

# Movie Consumption and Brand Placement Preferences of Young Adults

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Cite as:

THOMAS SUJO, Kureshi Sonal, Sood Vandana (2019), Movie Consumption and Brand Placement Preferences of Young Adults. *Proceedings of the European Marketing Academy*, 48th, (8276)

Paper presented at the 48th Annual EMAC Conference, Hamburg, May 24-27, 2019.



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### **Abstract:**

Brand placement is a blend of marketing communication practice into entertainment to influence consumer attitude towards the brand in more subtle ways. The purpose of this study is to provide insights from an emerging market perspective with respect to young adults preference for brand placements in movies as well as movie consumption. Further, it uses modeling of consumer preferences among multi-attribute alternatives of brand placements. Using convenience sampling, 465 respondents were provided with hypothetical brand placement descriptions to capture their preferences. Multi-factor choice situation trade off amongst elements like, movie type, placement mode, plot integration and actor endorsement were considered for this study. The results indicate that respondents have clarity about elements that they consider important in brand placements as observed from the group average importance scores. The findings of this study would help marketers take crucial decisions for brands by determining young adults preferences regarding brand placements in movies.

*Keywords: Brand placement preference, movie consumption, young adults*

*Track: Consumer Behavior*

## **1. Introduction**

Brand placement has received significant attention from academicians and practitioners alike (Nagar, 2016). The blending of this marketing communication practice into entertainment is a reflection of marketers attempt to seek a more reliable media to influence consumer attitude towards the brand in more subtle ways (Balasubramanian, Karrh & Patwardhan, 2006; Russell, 2002). The practice of embedding brand within a variety of media like movies, television, video games, novels, internet and music videos has been spreading since two decades (Allan, 2010; Balasubramanian et al., 2006; Schomll, Hafer, Hilt & Reilly, 2006; Karrh, 1998) and reflects how viewers can be persuaded by business sponsors (Balasubramanian, 1994). Movie producers often consciously place brands in movies to generate additional income while creating promotional benefit for marketers (Russell and Belch, 2005). However, movies have remained the most traditional and prevalent avenue for brand placements over time (Jin and Villegas, 2007) as the movie audiences are totally engaged with the movie and consequently the brands placed in the movies.

India represents a relatively unique country to evaluate brand placement in movies given the fact that Indian movie industry is the largest in the world (Minocha and Stonehouse, 2006) producing more than 1000 movies every year across twenty languages (Nielsen, 2014). It is reported that 20% of Bollywood films have formed brand associations using in-film placements and co-branding (Malvania, 2017). In a disruptive media landscape, the Indian consumer's preferences towards brand placements in movies could generate in-depth insights for brand managers with respect to the diverse factors that might affect the effectiveness of brand placement in movies. The main target group for in-film placements globally are the young adults as it converges with their lifestyle (Srivastava, 2016). In 2017, almost 71% of the movie going audiences comprised of youth in the age group of 15 to 24 years (Jha, 2017). Hence, this study specifically examines brand placement preferences of young adults in movies.

This study extends the current research on brand placement on two counts. First, it provides insights from an emerging market perspective with respect to young adults preference for brand placements in movies as well as movie consumption. Second, it uses modeling of consumer preferences among multi-attribute alternatives of brand placements, making it a unique study, as

no prior study to the best of our knowledge has pursued this approach. The purpose of this study is to contribute to the literature on brand placement by revealing movie goers multi-attribute preferences for different execution styles of brand placements in movies such as, movie type, placement mode, integration with the plot and actor endorsement of the brand. Further, it generates knowledge about movie consumption by exploring variation in preferences for brand placements in movies for young adults. The findings of this study would help marketers take various decisions for their brands by determining young adult preferences regarding brand placements in movies.

## **2. Brand placement defined**

Brand placements are often known as product placements and have been used inter-changeably in literature. Originally brand placement were paid planned and unobtrusive messages of a branded product into a movie/television program to influence audiences (Balasubramanian, 1991). Over time as the forms of placements evolved, the definition of 'brand placement' underwent several changes. Gupta and Gould (1997) refined it by clarifying that brand appearance were for monetary, promotional or other considerations, while Karrh (1998) expanded the scope saying that it included all mass media appearances of all brand identifiers through audio and or visual means, within the programming. The brand appearances were not accidental but were a conscious decision as a part of brand communication strategy. Although movies and television were the main channels where brand placements were incorporated over time, brands identified other nontraditional medium like songs, video games, books etc. where placements could appear (Karrh, 1998).

## **3. Theoretical foundation**

### *3.1 Transportation-imagery model*

Transportation theory helps understand the persuasive power of narratives. It is conceptualized as a distinct mental process, which is a fusion of attention, imagery, and feelings. According to Green, Brock & Kaufman (2004) "transportation itself is a tripartite formulation (attention, imagery, feelings) of persuasive communication that entails constructs well-known to communication theorists, including absorption and identification". The premise of the transportation-imagery model (Green and Brock, 2002), is that narratives whether watched, read, or heard result in a mental transportation into the world conjured by the narrative. The level of transportation will be

determined by the combination of individual characteristics (Green et al., 2004), the properties of the medium (Gerrig and Prentice, 1996) depending on the degree to which the characters, events, plots, settings, and other elements of the narrative stimulate the persons' imagination (Van Laer, Ruyter, Visconti & Wetzels, 2014). Recently, Redondo and Bernan (2016) used this model to compare effectiveness of brand placement with conventional advertising and found that the effects of promotional stimuli integrated into movies would be stronger for well-established products compared to conventional advertising. Our study has adopted transportation imagery theory to understand individual's movie consumption and the preferences towards brand placements in movies.

#### **4. Movie consumption and brand placement in movies**

A frequent moviegoer is defined as a person who watches films at least once a month (Chan, Lowe & Petrovici, 2017) in concurrence with definitions provided by Motion Picture Association of America, (2005) as well as that provided in the academic literature (Chakravarty, Liu & Mazumdar, 2010). The frequent movie viewers were exposed to the practice of brand placement and over time considered it a positive part of the movie itself, thus, translating into the positive evaluation of the brand placed (De Gregorio and Sung, 2010). In the Indian movie industry, consumers discover the latest fashion trends from movie star who holds an iconic status due to which marketers acquire a virgin avenue to promote the brands through movies (Kureshi and Sood, 2011; Kripalani, 2006; Panda, 2004). Broadly speaking, brand placements are less intrusive than traditional advertisement hence are likely to be perceived more positively (Chan et al., 2017). In case of brand placement in movies and television shows, studies have identified that viewer's attitude towards placements influenced recall, recognition and purchase intention of the brands placed (Babin and Carder 1996; Gupta and Lord, 1998).

The genre of the movie results in varying emotional reaction and in turn affects the memory for brand placements appearing in the movie. Comedy, drama and action are the three most popular form of genre in movies. In Bollywood, 67% of the brand placements were found to be in drama movies followed by 18.8% in action and 14% in comedy movies (Kureshi and Sood, 2011). Although audiences were most fond of comedy movies, brand placements in drama films have got a better recognition rates (Park and Berger, 2010). Movie genre liking also affected the implicit attitude towards the brand placed in the movie (Gibson and Zimmerman, 2013). Thus, movie genre

was the first element included for this study. The three forms of genre which were included under 'type of movie' were - comedy, action and drama. The evaluation of placements was processed based on how it was depicted in the movie. The brand recall was found to depend on the mode of placement (visual and verbal), integration with the plot and connection to the main actor (Park and Berger, 2010; Brennan, Dubas & Babin, 1999; Russell, 1998; Gupta and Lord, 1998). Prior research indicated that recall was affected by different modes of brand placement, such as 'prominence / subtlety 'and 'audio-only / visual-only presentations (Gupta and Lord, 1998; Sabherwal et al., 1994). Hence, the next element included in the study was mode of placement (visual/background, usage, usage plus verbal). A comparative study of brand placements and traditional advertisements showed that well integrated brands in movies had better consumer effect on brand choice (Redondo and Bernal, 2016). Further, past studies have shown that brand placement effectiveness increased when they were well integrated with the story plot (D' Astous and Seguin, 1999; Karrh, 1994) and had connection with the movie star (D' Astous and Seguin, 1999). Therefore, integration with the plot and connection with the movie actor were the next two elements included for this study.

## **5. Research method**

The primary data for this research study was collected from 465 post graduate students from two institutes in a city in the western part of India. The sample age group ranged from 21 to 27 years which was considered appropriate because 33% of 15-34 year old age group were found to watch movies at theaters at least once per month in 2016 (Statista, 2016). A structured questionnaire was designed for data collection using convenience sampling. It was decided to provide respondents with hypothetical brand placement descriptions and capture their preferences. Multi-factor choice situation trade off amongst elements like, movie type, placement mode, integration with the plot and actor endorsement of the brand were considered for this study. Profile cards were therefore designed using three levels for movie type (action, comedy and drama/romance), two levels for integration with the plot (integrated and not integrated), mode (visual/background, usage, usage plus verbal), and actor association (main actor). In order to keep the task easy and avoid collinearity among elements, an orthogonal fractional factorial design was used (Winer, 1973). Nine profile cards were generated using SPSS software and two additional holdout cards were included to test the internal validity of the model.

The questionnaire was designed in two parts. The first part contained questions pertaining to movie consumption of the respondents and it established details like, the kind of movie they preferred, frequency of movie viewing, whom and where they preferred to watch and what amount they were willing to spend on watching movies. Afterwards, each respondent was provided randomly arranged set of 9 profile cards which contained description of 'fictitious brand placement' in movies and respondents were asked to express their preference for various type of brand placements that they could view in a movie. They were asked to rate each profile on a scale of 1 to 5 with 1 being the least preferred and 5 being the most preferred. Before rating the 9 cards the respondents were asked to rate two sample cards (holdout cards) so that they were tuned into the task ahead.

## **6. Findings and discussion**

The first part of the study looked into movie consumption by examining initially the preferences for different movie genres. 78.92% of the respondents showed highest preference for comedy genre and the difference between the mean scores across genre was statistical significant ( $F(2, 1392) = 150.07, p < .000$ ). Multiplex theatre was the most preferred place for watching movies for majority of the respondents (38%) followed by mobile phones (23%) and television (17%). It was found that consumers watched most movies on the mobile phone ( $m=4.21$ ) followed by television ( $m=4.06$ ) and then multiplex ( $m=2.01$ ). The average number of movies watched by young adults was very high at almost 12 movies per month. 75.7% of the youngsters preferred to watch movies with their friends and 12.7% with their family.

The second part of the analysis was pertaining to young adults' preference for brand placements in movies. Using conjoint analysis, the part-worth model was adopted to evaluate the profile cards. The average correlations between observed and estimated preference fit for the respondents' evaluations showed a good fit with an  $R^2$  value of 0.91 and an estimated degree of error of .006. This signified that the model fitted the data very well. Furthermore, the internal validity, as measured against the holdout cards, indicated an adjusted  $R^2$  of 0.87. This indicated that the holdout cards and the 9 profile cards showed significant internal validity. The results indicate that respondents have clarity about elements that they consider important in brand placements. The group average importance score showed that integration with the movie plot was

highest (34.93) followed by the type of movie where it is appears (26.57) and then the mode of (23.03) and lastly connection with the actor (15.461). Therefore, the utility score gives an indication of how much benefit the respondent group perceives from a particular level for each feature. In this present study, the individual utility suggests that the most preferred form of brand placement in movies would be a combination where a brand is placed “in a comedy movie and is integrated with the plot showing usage with actor connection”.

## **7. Conclusions and implications**

This study extends prior research in the area of brand placement in movies. The findings revealed that movie consumption of young adults was high, consistent with previous findings which indicated that movie consumption of young adults was extremely high ranging from few movies every week to almost one movie per day (Chan et al., 2017). This implies that brand managers could use this opportunity to target the segment of young adults in a captive situation.

Another interesting insight from this study is that marketers can concentrate their efforts towards those attributes which are important to consumer groups for effective brand placement in movies. Comedy movies would definitely provide marketers better placement opportunities for brands and it would be enhanced when the brand is well integrated in the movie scene further displaying the brand usage through the main actor in the movie. Henceforth, this study has taken a fresh approach in investigating how to incorporate a specific combination of elements while placing brands in movies with greater effectiveness thereby having implications for marketers who want to employ product placements.

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