isolation but take into account the context in which the message appears (Solomon and Englis, 1994). As a standalone tool, product placement has been seen to generate brand awareness and reinforce an existing brand image. However, in order to generate positive effects on trial and sales, an IMC strategy is required (Russell and Belch, 2005). Whether the tool is advertising, public relations, sales promotion or product placement, all need to be aligned to create a consistent brand message (Solomon and Englis, 1994). Another advantage of the incorporation of product placement into IMC is that placements can serve as a long term reminder of other forms of advertising utilised (DeLorme and Reid, 1999).

In some cases, the product placement is extrinsically linked to the entertainment content, hence giving rise to synergy between the two (Bullen, 2009). An example of this is the advertising of Chrysler’s 300C in the film *Firewall* starring Harrison Ford. In the advertisements it is difficult to tell whether the film or the car is being promoted. Here, it is argued that the most effective product placements are organically woven into the media, eliminating any risk of consumers being irritated when their attention is diverted to a commercial offering (Russell and Belch, 2005).

**Media contest**

The advantage that product placement has over traditional advertising is that processing of the context is more likely than not to be done intentionally, whereas traditional advertisements are processed incidentally. Furthermore, it is suggested that brand associations are more powerful when the advertising of the brand is executed in a creative media that matches the contextual appeal of the brand (Dahlen, 2005). In order for product placement to be successful, it is essential that the exposure to the brand is subtle, there is the addition of realism to the content of the medium, and consumers are influenced in an unobtrusive way. Heightened brand awareness and positive associations with a brand can be caused by placing brands in positive, natural and sincere contexts (van Reijmersdal et al., 2005). It is further suggested that expectations and brand objectives will not be met if a brand is placed in a television show without consideration of the composition of the audience and the fit between the brand and the show (Shaw, 2005).

The extent to which the context of product placement will influence consumers depends largely on active associations stored in memory, which are triggered by the awareness of the brand and its context (van Reijmersdal et al., 2009). In a study undertaken by Dodd and Johnstone (2000), it was asserted that those individuals who enjoyed or liked a film showed a higher level of brand salience and significantly higher brand recall than those who disliked the film. However, one of the major challenges in product placement is matching the brand with the content so as not to remove viewers’ focus from the actual storyline (Crupi and France, 2005).

For placement in television programs, d’Astous and Seguin (1998) suggest that the type of program may influence consumers’ attitudes toward a product placement.

For example, it has been proposed that reality shows are extremely popular, especially amongst the youth market, and that these shows provide notable opportunities for product placements (Heinemann et al., 2005). In addition, soap operas may offer promising opportunities for product placements, particularly for the more mature market.

The relationships that viewers establish with soap opera characters have been described as a ‘marketer’s dream’ as audiences have an affinity with, and possibly even respect for, these actors and actresses (Albiniaik, 2005). Thus, it is surmised that this may lend itself to credible transmission of the message.
Consumer reaction to product placement in media

As product placement assumes greater acceptance as part of an IMC strategy in various entertainment media, it has become important to gain a clear understanding of how consumers react to the practice of product placement (Cornelissen, 2003). The majority of respondents in prior studies conducted in America were found to be aware of the motives behind the practice (Benjamin, 2005; Gupta et al., 2000; d’Astous and Chartier; 2000; Gupta and Lord, 1998). Somewhat surprisingly, in a study by Solomon and Englis (1994), it was uncovered that product placement has become so prominent that over 20% of respondents actively looked for placements within various media.

Karrh (1998) interviewed a number of university students, with the findings revealing that the majority of respondents did not object to product placement and preferred it to traditional advertising, which they deemed to be obtrusive. This finding was reaffirmed in a study based on movie goers in the United Kingdom in which over 70% of the respondents said that they preferred product placement advertising to traditional advertising (d’Astous and Seguin, 1999). Dodd and Johnstone (2000) further support this by claiming that the majority of participants in their study did not only support product placement but, when utilised appropriately, responded positively to marketing efforts. Although consumer reaction to product placement is generally found to be positive, consumers were noted as disliking excessive and inappropriate placements which clashed with their expectations of the media (d’Astous and Chartier, 2000; DeLorme and Reid, 1999).

Other commentators are doubtful of the merits of product placement, instead viewing the practice with scepticism. For example, Gordon (2003) believes that the majority of consumers who watch television and film are resistant to brands depicted in various media and, to a large extent, filter out product placements. Some consumer protection groups have gone so far as to equate product placement with subliminal advertising and have therefore suggested it is harmful to consumer interests (Gupta et al., 2000; d’Astous and Chartier, 2000). Product placement of ethically charged categories such as guns, alcohol and tobacco has prompted considerable negative reaction (Smith and Foxcroft, 2009; Karrh, 1998), particularly when exposure to the youth is involved (Bullen, 2009; Gupta et al., 2000). As the principle of product placement is reflective of the proceedings of everyday life, it has been counter-argued that product placement may, in fact, add a degree of realism to entertainment content (DeLorme and Reid, 1999), in much the same way that consumers interact with branded products on a daily basis (Homer, 2009; Donaton, 2004).

Yet, poor integration of product placement may damage the relationship between media, brands and consumers. Gupta et al. (2000) devised a four point guideline for the implementation of product placement to aid in the development of positive consumer reactions. Firstly, as consumers oppose repetition in traditional advertising, advertisers should follow a similar lead and minimise repetition in any one screening. Secondly, product placement must remain realistic and within the context of the particular medium so as not to be disruptive. Thirdly, marketers should place restrictions on involving ethically charged products in media. Fourthly, as many consumers have expressed their willingness to experience product placement, marketers should embrace this opportunity and resist any legislative attempts to abandon it.

METHODOLOGY

A survey, using an online questionnaire, was adopted to collect data for the purposes of the empirical component of the study. A convenience sampling approach was used, as is often the case with Internet-based studies. A total of 297 usable questionnaires were submitted by respondents and entered into Statistica for statistical analysis.

The sample was slightly biased in favour of female respondents (55%) versus male respondents (45%). As it typically the case with product placement studies (de Gregorio and Sung, 2010), the mean age of respondents is skewed toward a younger cohort, as approximately half (55%) of respondents were between the ages of 15 to 22 years, with a further quarter (21%, specifically) between the ages 23 and 30. The bulk of the remainder of the sample consisted of consumers in their thirties to mid forties. Due to the sensitivity aspect of probing consumers on their personal or household income, this was not included in the research instrument, as a socio-economic analysis fell outside of the scope of this particular research project. Correspondence analysis was used to analyse the associations between various scenarios and consumer responses. Hypotheses, and Chi-square scores, are presented in each instance to test the associations at a macro level.

RESULTS

Fundamental consumer reaction to product placement

We endeavoured to determine consumer attitudes towards the practice of product placement, in an effort to understand fundamental consumer reaction to product placement. In the questionnaire, respondents were asked to select the reasons they enjoy watching product placements. The main reason cited (39.7%) was that product placement made entertainment media more realistic. The second most prominent factor (28.8%) was that consumers enjoyed seeing brands that they were familiar with in entertainment media. Here, the predominant theme is one of authenticity – it would appear that brands assist viewers to relate to the action. The full set of results is reflected in Table 1.

The other options: products help me relate to the characters; products give me a better understanding of who a character is; and I do not like seeing products in entertainment media all received a low percentage of total responses of 12.1, 12.8 and 6.6%, respectively.
Table 1. Consumer attitudes towards the practice of product placement.

<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
<th>Percent of responses</th>
<th>Percent of cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>I enjoy seeing products that are familiar to me</td>
<td>126</td>
<td>28.77</td>
<td>42.42</td>
</tr>
<tr>
<td>Products makes the entertainment more realistic</td>
<td>174</td>
<td>39.73</td>
<td>58.59</td>
</tr>
<tr>
<td>Products help me relate to the characters</td>
<td>53</td>
<td>12.10</td>
<td>17.85</td>
</tr>
<tr>
<td>Products give me a better understanding of who a character is</td>
<td>56</td>
<td>12.79</td>
<td>18.86</td>
</tr>
<tr>
<td>I do not like seeing products in entertainment media</td>
<td>29</td>
<td>6.62</td>
<td>9.76</td>
</tr>
<tr>
<td>Totals</td>
<td>438</td>
<td>100.00</td>
<td>147.47</td>
</tr>
</tbody>
</table>

Analysis of fundamental consumer reactions suggests that product placement is, generally, well received.

Media context and product placement

In order to better understand the relationship between media context and product placement, the following hypothesis was investigated through a correspondence analysis (reflected in Figure 1):

H₀: There is no significant association between the context in which a product is placed and consumers’ feelings towards that particular product.

H₁: There is a significant association between the context in which a product is placed and consumers’ feelings towards that particular product.

As χ² = 1932.95 exceeds the critical value of 36.42, H₀ can be rejected at the 5% significance level.

It can therefore be concluded that a significant association does indeed exist between the context in which a product is placed and consumers’ feelings towards that
particular product.
 Dimension 2 (the y-axis) explains 27.14% of total inertia and dimension 1 (the x-axis) explains 60.72% of total inertia. Although focus should primarily be placed on dimension 1, dimension 2 cannot be ignored and both should be interpreted. The following significant associations are noted (that is, excluding the -0.2 to 0.2 range):

i. Consumers have very positive feelings towards products which are placed in scenes that make them laugh.
ii. Consumers have somewhat positive feelings towards products which are used by a news presenter and when a product is used by their favourite celebrity.
iii. There is no impact on consumers’ feelings towards brands which are advertised in the background of a scene (e.g. billboard).
iv. There is a weak association linking no (that is, very little) impact on consumers’ feelings with products placed in a highly sympathetic context (e.g. dying request).
v. Consumers have somewhat to very negative feelings towards brands which are placed in a scene with negative overtones (e.g. a murder scene).

It would therefore appear that there is a strong correlation between certain settings and environments and the response generated by consumers with respect to product placement.

Where emotions are aroused, consumers seem most responsive. In particular, humorous scenes were found to elicit very positive feelings towards products, whereas a mixed reaction was found in scenes with a negative slant. Sympathetic contexts elicited very little response, whereas highly charged scenes cast a negative light on product placements.

This may be due to the viewer feeling entrenched in the action, with any commercial messaging proving an unwelcome distraction. Once again, this reinforces the view that product placement should not be obtrusive.

**Consumer brand memorability**

In an attempt to understand the impact that product placement has on the memorability of the promotion of the merchandise, we undertook to test the following hypothesis through a correspondence analysis (reflected in Figure 2):

**H0:** There is no significant association between implementation of product placement and the extent to which consumers remember the product placement.

**H1:** There is a significant association between implementation of product placement and the extent to which consumers remember the product placement.

As $\chi^2 = 151.127$ exceeds the critical value of 21.02, $H_0$ can be rejected at the 5% significance level. It can therefore be concluded that there is indeed a significant association between implementation of product placement and the extent to which consumers notice the product placement.

Dimension 2 (the y-axis) explains 24.34% of total inertia and Dimension 1 (the x-axis) explains 70.62% of total inertia.

Thus, focus must be placed on Dimension 1, although Dimension 2 should also be taken into account. The following significant associations are noted (that is, excluding the -0.2 to 0.2 range):

i. Consumers strongly agree that they take notice of a product when it is an important part of the storyline.
ii. There is a moderate association between consumers agreeing that they notice products when they are visually integrated into the entertainment medium.
iii. Consumers strongly disagree that they notice a product when it is merely verbally integrated into the entertainment medium.
iv. There is a moderate association between consumers having neutral feelings towards the extent to which they notice a product when it is both visually and verbally integrated into the entertainment medium.

We thus note that product placement is most effective when the product forms an integral role in the storyline. This ensures that the product is noticed and mentally attached to the action for heightened memorability. Furthermore, visual integration is paramount, whereas verbal integration in tandem with visual integration also seems advisable to ensure a lasting memorability effect. This is not particularly surprising as television and cinema is a predominantly visual form of media and therefore lends itself to showcasing the form factor of the product in question.

**Consumer purchase intentions**

Lastly, we endeavoured to determine the linkage between motivation induced by product placement and the consumers’ propensity to purchase the merchandise on display. To this end, the following hypothesis is investigated through a correspondence analysis, with the results reflected in Figure 3:

**H0:** There is no significant association between consumer purchase intentions and the resulting motivation induced by product placement.

**H1:** There is a significant association between consumer purchase intentions and the resulting motivation induced by product placement.

As $\chi^2 = 296.741$ exceeds the critical value of 26.29, $H_0$ can be rejected at the 5% significance level. It can therefore be concluded that a significant association does indeed exist between consumer purchase intentions and the resulting motivation induced by product placement.
Figure 2. Correspondence analysis of brand memorability. Eigenvalues: 0.0887, 0.0306, 0.0063. Total chi-square = 151.127, df = 12, p = 0.000.

Figure 3. Correspondence analysis of consumer purchase intentions. Eigenvalues: 0.16909, 0.02361, 0.0039, 0.0012. Total chi-square = 296.741, df = 16, p = 0.000.
Dimension 1 (the x-axis) explains 85.47% of inertia, whilst Dimension 2 (the y-axis) explains a mere 11.93% of total inertia. Thus, Dimension 1 will be considered exclusively in the analysis. The following significant associations are noted (that is, excluding the -0.2 to 0.2 range):

i. Consumers disagree and strongly disagree that they are more likely to buy a product because they attribute a higher level of trust to it when witnessing others using it.
ii. Consumers disagree and strongly disagree that they are more likely to buy a product because they have an emotional connection to the entertainment media in which the product is placed.
iii. Consumers strongly agree that they are more likely to buy a product because they want to be like the celebrity who uses the product in the entertainment medium.
iv. Consumers agree that they are more likely to buy a product because the use of the product in the entertainment media exposes key personality traits.

This particular test produced an intriguing set of results, suggesting that consumers acknowledged the artificial setting and that this may ultimately influence their decision whether to purchase or not. The findings imply that consumer appeal may be enhanced through product placement, but not necessarily trust in the product. Effectiveness is enhanced where viewers can personally identify with celebrities associated with the product. Previously in this study, the setting within the entertainment media was found to produce different levels of response. However, according to the aforementioned test, the format of entertainment media [that is, small screen (television) versus large screen (cinema)] did not produce the same results and therefore does not appear to influence purchase intention.

DISCUSSION AND FURTHER RESEARCH

The importance of synergy between product placement and other components of integrated marketing communications (IMC) was repeatedly flagged throughout all elements of research as being central to creating successful placements. Generally, when product placement is used in isolation, the outcomes of the campaign exhibit muted success. Marketers are therefore advised to develop a holistic strategy whereby product placement is used in conjunction with other above and below the line advertising techniques.

Consumers are generally in favour of product placements that add value to the entertainment by making it more realistic and that add a sense of familiarity. This can aid in transporting them into a virtual realm which has parallels with their day-to-day existence. Consumers appear to relate well to this connection between the two worlds. Connected to the earlier statement, it was also found that product placement is most effective when the product is strategically woven into the storyline, highlighting its significance. Interaction between the characters and the product heightens this effect. As expected, visual integration is paramount, therefore the richness of such media lends itself to viewing the product and marketers should therefore use the opportunity to showcase this through optimal visual stimulus. Verbal integration was found to enhance this effect, but not sufficient to achieve this exclusively.

A number of findings are evident with respect to the connection between media context and product placement. Firstly, consumers have positive feelings towards products placed in a humorous context; products placed in general information shows; and products which are utilised by popular characters or celebrities. Secondly, when a product placement is not obvious (e.g. a product placed in the background of a scene) consumers are either unaware of the placement or the placement has little impact on their attitude towards the brand. Thirdly, in a similar vein, when a product is placed in a highly emotive, dramatic or intense scene, consumers appear somewhat unaffected by the placement.

Lastly, in contrast, consumers exhibit unfavourable responses when products are placed in scenes with a negative or ethically charged tone. Thus, marketers should be aware that attaching their brands to scenes involving anxiety, death or destruction may be considered high risk.

Dramas, soap operas and reality shows are amongst the most effective genres in which to implement product placement because consumers become highly involved in the shows and thereby form a relationship with the medium, heightening the effectiveness of product placement.

Both the empirical research and the literature review established that a fundamental association must exist between the product and the entertainment package in order for the placement to be successful.

Celebrities play an important role in the success of a product placement, owing to the fact that many consumers admire certain celebrities and perceive such placements as implied endorsement. Research further afield reveals that the benefits that occur due to this implied celebrity endorsement include positive attitudes towards a brand and an increase in purchase intentions. Our research reveals that fictional characters that are admired by consumers and who utilise products in such entertainment media do positively influence consumers’ purchase intentions, although these individuals are not necessarily duped into trusting the actual products any more than usual.

Although not explicitly investigated in this research, we surmise that product placement is more conducive to showcasing low-involvement products than expensive, high-involvement product. In part, this is due to the fact that less information is typically required when routine
purchases such as groceries and household items, thereby inducing impulse purchases of such goods. In contrast, high-involvement products (such as expensive jewellery or a motor vehicle) require a far more extensive information search prior to purchase. We believe this is of interest value and merits further attention in future studies. It also stands to reason that repetition of the product placement is advantageous. However, a tipping point might exist whereby viewers become irritated with this ongoing promotion. Further investigation is thus encouraged in this respect.

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REFERENCES