TOWARD AN UNDERSTANDING OF THE PRODUCT PLACEMENT EFFECT:
CONSIDERING THE IMPACT OF BRANDED ARTIFACTS IN MEDIA
ON CONSUMERS’ COGNITIVE, AFFECTIVE
AND CONATIVE RESPONSES

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To the Faculty of Washington State University:

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to me. Because of you I have confidence in myself. To my friends, family, and loved ones that have taken an interest in me, cared for me, loved me, and stuck with me through the good and bad, from the bottom of my heart, thank you all.
This dissertation is an effort to further understand the impact of product placement advertising on consumers in three essays. Essay 1, presents a meta-analysis of the product placement domain in effort to better understand the impact of product placement on consumers’ brand recall/recognition, brand attitudes, and behaviors. Analyses reveal a significant positive effect of exposure to product placement for all three response types, indicating cognitive elaboration, para-social relationships between consumers and characters, and mimicry as the theoretical foundations for cognitive, affective, and conative effects, respectively. Analyses further indicate that product placement advertising is less effective for cognitive responses, but more effective for affective and conative responses compared to traditional advertisements. In addition, exposure to blatant product placements results in a larger positive effect than exposure to subtle product placements across all three outcome variables. Lastly, compared to adults,
children are less likely to recognize, but hold more favorable attitudes and behaviors toward placed brands.

Essay 2, explores consumers’ perceptions of product placement through the introduction of the Consumer-Schematic Taxonomy of Product Placement, defined as the knowledge structures consumers develop in order to understand and cope with product placement advertising. This taxonomy is investigated through the development of the Assent to Branded Artifacts in Media construct—defined as a consumer’s general receptiveness to product placement as an effective and helpful guide in consumption decisions—and empirically concludes that adults possess the ability to simultaneously consume narrative and evaluate placements, indicating that product placement advertising may not be a form of covert marketing.

The third and final essay considers the role of product placement in narrative by proposing that placements can offer benefits to consumers through proper product placement fit. Results indicate that consumers report more favorable brand evaluations when their narrative consumption goals (i.e., goal attainment and enjoyment) are met through exposure to product placement advertising, compared to when their goals are not met through exposure to product placement advertising. Taken together, I argue these essays provide a greater understanding of the product placement effect and validate product placement advertising as a viable promotional method.
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Dedication

For their unconditional love and support, I dedicate this work
to my Mother, Father and Sister.
CHAPTER I

INTRODUCTION

An Overview of the Dissertation and an Introduction to the Three Essays Contained Within
Product placement advertising can be defined as a commercial device by which marketing messages are incorporated into the context of mass media programming and narrative (Russell 2002). As a marketing tool, product placement is expanding rapidly in television and film (Newell, Salmon and Chang 2006). It has quickly become another medium seized upon by marketers who are interested in incorporating their products into the mainstream and thereby attracting consumers (Tiwsakul, Hackley and Szmigin 2005). Since 2004, spending in the product placement industry has increased by more than 27%, to an estimated $3.61 billion in 2009 (PQ Media 2010). Moreover, continued industry growth is projected at a compounded annual growth rate of more than 9% from 2010 to 2014, further emphasizing the importance of understanding the effects of product placement on viewers’ advertising evaluations.

A large body of research has attempted to understand this product placement phenomenon and the effects of product placement on viewers (e.g., Babin and Carder 1996; Pechmann and Shih 1999; Cowley and Baron 2008; Gupta and Lord 1998; Roehm, Roehm Jr., and Boone 2004; Matthes, Schemer and Wirth 2007; Russell 2002; Russell and Stern 2005; Homer 2009). Still, several gaps in the product placement literature remain. Of these gaps, however, I believe there are three of particular importance to the advancement of product placement advertising discourse.

First, the overall effect of product placement advertising remains unknown. While some researchers find a large positive impact of product placement on viewers’ evaluations of placed products and brands (Babin and Carder 1996; Pechmann and Shih 1999), others find large negative effects (Cowley and Baron 2008; Gupta and Lord 1998), while others find little to no effect (Roehm, Roehm Jr., and Boone 2004; Matthes, Schemer and Wirth 2007). This leaves the
overall effect of product placement on viewer responses unknown to marketing academics and practitioners alike.

Second, little is known about consumers’ perceptions of product placement, how these perceptions are formed, and more importantly, whether or not product placement is a form of covert marketing. Clearly, some find product placement an acceptable advertising technique, and are subsequently highly receptive to product placements as both a key driver of narrative and as a source for enhancing attitudes toward placed products. Others, however, are much more critical of the product placement technique, going as far as to question not only the ethical implications of product placement, but also the negative impact on artistic integrity and the infringement of product placement on freedom of speech (Wenner 2004).

Third, little of the extant literature considers potential benefits of exposure to product placement for consumers. Instead, a considerable amount of effort has been dedicated to demonstrating that product placement holds no value for consumers (Tiwsakul, Hackley and Szmigin 2005; Wenner 2004). Considering, however, that enjoyment is recognized as the central motivation for viewing media (Vorderer et al. 2004), it therefore stands to reason that as product placement is increasingly integrated into storylines and plots, it may be possible that the use of product placement can not only increase the connection between viewers and characters or programming, but may also help fulfill entertainment goals associated with consuming mass media.

Thus, the purpose of this dissertation is to explore and understand these three gaps in the product placement literature. To this end, this work begins with an empirical investigation of the effect of product placement on viewer advertising evaluations through a synthesis of the extant literature. Next, a schematic network associated with consumers’ perceptions of product
placement is developed, and an assent to product placement construct is validated to understand these knowledge structures and empirically test product placements as covert marketing. Finally, product placement is proposed as a benefit to consumers through considerations of their narrative based consumption goals and product placement fit is introduced. By fulfilling these objectives, a better understanding of the previously mentioned gaps in product placement literature is obtained, and potential theoretical and managerial implications are addressed.

RESEARCH CONTEXT AND AGENDA

This dissertation is offered as a contribution to product placement discourse in an attempt to answer the following research questions.

1. *Does product placement matter?* Is there a general, quantifiable effect of product placement on viewers’ advertising evaluations? (Essay 1)

2. *Is product placement covert marketing?* Do consumers possess the ability to simultaneously process narrative and evaluate brands and products presented to them through product placement advertising? (Essay 2)

3. *Can product placement benefit consumers?* Do specific placement manipulations exist such that individuals appreciate the presence of product placement, and what is the subsequent outcome on brand evaluations? (Essay 3)
ORGANIZATION OF THE DISSERTATION

While the three essays are presented as distinct bodies of research, they do share a common theoretical foundation. As such, chapter 2 offers a literature review of product placement theory and practice. The chapter begins with a brief overview of the history and practice of the product placement phenomenon and continues with a review of published literature addressing the product placement effect, examining both the impact of placement manipulations and varying viewer qualities.

Following the literature review, essay 1 in chapter 3 is presented as a meta-analysis of the domain, considering consumers’ cognitive, affective, and conative responses. Essay 1 also introduces the multiple meta-analysis method, a meta-analytic technique developed to synthesize the available research in a given discipline when previously published effects are relatively orthogonal, and thus, not able to be synthesized using traditional meta-analytic techniques.

Within essay 2 in chapter 4, the Consumer-Schematic Taxonomy of Product Placement, is developed and defined as the knowledge structures consumers develop in order to understand and cope with exposure to product placement advertising. Chapter 4 continues by addressing the manifestation of an individual difference that drives viewers’ acceptance of and receptiveness to product placement as an effective and useful commercial vehicle. Moreover, this individual acceptance of product placement construct is validated as a significant predictor of individuals brand attitudes toward placed products and brands. To conclude chapter 4, this taxonomy and construct are employed to examine individuals’ ability to evaluate exposure to product placement advertising while concurrently processing presented narratives.
The impact of product placement on individuals’ narrative consumption enjoyment is considered in essay 3 of chapter 5 by detailing the role of product placement as a contributor to viewers’ narrative-based consumption goals. Product placement fit is defined as the degree to which a product placement is incorporated into a narrative such that the placement itself increases consumers’ enjoyment of the media. This fit is organized into two distinct dimensions: affective and narrative fit. Essay 3 is concluded by considering the mechanisms through which product placement fit impacts consumers’ subsequent brand evaluations.

Finally, a summary of the contributions of these essays is provided in chapter 6 through an overview of the work. Among other remarks, this overview pertains to the general academic and managerial conclusions stemming from the results, and offers an outline considering how the results of the essays complement each other. This dissertation is concluded with comments related to potential outcomes of this research, including implications regarding consumer/advertiser relationships and deceptive marketing.
CHAPTER II

LITERATURE REVIEW

An Overview of the Product Placement Domain and Past Works Considering the Product Placement Effect
PRODUCT PLACEMENT THEORIES AND CONCEPTS

In this chapter, an overview of product placement as a foundation for the three essays is provided, beginning with a discussion of the history and practitioner structure of the industry. Next, an outline of the commonly manipulated effects of product placement in research and practice is offered, and past research considering viewer’s attitudes toward product placement as an advertising technique is examined. The chapter concludes with a discussion of the role of emotion and affect in viewer’s responses to exposure to product placement.

THE MANAGERIAL FRAMEWORK AND HISTORY OF PRODUCT PLACEMENT

Product placement as an advertising technique has existed since the invention of Lumière films in the 1890s (Newell, Salmon and Chang 2006). Only with the commercial success of Reece’s Pieces in the 1982 film *E.T.: The Extra-Terrestrial*, however, was the product placement phenomenon born (Snyder 1992). By 2009, the product placement industry had grown to a $3.61 billion industry (PQ Media 2010). Moreover, growth in the industry is expected to continue. Between 2010 and 2014, the product placement industry is projected to grow at a compounded annual growth rate of 9.2 percent, confirming that product placement is becoming an accepted method for promoting brands and products to consumers (Tiwsakul, Hackley and Szmigin 2005). As such, continued investigations of this growing industry are warranted.

There are three main players in the product placement industry, namely: clients, studios/production companies, and agents (Russell and Belch 2005). Clients are defined as companies that provide their products or brands for use as placements (e.g., Coca-Cola and
Verizon Wireless). Recognizing added benefits offered by product placement advertisements, clients utilize product placement advertising as a means to effectively promote their products to consumers (Russell and Belch 2005). These benefits include, but are not limited to, establishing brand personalities through associations with characters and programs and the intrinsically captive audience exposed to the placement during media consumption. Studio players (e.g., Paramount Pictures, Sony Pictures, Disney, Universal Studios, Warner Bros. Entertainment and 20th Century Fox) are those that actually produce the programming (e.g., television shows, films, music, music videos and books). Studios use product placement advertising to off-set costs of production by charging clients for the opportunity to feature their brands, or to gain easy access to props and sets without incurring costs that would otherwise take away from the bottom line.

Agents act as intermediaries between the clients and studios (e.g., Creative Entertainment Services, Pier 3 Entertainment, Davie-Brown Entertainment and HERO Entertainment Marketing). Product placement agents operate in a similar fashion to that of traditional advertising agents. Agents make clients aware of placement opportunities by working closely with studios and producers. They are traditionally compensated through contracts with clients outlined by the quantity of placement opportunities offered to the client. For all three players, the most common measure of the effectiveness of product placement is the number of exposures the placed product receives (Russell and Belch 2005). In academic research, however, the effect of product placement is measured through more traditional advertising measures like brand recall, brand attitudes and purchase intention. As such, the following section describes the measurement of the product placement effect from an academic perspective.
MEASURING THE EFFECT OF PRODUCT PLACEMENT

Most often in product placement literature, the effect of product placement is considered from a behavioral perspective, examining the impact of different manipulations of placements on viewer advertising responses (e.g., Russell 2002, Gupta and Lord 1998, Homer 2009, Cowley and Barron 2008, Law and Braun 2004, Auty and Lewis 2000). Of these published works, manipulated variables can be generalized into three categories: a general effect of exposure to product placement, manipulations of the placement, and manipulations or considerations of individual differences across consumers.

The General Effect of Exposure to Product Placement

A considerable amount of research examining the effect of product placement on viewer advertising evaluations has been published across multiple disciplines. The results, however, often lack consistency in both magnitude and direction. While some researchers find a large positive impact of product placement (Babin and Carder 1996; Pechmann and Shih 1999), others find large negative effects (Cowley and Baron 2008; Gupta and Lord 1998), or little to no effect (Roehm, Roehm Jr., and Boone 2004; Matthes, Schemer and Wirth 2007). One moderator that can potentially explain the significant variance in product placement results is the reported advertising response. As previously mentioned, the most frequent outcome variables in product placement literature are brand recognition/recall/salience, brand attitudes (Balasubramanian, Karrh, and Patwardhan 2006), and purchase intention/choice (Auty and Lewis 2000). While effects appear to be larger for brand recognition measures, when considering the effect of
product placement on brand attitudes and behaviors, however, results are less consistent. For example it is possible that as viewers are repeatedly exposed to product placement for the same brands (La Ferle and Edwards 2005), the repeat exposure could result in more favorable evaluations through the mere-exposure effect (Zajonc 1968), and ultimately a significant positive impact on viewers’ advertisement evaluations. In contrast, however, it is equally possible that the repeated exposure will activate persuasion knowledge, resulting in less favorable brand evaluations. As such, these competing theoretical foundations will be considered at greater length in chapter 3 of this dissertation.

The Effect of Manipulating Product Placement

Research exploring viewer response to product placement is expanding as well (for examples, see: Cowley and Barron 2008; Gupta and Gould 1997; Gupta and Lord 1998; Homer 2009; Law and Braun 2000; Lehu and Bressoud 2008; McKechnie and Zhou 2003; Russell 2002; Russell and Stern 2006). Many of these studies have examined the role of placement prominence, or how a placement is presented in a program. For example, it has been shown that viewers are more likely to recognize being exposed to more prominent the placements compared to less prominent placements (Gupta and Lord 1998). Prominence is often connected to placement modality (i.e., whether it is visual, auditory or a combination of both), as past research suggests that exclusively visual placements are less likely to be recognized by viewers than auditory placements or placements with both visual and auditory components (Law and Braun 2000). A further extension of placement prominence incorporates modality with how product placements are connected to characters and narrative (Russell 2002). Specifically, lower plot
connection placements (i.e., placements that have no impact on the story) that are visual and higher plot connection placements (i.e., placements that have an impact on the story) that are auditory are perceived by the viewer as more congruent or natural (Russell 2002). Viewers consider these congruent placements as more appropriate, and subsequently report more favorable brand attitudes toward products placed in a congruent manner (Russell 2002).

The Effect of the Manipulation and Consideration of Viewer Traits

While the majority of research has focused on aspects of the placement, per se, a handful of studies have also explored the role of pre-existing viewer characteristics. For example, several studies in this area indicate that males are more likely to accept ethically charged product placements (e.g., cigarettes, alcohol and guns) than females (McKechnie and Zhou 2003; Gupta et al. 2000; Gupta and Gould 1997). Research has also shown that attitudes toward products placed in a program depend on the valence of the relationships between the viewer and the character, and between the character and the product (Russell and Stern 2006). Most recently, research has shown that the more a viewer likes a program, the more likely they are to report less favorable attitudes toward products blatantly placed in the same program (Cowley and Barron 2008). Cowley and Barron (2008) postulate that the negative change in attitudes is due to feelings of betrayal experienced by viewers high in program liking when the persuasive attempt is recognized.

A subset of viewer trait research in product placement literature recognizes the impact of some dimensions of the consumer brand relationship (e.g. brand familiarity) (Wei et al. 2008). An interesting manifestation of this consumer brand relationship is characterized by consumer
connectedness to television programs (Russell, Norman and Heckler 2004). In this instance, perceptions of brands are due less to the connection between the consumer and a placed brand, but instead by a second connection defined as the consumer’s connectedness to a particular program. Specifically, Russell et al. (2004) showed that individuals higher in program connectedness will display higher brand recognition of placed products than individuals who are lower in program connectedness. This relationship is on a per program basis, meaning that individual levels of connectedness vary between programs.

Measuring the Effect of Product Placement through Firm Performance

Beyond the behavioral considerations of product placement, a smaller—yet impactful—stream of product placement literature has examined the impact of product placement on firm performance. Wiles and Danielova (2009) for example, tested the impact of product placement on firm performance and found that for successful films, the inclusion of product placements was positively related to firm performance. They also found that this effect was moderated by several factors. First, the value of the product placement was positively related to tie-in advertising, or the advertising of a brand’s appearance in a film prelaunch. This happens for three reasons. One, placements with tie-in advertising are worth more because of increase accessibility. For the consumer, a concept’s accessibility is increased by prior exposure (Higgins and King 1981), and therefore, prelaunch advertising of placed products increases the brand accessibility to consumers, subsequently increasing their likelihood of recognizing the placement in the film. Two, tie-in advertising strengthens the consumer’s meaning transfer from the film to the brand as
stronger film-brand relationships are formed. Three, tie-in advertising signals to investors the importance of the placement to the firm and an underlying strategy is implied by the investor.

Brand equity also plays a moderating role in the impact of product placements on the placed brand’s firm market value (Wiles and Danielova 2009). This is due to first the ability and motivation for a consumer to process a brand when it is familiar (possesses higher brand equity) than when it is unfamiliar (possesses lower brand equity). A second reason involves the enhancement of mapping processes. Since positive information is weighed more heavily when the concept is well regarded and familiar (Ahluwalia 2002), viewers’ mapping of the film on the placed product is easier for brands higher in equity than brands lower in equity. This ultimately increases the demand for the product in the market. The final explanation for the positive impact of brand equity on the relationship between product placements and firm market value is similar to that of the final explanation for tie-in advertising. The placement of brands higher in brand equity signals to investors that the purpose of the placement is not to simply increase exposure of the brand, but instead to enhance brand associations, ultimately leading to investor inference that the placement of brands higher in brand equity is a strategic decision.

While tie-in advertising and brand equity play a positive role in the relationship between product placements in successful films and firm market value, other factors—namely audience absorption, critical acclaim and film violence—play a negative role. Audience absorption is defined as the level of involvement viewers have in the narrative. Wiles and Danielova (2009) find that as the level of involvement in the film increases, the attention given to the placement decreases, leading investors to react poorly to films with higher audience absorption. Furthermore, the negative impact of critical acclaim on the relationship between product placement and firm market value is due to increased artistic consumption goals (Holbrook and
Hirschman 1982) and as product placement impedes these goals, consumers become irritated (Edwards, Li and Lee 2002). Subsequently, investors recognize this event and ascribe less value to placements in critically acclaimed films (Wiles and Danielova 2009). The final moderator that negatively affects the relationship between product placements in successful films and firm market value is the presence of violence in the film (Wiles and Danielova 2009). This is due to the negative reaction viewers have to violence and aggression in films (Bushman 2005), and the inference by investors that a firm that places products in violent films condones violence. Other product placement traits that predict positive firm value include the modality of the placement—specifically audiovisual placements—placements associated with recurrent characters (e.g. Danny Ocean from the *Ocean's 11* film series), and the number of times the product is placed in the film. Conversely, the number of other placements in a film and blatantly placed products negatively impact the value of the firm.

**VIEWER PERCEPTIONS OF PRODUCT PLACEMENT**

To date, the most thorough work involving viewer’s perception of product placement has stemmed from Gupta and Gould (1997), measuring general attitudes toward product placement, the need for governmental regulation of product placement, perceived realism, and attitudes toward advertising in general. While Gupta and Gould (1997) offer an important foundation for developing an understanding of viewer perceptions of product placement, this work does not account for many other product placement dimensions subsequently considered in literature and practice. Most frequently, the items generated by Gupta and Gould (1997) have been used to evaluate individuals’ believes on the appropriateness of ethically charge product placements.
(e.g., tobacco, alcohol, firearms), including cultural (Eisend 2009) and demographic differences (Hudson, Hudson and Peloza 2008). Yet to be explored, however, is viewer’s acceptance of product placement in general. In order to understand this fundamentally different perspective, attention must be turned to theory developed outside the product placement literature. Specifically, the persuasion knowledge model (Freistad and Wright 1994) and skepticism toward advertising (Obermiller and Spangenberg 1998), as these domains allow for a more general understanding of viewer perceptions of product placement.

Persuasion knowledge is defined as knowledge developed by consumers about tactics used during persuasion attempts (Freistad and Wright 1994), and is subsequently used by consumers to cope with persuasive attempts. Moreover, persuasion knowledge can be activated. Once activated, individuals are more likely to recognize persuasive episodes, and in turn lead the individual to have more control over the impact and result of the persuasive message. Similarly, skepticism toward advertising also examines individual’s responses to persuasive messages (Obermiller and Spangenberg 1998). A key difference, however, is the underlying mechanism by which the two operate. While the persuasion knowledge model focuses on the control an individual maintains over the impact of the persuasive episode on the self, advertising skepticism recognizes an individual’s general likelihood to disbelieve the claims of the persuasive message.

Both the persuasion knowledge model and skepticism toward advertising are of extreme importance to the impact of product placement on the individual. This is most apparent when considering the relationship between recognition and attitudes of placed products and brands. From a persuasion knowledge perspective, it stands to reason that recognition of a placed product or brand as a persuasive attempt will lead to activation of persuasion knowledge. Thus, changes in brand attitudes toward the placed brand should be minimized. Indeed, this rationale
leads to the product placement paradox, stating that “If you notice it, it’s bad. But if you don’t notice it, it’s worthless,” (Ephron 2003, p. 20). Furthermore, the increased usage of product placement in media (Tiwsakul, Hackley and Szmigin 2005) should lead to greater levels of skepticism toward product placement, further limiting the effectiveness of product placement on viewers’ attitudes toward placed products and brands. Considerations of persuasion knowledge and skepticism will be explored within chapter 4 as they relate to consumers’ product placement based knowledge structures.

THE ROLE OF EMOTION AND MOOD IN PRODUCT PLACEMENT

While little work has been published concerning the impact of emotion and mood on product placement, an examination of emotion and mood in the context of television commercials provides insight into expected results within the product placement domain. For example, Goldberg and Gorn (1987) examined the impact of mood derived from television programs on responses to television commercials, finding that the tone of a television program (happy vs. sad) transfers to viewers’ felt mood. Moreover, they found that in general, those who were exposed to happy programs reported advertisements as more effective in increasing brand attitudes than those who were exposed to a sad program. They also recognized an interaction between the evoked mood of the program and the type of advertisement such that television programs and commercials that invoked similar moods increased reported felt mood. Goldberg and Gorn (1987) offered two potential explanations for the effects. First, the temporal association between the different mood inducing programs and the commercials presented can precipitate affect transfer from stimulus to stimulus (Gorn 1982). A second explanation is consistency
(Brown 1965). As viewers perceive commercials as shallow and lighthearted, a television program that is also shallow and lighthearted (in their case a program that invoked the emotion of cheer) maintains consistency between the two media. In contrast, a program that is considered serious and depressing (in their case a program that invoked the emotion of sadness), is considered inconsistent, and subsequently inappropriate.

The final impact of programming mood on responses to television commercial advertising found by Goldberg and Gorn (1987) are two different dimensions of cognitive response. First, compared to individuals who were exposed to a sad program, individuals exposed to a happy program reported having generally happy thoughts while watching commercials, and offers further support for the spillover effect. The second cognitive response impacted by mood pertains to individuals’ focus while watching the commercial. Compared to individuals watching a program that invokes sad feelings, when watching a program that invokes happy feelings, individuals actually pay closer attention to the commercial.

In another study considering the impact of emotion on television advertisements, Yang and Smith (2009) explored the impact of advertisement creativity on purchase and viewing intention as mediated by emotion. In this case, advertising creativity was determined by two different dimensions, divergence and relevance. Divergence is defined as the level in which an advertisement is “Novel, different or unusual,” (Yang and Smith 2009, p. 936). Relevance, however, is defined by the degree to which the advertisement is “Meaningful, appropriate, or valuable,” (Yang and Smith 2009, p. 936) to the viewer. The interaction between these two elements of advertisement creativity is directly and positively related to positive affect. Moreover, the positive affect created by advertisement creativity is a direct predictor of viewing intentions and purchase intentions. These results are easily transferable to the product placement
domain. Assuming the placement is not intrusive (i.e., fits well within the presented narrative), as placements become more novel and appropriate, the positive affect created by the placement should predict increased purchase and viewing intentions. As viewing intention is an assessment of underlying acceptance of an advertisement, in the case of product placements viewing intention is probably better titled placement acceptance. When considered in conjunction with the results found by Goldberg and Gorn (1987), the congruence between the affective elements of the placement and program should also play a significant role in consumers’ brand evaluations, a concept considered at great length in chapter 5 through the development of the product placement fit construct.

Given this overview of the product placement domain, chapter 3 presents a meta-analysis of the product placement domain. To do this, the importance of calculating an effect size of three outcome variables, namely consumer brand recognition, attitudes, and behaviors is first recognized, and moderators of both theoretical and managerial importance is considered. Finally, the impact of these moderators is examined across the three outcome variables in an attempt to further understand the product placement effect.
CHAPTER III

ESSAY ONE

A Meta-Analytic Synthesis of Consumers’ Cognitive, Affective, and Conative Responses to Product Placement

Abstract

This essay uses meta-analytic techniques to explore the impact of product placement on consumers’ (i.e., television and film viewers, literature readers, and videogame players) brand recall/recognition, brand attitudes, and behaviors over four decades of extant research, and provides new theoretical and managerial insights. Results indicate a significant positive effect of exposure to product placement for all three product placement response types, supporting product placement as a viable and effective advertising technique. Additionally, a consideration of new moderators reveals that exposure to products placed in non-fictional narratives results in decreased brand recall/recognition but more favorable brand evaluations and behaviors, compared to exposure in fictional narratives; lower levels of brand recall/recognition, but more favorable behaviors for children exposed to placements, compared to adults; and more favorable brand evaluations when consumers are exposed to products placed in comedic versus dramatic genres.
Product placement, also known as brand integration (Balasubramanian, Karrh, and Patwardhan 2006; Romaniuk 2009; Van Reijmersdal, Neijens, and Smit 2009), is defined as the inclusion of products or brands in the context of mass media programming and narrative with the intent to persuade (Russell 2002). As a marketing tool, it is developing rapidly in television and film (Newell, Salmon, and Chang 2006), as a viable method for advertisers to incorporate their products into the mainstream media and attract consumers (i.e., television and film viewers, literature readers, and videogame players) (Tiwsakul, Hackley and Szmigin 2005). In response to the growing popularity of this advertising method, mounting research has examined the effect of product placement on brand recall and recognition, brand evaluations, and behaviors toward placed products, as evident in the qualitative reviews by Balasubramanian, et al. (2006), Romaniuk (2009), and Van Reijmersdal, et al. (2009).

These review articles clearly reveal that extant literature concerning the effect of product placement on consumer’s responses lacks consistency in magnitude, direction, and conditions under which product placements may be effective. These inconsistencies have prompted criticism from academicians and practitioners alike who have questioned whether or not an overall product placement effect exists beyond recognition and recall effects (Babin and Carder 1996; Ephron 2003). And, while the aforementioned review articles provide important qualitative summaries of the product placement domain, they are unable to empirically answer these questions regarding the effectiveness of product placement. Therefore, this essay endeavors to statistically address these inconsistencies and provide a better understanding of how exposure to product placement influences consumers’ responses by offering an empirical examination of the product placement domain through considering the main effect of exposure to product placement on cognitive, affective, and conative responses.
Results indicate an overall positive effect of product placement on cognitive, affective, and conative responses, though this effect is influenced by several moderators of theoretical and managerial importance. While some of these moderators (e.g., placement prominence and modality) have been extensively studied (Balasubramanian, et al. 2006; Romaniuk 2009; Van Reijmersdal, et al. 2009), others (e.g., genre and narrative source) have received little, if any, consideration (for an exception see Jin and Villegas 2007). As such, this essay begins with a review of existing consumer and product placement theory, offering a series of hypotheses concerning the effect of product placement on consumer evaluations. Next, an outline of the study collection procedures and research methodologies are provided, and results are presented. Finally, the theoretical and managerial implications of the findings are described and an outline of directions for future research is offered.

ESTIMATING THE PRODUCT PLACEMENT EFFECT

Product placement as an advertising technique has existed since the invention of Lumière films in the 1890s (Newell, et al. 2006). The product placement phenomenon, however, was not born until the commercial success of Reese’s Pieces following its integration in the 1982 blockbuster film, *E.T.: The Extra-Terrestrial* (Snyder 1992). By 2009, the product placement industry had grown to a $3.61 billion industry (PQ Media 2010), confirming that product placement has become a widely accepted method for promoting brands and products to consumers (Tiwsakul, Hackley and Szmigin 2005).

Just as the product placement industry has been expanding, so too has the literature exploring consumer responses to product placement (Balasubramanian, et al. 2006; Romaniuk
Most commonly, the product placement effect is considered through an examination of the impact of exposure to placements on consumer’s responses compared to no exposure to product placement (Cowley and Barron 2008; Homer 2009; Russell 2002). Typically, these responses are assessed through brand recognition/recall/salience and brand attitude measures (Russell 2002), though purchase intention and choice measures have also been used to evaluate consumer responses to product placement (Auty and Lewis 2000). As such, within the product placement domain, product placement evaluations can be generalized into three categories, broadly defined as cognitive responses (e.g., brand recall and recognition), affective responses (e.g., brand attitudes and liking), and conative responses (e.g., purchase intention and choice) (Balasubramanian, et al. 2006; Romaniuk 2009; Van Reijmersdal, et al. 2009).

Results across these three distinct response types appear to vary in both magnitude and direction. For example, considerable evidence indicates that in general, consumers are able to recognize and recall exposure to product placement. This is not surprising when considering exposure to a placement has been shown to lead to cognitive elaboration, which ultimately leads to a greater likelihood of recognizing or recalling the placed product (Gupta and Lord 1998; Roberts, Cowen, and MacDonald 1996; Russell 2002). I therefore hypothesize that exposure to product placement will result in increased cognitive responding (e.g., recognition and recall).
Competing Theoretical Foundations: Persuasion Knowledge, Engagement, Para-Social Relationships and Mimicry

In contrast to the consistent theoretical support of cognitive responses, the effect of exposure to product placement on affective and conative responses is less clear as past research has yielded relatively inconsistent findings. Several competing theories may provide insights and theoretical foundations for these inconsistent results. For example, when considering affective responses, persuasion knowledge theory (Friestad and Wright 1994) suggests exposure to product placement may have no effect on brand evaluations. Specifically, the persuasion knowledge model suggests that over time, consumers develop knowledge about tactics used during persuasive episodes, and then use this knowledge to cope with persuasive attempts (Friestad and Wright 1994). Moreover, persuasion knowledge can be activated. Once activated, individuals are more likely to recognize persuasive episodes and exhibit control over the impact of the persuasive attempt on their evaluations. It is also possible that exposure to product placement could result in decreased product evaluations. Specifically, if product placements are perceived as intruding upon or incongruent with their narrative consumption goals, consumers may react negatively and report less favorable product evaluations (Cowley and Baron 2008; Homer 2009; Russell 2002).

Conversely, other research streams suggest exposure to product placement may actually result in more favorable brand evaluations. For example, past research considering engagement has indicated that those who are more engaged in a narrative (Green and Brock 2000) and subsequently placed products (Bhatnagar and Wan 2011) have more intense reactions and extreme evaluations (Higgins 2006). Accepting that individuals choose to consume narrative
they like, and considering the positively valenced nature of product placement, it should be expected that these extreme evaluations are in a positive direction, resulting in more favorable product evaluations. Furthermore, research has shown that attitudes toward products placed in a program depend on the valence of the relationships between the consumer and characters, and between the characters and the product (Russell and Stern 2006). It is therefore possible that a balance effect (Heider 1946, 1958) may also exist between consumers, placed brands, and the program. Considering that consumers generally hold positive attitudes toward the programs and narratives they consume, and that product placements are generally positive representations of the brand, attitudes toward products may therefore also become more favorable post-exposure to placed products. Moreover, evidence exists that as consumers are exposed to programming, parasocial relationships between consumers and characters develop, even when the characters are fictitious (Russell, Norman, and Heckler 2004). These relationships could lead to consumers forming character based member and aspiration groups (Escalas and Bettman 2003), resulting in more favorable brand evaluations when the consumer witnesses the character using a placed product.

Previous results and competing theoretical foundations for considerations of affective responses therefore suggest competing hypotheses with regard to the magnitude and direction of the product placement effect, as it is possible that the effect product placement on affective responses is negative, suggesting persuasion knowledge as the theoretical underpinning of the effect. I predict, however, that the extreme evaluations created through engagement with the narrative and placement (Bhatnagar and Wan 2011; Green and Brock 2000; Higgins 2006), and subsequent balance effect (Heider 1946, 1958) created between viewers program liking and the
positively valenced nature of product placements will lead to more favorable brand evaluations compared to those who are not exposed to the product placement.

Competing theoretical underpinnings also exist regarding the impact of product placement on consumers’ conative responses. For example, to the extent that exposure to product placement could result in the activation of persuasion knowledge (Friestad and Wright 1994) and subsequently less favorable evaluations of placed products, it stands to reason that as evaluations become negative, behaviors may become less favorable. As such, individuals may therefore be less likely to purchase or use products for which they hold unfavorable attitudes. Conversely, however, to the extent that consumers develop para-social relationships with characters (Russell, Norman, and Heckler 2004), these relationships may create opportunities for consumers to mimic these characters, resulting in increased likelihood of behaviors consistent with those depicted in the narrative (Tanner et al. 2007). It is therefore predicted that post exposure to product placement, more favorable product evaluations combined with the desire to mimic characters will result in more favorable brand behaviors compared to those who are not exposed to the product placement. Next, the theoretical implications of engagement (Higgins 2006), para-social relationship formation (Russell, Norman, and Heckler 2004), balance theory (Heider 1946, 1958), mimicry (Tanner et al. 2007), and other consumer behavior research streams are used as theoretical underpinnings associated with moderators relevant to the product placement domain, beginning with comparisons between product placement and more traditional advertising techniques (e.g., television commercials, print advertising).
Product Placement vs. Traditional Advertising

As a relatively new form of advertising (Snyder 1992), practitioners and academicians alike have attempted to understand the effect of product placement compared to more traditional advertisements like television commercials and print advertising (Gupta and Gould 2007; VanReijmersdal 2011). Results of this research have first indicated that individuals exposed to product placements will be able to report exposure to the brand (i.e., result in a large positive effect compared to individuals who were not exposed to the brand). When compared to more traditional advertisements, however, the stronger message strength of traditional advertisements and cognitive load associated with processing narrative has been shown to result in individuals being less likely to recognize exposure to products within a product placement (Gupta and Gould 2007; VanReijmersdal 2011) (i.e., result in a large negative effect compared to individuals exposed to the brand through a traditional advertisement). It is therefore hypothesized that these results will hold in the current analyses.

Considering affective responses, however, Higgins (2006) recognized that engagement may result in more intense reactions and extreme evaluations. Specifically, it is expected that individuals are more engaged with narratives presented in a traditional form (e.g., television, film, literature) than narratives presented in an advertisement. Furthermore, those who were not exposed to the brand will not have an opportunity to engage with the brand, and therefore will not report more extreme evaluations of placed products. I therefore hypothesize that exposure to product placement will result in more favorable evaluations compared to both those who were not exposed to the brand and those who were exposed to the brand through a more traditional advertisement. This effect should also hold for conative responses, as not only should this
engagement result in more extreme favorable behaviors, but the development of para-social relationships (Russell, Wilson, and Heckler 2004), and the increased desire to mimic (Tanner et al. 2007) are more likely to exist within traditional narratives compared to any narratives found in advertisements.

Prominence and Modality

Focus is now turned to considerations of placement prominence and modality, recognizing that a large body of product placement research has examined these two variables (Balasubramanian, et al. 2006; Romaniuk 2009; Van Reijmersdal, et al. 2009). Placement prominence is defined as the degree to which a product is integrated into a program (Gupta and Lord 1998; Russell 2002), typically ranging from subtle (i.e., a weak connection to the plot) to blatant (i.e., a strong connection to the plot) (Homer 2009; Russell 2002), and similar to the considerations of the general product placement effect, the impacts of prominence and modality on responses to product placement have also yielded inconsistent findings in magnitude and direction. For example, considerable evidence exists that when exposed to blatant placements, consumers are more likely to recall/recognize being exposed to the brand, as blatantly placed products tend to be more closely connected to the plot (Gupta and Lord 1998). As such, blatant placements trigger greater levels of elaboration, making them easier to recognize or recall (Russell 2002). Moreover, modality is often related to the prominence of the placement (i.e., visual, auditory or audiovisual) such that an exclusively visual placements is commonly subtle and auditory or audiovisual placements are commonly blatant. This would suggest that visual placements are less likely to be recalled/recognized than audio/audiovisual placements (Law and
Braun 2000). When considering congruence theory (Mandler 1982), however, auditory placements are, in general, more congruent with the program or narrative than a visual placement (Russell 2002), and as such, should be less likely to be elaborated upon as a persuasive episode or product placement. This absence of elaboration should then result in exposure to the product being dismissed by the consumer as simply part of the plot, and therefore less likely to be recognized when compared to strictly visual placements.

The moderating roles of prominence and modality are less clear when considering affective and conative responses. For example, past research has suggested that as placement prominence increases, the likelihood of persuasion knowledge activation (Friestad and Wright 1994) also increases (Homer 2009), resulting in subtle placements having a greater positive effect on affective and conative responses than blatant placements. Returning to the balance theory (Heider 1946, 1958), para-social relationships between consumers and characters (Russell, Norman, and Heckler 2004), and mimicry (Tanner et al. 2007), however, blatant placements are more integrated with the plot and characters (Gupta and Lord 1998; Russell 2002), and consumers may therefore perceive these higher levels of integration as a stronger connection between the program and the placed product. This increased perception of connection could result in a stronger balance effect (Heider 1946, 1958), resulting in more favorable evaluations and increased desires to mimic (Tanner et al. 2007), surmised by the prediction that those exposed to product placement will report more favorable affective and conative responses compared to those who are not exposed to product placement. Next, a series of hypotheses are posited that, to my knowledge, have received relatively little attention within the product placement domain.
Fictional versus Non-fictional Narrative Sources

First, the impact of fictional versus non-fictional narrative sources on consumer responses to product placement are considered, defining fictional narrative sources to include all original programing created from authors’ imaginations (e.g., *Arrested Development, The Avengers, The Walking Dead*). Conversely, non-fictional narrative sources are defined as those based on true events, regardless of whether or not the narrative is a recreation, depiction, account, or adaptation. In other words, if the narrative is based on a real event and characters, it is defined here as a work of non-fiction (e.g., *Argo, Moneyball, Band of Brothers*). It is important to note a key distinction between considerations of narrative source and a consumer’s perception of narrative plausibility and or ability to relate narrative events to their own reality. Specifically, past research has provided evidence that consumers possess the ability to distinguish between narrative source (i.e., fiction vs. non-fiction) and the degree to which a narrative relates to their own reality through referential cues and consumers own knowledge structures (Prentice, Gerrig and Bailis 1997; Strange and Leung 1999). For an example of this effect, consider the fictional series *Arrested Development* (a story about a dysfunctional American family set during modern day) to the non-fictional series *Band of Brothers* (a story about the 101st Army Airborne Division set during World War II). Even though it is reasonable to assume most individuals would be more easily able to related the narrative events occurring in *Arrested Development* to their own experiences than the events occurring in *Band of Brothers*, the development of knowledge structures related to what is fictional compared to non-fictional will lead consumers’ to perceive the characters and scenarios found within *Arrested Development* as fake and the characters and scenarios found within *Band of Brothers* as real. As such, a study that used *Arrested*
Development as a stimulus would be considered fictional, while a study that used Brand of Brothers as a stimulus would be considered non-fictional, and these narrative source perceptions may therefore be reflected in consumers’ cognitive, affective and conative responses.

When considering cognitive responses, I predict that individuals will be less likely to recognize a product placed in a non-fictional, compared to a fictional narrative, as non-fictional narratives are descriptions of “real life.” Considering consumers are frequently exposed to advertisements, exposure to products inside a non-fictional narrative source should be congruent with the consumer’s reality. As such, this congruence should result in lower levels of cognitive elaboration (Mandler 1982), and the placement being less memorable (Heckler and Childers 1992). Furthermore, it is also reasonable to assume that as characters in a program are perceived as more real, the subsequent para-social relationships formed by the consumer should become stronger, as humans have a strong propensity and desire to connect with other humans (Cross, Bacon, and Morris 2000; Russell et al. 2004). It is therefore expected that these stronger para-social relationships between consumers and non-fictional characters, compared to fictional characters, will result in more favorable brand evaluations and increase consumers propensity to mimic depicted behaviors (Tanner et al. 2007), resulting in more favorable conative responses. Taken together, I hypothesize an interaction between outcome variables and narrative source such that for non-fictional narratives, the effect of exposure (vs. no exposure) to product placement on cognitive evaluations will be smaller than the effects of brand evaluations and behaviors. For fictional narratives, however, I expect that the effect of exposure (vs. no exposure) to product placement on cognitive evaluations will be larger than the effects of brand evaluations and behaviors.
Product placements have been used across a variety of different media, including television, film, videogames, and literature (Balasubramanian, et al. 2006; Romaniuk 2009; Van Reijmersdal, et al. 2009), and given the fundamental differences between these different media, I hypothesize that the medium in which consumers encounter placed products will differentially impact responses to product placement. Beginning with cognitive responses, the expectation is that the literature medium should result in the greatest likelihood of recognition and recall. This is due to the increased elaboration derived from reading and subsequently imagining the product, compared to simple visual or auditory exposures in television and film media. In contrast, when playing videogames, consumers are required to be much more mentally active, resulting in increased cognitive load (Gilbert and Osborne 1989; Yang et al. 2006). I subsequently expect that exposure to product placements within the videogame medium will result in incorrect identification of placed products (i.e., a negative impact on recall and recognition).

In the case of affective responses, the presence of traditional television commercials within the television medium may activate persuasion knowledge (Friestad and Wright 1994) beyond that of the product placement itself. I therefore expect exposure to products will not influence affective evaluations within the television medium. For the literature medium, however, and considering the role of narrative transportation defined here as emersion into a story, as individuals transport themselves into a narrative, they are more likely to respond with more favorable evaluations of program components (Green and Brock 2000). In this case, the program components are placed products, as consumers are less likely to recognize the persuasive episodes contained within the narrative. Considering past narrative transportation
research has shown that this emersion effect is most prevalent in the literature medium (Green and Brock 2000, 2002), I predict that exposure to product placement will have a greater positive effect on affective responses within literature, compared to other media types.

Finally, noting that while the consumption of other forms of media (e.g., watching television programs) is considered an observational experience, consumption of videogames is more representative of a simulation experience, in which consumers may interact with placed products (Mallinckrodt and Mizerski 2007). Recognizing that these experiences lead to future behaviors consistent with the simulations (Schlosser 2003), it is predicted that exposure to product placement will have a greater positive effect on conative responses when placed in videogames, compared to other forms of media that do not involve a comparable level of consumer and product interaction.

Consumer Age

Past research has shown that children lack the cognitive development needed to properly process product information (Macklin 1984; Roedder 1981). Additionally, children are more susceptible to persuasive messages than adults (Macklin 1994), because children are unable to discern the persuasive intent of advertisements. Furthermore, children are more likely to emulate witnessed behaviors, using referent others as a guideline for their own behaviors (Macklin 1994). As such, I hypothesize that product placement has a smaller effect on cognitive responses among children exposed to product placements, compared to adults exposed to product placements. Considering affective and conative response, however, the effect of exposure to product placement should reverse, such that exposure to product placement will result in a larger effect
on affective and conative responses among children exposed to product placements, compared to adults. Taken together, an interaction is predicted such that the effect of exposure (vs. no exposure) to product placement on cognitive responses for children will be smaller in magnitude than the effect of cognitive responses for adults, but the effect of exposure (vs. no exposure) to product placements on affective and conative responses for children will be greater in magnitude than affective and conative responses for adults.

The Role of Emotion and Mood in Product Placement

The development of hypotheses is concluded by turning attention to the role of genre, recognizing that an examination of emotion and mood in the context of television commercials may provide insights regarding extant findings in the product placement domain (Jin and Villegas 2007). For example, Aaker, Stayman, and Hagerty (1986) found that exposure to persuasive messages in the presence of a humorous/light-hearted stimulus resulted in a transfer of positive affect from the humorous stimulus to the affective evaluations of the message, resulting in more favorable evaluations. Furthermore, Goldberg and Gorn (1987) examined the impact of mood derived from television programs on responses to television commercials. Their work suggests that the tone of the television program (happy vs. sad) transfers to consumers’ felt mood. Moreover, they found that in general, individuals who were exposed to “happy programs” reported that the advertisements were more effective, compared to those who were exposed to “sad programs,” as the temporal association between the different mood inducing programs and the commercials presented can precipitate affect transfer from one stimulus (i.e., the program) to another (i.e., the placed product) (Gorn 1982). Thus, I hypothesize that exposure to product
placement in more comedic/light-hearted narratives will result in a larger positive effect on affective responses, compared to the effect of product placement on affective responses within more dramatic/serious narratives.

METHOD

Study Identification

Five techniques were used to identify studies for inclusion in the meta-analysis. First, keyword searches in Business Source Complete (1886–2013), PsycINFO (1872–2013), Communication & Mass Media Complete (1915–2013), and Google Scholar were used to develop the initial study list. Keyword searches included “Product placement,” “Product integration,” “Brand integration,” “Entertainment marketing,” “Branded entertainment,” “Advergame,” and “Brand placement.” Second, the reference lists of the high impact product placement articles by Cowley and Baron (2008), Gupta and Gould (1997), Homer (2009), Russell (2002), and Russell et al. (2004), and the product placement summary articles by Balasubramanian et al. (2006), Romaniuk (2009), and Van Reijmersdal, et al. (2009), as well as all articles that subsequently referenced these influential papers were considered for inclusion in the sample of studies. Third, researchers with a history of publications regarding product placement were contacted and asked for any of their published and unpublished manuscripts the searches may have missed. Fourth, the reference lists of all identified manuscripts were examined for additional relevant articles. Fifth, keyword searches in ProQuest Dissertations & Theses (1861–2013) were used to identify any unpublished manuscripts that were eligible for
inclusion in the analysis. These searches yielded a total of 466 papers and manuscripts, of which 190 were identified as potentially relevant. These studies were then evaluated against the following five inclusion criteria to ascertain whether they could be included in the synthesis, and studies were required to meet all five criteria in order to be included in the analysis.

*Exposure to Product Placement.* All studies included in the meta-analysis exposed participants to product placement as part of the methodological design. This criterion eliminated conceptual papers, scale development studies, and general product placement assessment studies.

*General Effect of Product Placement.* Eligible studies measured the general effect of product placement against a baseline control condition that was not exposed to product placement. Hence, studies that compared different dimensions of product placement (e.g., subtle vs. blatant product placement, and low vs. high consumer brand familiarity), instead of the general effect of product placement (e.g., exposure vs. no exposure to product placement) were excluded from the meta-analysis.

*Presence of Product Evaluation Measures.* Eligible studies assessed consumers’ evaluations of placed products. Some studies reported brand recall or attitudes while other studies measured purchase intention or actual behavior. In the event that studies measured and reported multiple evaluations for the same general outcome variable (e.g., measured and reported both brand recall and brand recognition), the effects were averaged so as to not violate the assumption of data independence.
**Appropriate Statistics.** Eligible studies reported the required statistical information for calculating the magnitude and direction of effect sizes. When this information was not available but the study met the remaining inclusion criteria, the authors were contacted and requests for any missing information that was necessary to compute effect sizes made.

**Independent Samples.** In one instance, the same dataset was reported in more than one published study. In this case, the findings were only included in the sample of studies once to satisfy the assumption of data independence. Both published studies, however, were used to code other information about the dataset, such as participant and methodological characteristics.

The inclusion criteria resulted in 76 independent datasets derived from 43 different studies across three different academic domains, 27 years, and 16,404 unique participants. It is important to note that in the following sections, the term “study”—denoted as $k$ in the tables and results section—refers to any dataset from which an effect size was calculated.

Coded Dimensions

In addition to computing effect sizes and recording the sample size, variables relevant to the proposed hypotheses were also coded for each study. Specifically, prominence (subtle or blatant), modality (visual or audio/audiovisual), narrative source (fact or fiction), genre (drama or comedy), medium (television, film, videogame, or literature), and participant age were coded. It is worth mentioning that participants in some studies were exposed to and provided responses for multiple products (e.g., participants in the experimental condition were exposed to a program that contained both a Baby Ruth and Snickers product placement, and then provided brand
evaluations for both). When this occurred, effect sizes for each product response were calculated (e.g., one effect size for Baby Ruth and one effect size for Snickers) and the effect sizes were averaged to provide a single effect size to once again avoid violations of the meta-analytic assumption of data independence.

The year of the publication (or year of completion for unpublished manuscripts), the academic discipline, the gender proportions of the participants, the geographic location of the data collection, whether or not the manuscript was published, and the type of control group exposure (i.e., no exposure to the product vs. exposure to an advertisement for the same product) were also coded. A summary of the characteristics of the studies used in this meta-analysis is shown in table 3.1.

Effect Size Calculations

Empirical findings were represented by the standardized mean difference, $d$, which was defined as the difference in evaluations between participants exposed to product placement and those in the control (i.e., no exposure to product placement) condition, divided by their pooled standard deviation. The standardized mean difference effect size has been shown to be upwardly biased when based on small samples, so an adjustment for sample size was implemented according to the recommendations of Hedges and Olkin (1985). Thus, the metric used to evaluate effect sizes was the corrected, weighted standardized mean difference, $d^*$. 

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RESULTS

The analysis of the product placement effect was completed in two stages. The first stage consisted of three individual analyses for each of the outcome variables (i.e., cognitive, affective, and conative). This was done for several reasons. First, within the product placement domain, it is common for the same researcher to consider multiple outcome variables (e.g., brand recall and brand attitudes) from the same participants within the same study. This is problematic within a meta-analysis context, as including both studies in the same analysis would violate the meta-analytic assumption of data independence. While there are multiple preexisting techniques used in meta-analysis to avoid a violation of this assumption (e.g., a priori selection of an outcome variable of interest, randomly selecting the outcome variable to be used) the importance of understanding the impact of the product placement effect on all three outcome variables of interest was recognized. As such, in completing independent analyses of the outcome variables I was first able to increase the number of studies included in the analyses without violating the meta-analytic assumption of data independence. Furthermore, an attempt was to minimize the “apples and oranges” threat to validity (Eysenck 1978; Sharpe 1997), as each of the synthesized effects included only studies with comparable outcome variables (e.g., all studies included in the affective analysis used brand evaluations as the dependent variable). Finally, in analyzing each outcome variable independently, a meaningful $R^2$ value for each of the outcome variables was calculated, increasing the ability to provide insights into the product placement domain.

A drawback of this technique, however, was that while the results of the independent analyses offers insights into the product placement effect, the independent nature of the analyses made it impossible to compare the product placement effect across the different outcome
variables. As such, a second stage of analysis was included in which the studies were combined across the different outcome variables, resulting in a simultaneous consideration of the three outcome variables. It was therefore possible to successfully advance an understanding of the product placement effect by recognizing interactions between the outcome variables and other product placement moderators of interest. Of note, the second stage was completed with consideration of the assumption of data independence, described later.

Independent Outcome Variables Analysis Approach

To analyze the impact of the product placement effect on the three outcome variables, all main and moderator analyses were conducted separately. In other words, the analysis began by conducting three statistically independent meta-analyses, one for each of the response variables. Moreover, simultaneous moderator regression analyses were used to synthesize all effects. To indicate the magnitude of the moderator effects, standardized regression coefficients $\beta$ for continuous and dichotomous moderators are reported. For categorical moderators with more than two levels, multiple $R$ is reported. Multiple $R$ values are proportional to $\beta$ values, thus allowing assessment of the degree of moderation on the same scale as $\beta$. For each outcome variable, the main effect and methodological moderator results are first presented, followed by results for the hypothesized moderators.
Product Placement Effect on Cognitive Responses

*Cognitive Response Effect Size Calculation and Interpretation.* Effect sizes for cognitive responses (e.g., brand recall and recognition) were calculated such that an effect size with a significant positive value indicated participants exposed to a product placement were able to correctly recognize or recall a product to which they were exposed, compared to null recall/recognition levels reported by a control condition not exposed to the placement. An example of when a calculation would be significantly positive would be when participants exposed to a television program containing a placement for Pepsi were able to report exposure to Pepsi. This is compared to participants who watched the same program, but with the Pepsi placement edited out, and subsequently did not report exposure to Pepsi or any other brand.

A null effect indicates participants exposed to the placement reported the same recall and recognition levels as that of the control (i.e., no-exposure) condition. In other words, they did not recognize or recall being exposed to any products. Considering the Pepsi example, a null effect would be calculated if participants exposed to the Pepsi placement “missed” seeing the placement, and subsequently did not report seeing any placements, just as those participants in the control (i.e., no-exposure) condition did not report seeing any placements.

An effect size with a significant negative value indicates that participants exposed to a product placement indicated they were exposed to product placement, but were not able to accurately report the product to which they were exposed. In other words, a significantly negative effect suggests the results of consumers exposed to product placement were to some degree errant. Returning to the Pepsi example, a negative effect calculation suggests that while participants in the control condition reported no exposure to any product placements, participants
who were exposed to Pepsi instead reported being exposed to Coca-Cola or another brand that was not placed in the television program.

**Main Analysis.** Results revealed a positive effect of exposure to product placement on consumers’ cognitive responses \( (d_c = .49, 95\%\ CI = .43, .54, k = 35) \), as shown in table 3.2. Furthermore, the heterogeneity statistic \( I^2 \) was calculated to assess the heterogeneity of each set of effect sizes (Higgins and Thompson 2002). The value of \( I^2 \) can range from zero to 100, where higher values indicate the presence of variation that cannot be exclusively explained by sampling error, and homogeneity is rejected when the 95% confidence interval does not include zero (Huedo-Medina et al. 2006). For cognitive responses, because the 95% confidence interval does not include zero \( (I^2 = 95.84, 95\%\ CI = 94.98, 96.84) \), homogeneity is rejected. As such, an examination of moderators that impact exposure to product placement on cognitive responses was warranted. To accomplish this, a simultaneous cognitive response regression equation was conducted including all significant methodological and hypothesized moderators. The final regression equation accounted for 65% of the total variance in exposure to product placement on cognitive responses.

The analysis of moderators begins with a comparison of the product placement effect to that of traditional advertisements (e.g., television commercials, print advertisements), recognizing that several studies included in the analysis compared consumers’ cognitive responses to exposure to an advertisement for the same product. In other words, while the participants in the experimental condition were exposed to a product placement, some studies did not expose participants in the control group to the product while others exposed participants in the control group to a more traditional advertisement for the same product. The advertising

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exposure variable was therefore included in the simultaneous moderator analysis. Results indicated advertising exposure as a significant moderator ($\beta = .57, p < .001$). Specifically, there was a large positive effect of exposure to a placement on cognitive responses compared to no exposure to the product, but a large negative effect on cognitive responses compared to exposure to an advertisement for the same product. This indicated that individuals exposed to product placement recalled/recognized exposure to the product, but not as accurately as individuals exposed to an advertisement, as shown in table 3.3.

Next, prominence and modality were considered as moderators of the effect of exposure to product placement on cognitive responses. Results revealed both prominence ($R = .31, p < .001$) and modality ($R = .18, p < .001$) as moderators of the effect of product placement on cognitive responses. Specifically, exposure to blatant placements had a significant positive effect on cognitive responses, while exposure to subtle placements indicated no effect, and exposure to multiple products resulted in a significant negative effect. Considering modality, exposure to strictly visual placements resulted in a significant positive effect, exposure to placements with an auditory component resulted in no effect, and exposure to multiple placements with multiple modalities resulted in a significant negative effect.

Turning to considerations of narrative source, results revealed a significant difference ($R = .17, p < .001$) such that exposure to a product placement within a fictional narrative resulted in a significant positive effect of product placement on cognitive responses. Conversely, exposure to product placements in a non-fictional narrative or through multiple narrative sources resulted in no effect of product placement on cognitive responses.

The medium through which the product was placed also moderated the effect of product placement on cognitive responses ($R = .16, p < .001$). Specifically, while there was no product
placement effect on cognitive responses within television programming, there was a significant positive effect for the film and literature media, and a significant negative effect for videogames.

Finally, age was a significant moderator ($\beta = .13, p < .001$), such that children could not accurately recognize or recall exposure to products as indicated by the significantly negative effect. For adults, however, a marginally significant positive effect was found ($p = .07$). The final simultaneous cognitive response regression model therefore included prominence, modality, narrative source, medium, age, and control group exposure as moderators.

Product Placement Effect on Affective Responses

_Affective Response Effect Size Calculation and Interpretation._ Effect sizes for affective responses were calculated such that an effect with a significant positive value indicated that exposure to product placement resulted in more favorable evaluations of the product compared to no exposure to product placement. A null effect size indicated exposure to a product placement had no differential impact on product evaluations compared to no exposure to product placement. And, an effect size with a significant negative value indicated exposure to product placement resulted in less favorable evaluations of the product compared to no exposure to product placement.

_Main Analysis_. Results indicated a positive effect of product placement on consumers’ affective responses ($d = .29, 95\% CI = .22, .35, k = 30$), as shown in table 3.2. Similar to the cognitive response analysis, the heterogeneity statistic $I^2$ was significant for the affective response analysis ($I^2 = 84.02, 95\% CI = 78.15, 88.31$). As such, a simultaneous weighted
affective response regression model was estimated. The final simultaneous affective response regression equation accounted for 52% of the total variance of exposure to product placement on affective responses.

A comparison between the effects of exposure to product placement against no exposure to the brand was not significantly different than the effect of exposure to product placement against more traditional forms of advertising for affective responses ($p > .05$). The advertising exposure moderator was therefore removed from the simultaneous regression model. An investigation of the effect of prominence on consumer affective responses, however, revealed prominence as a significant moderator ($R = .23, p < .01$), as can be seen in table 3.4. Specifically, results revealed no effect for exposure to subtle placements, but did reveal a significant positive effect of exposure to blatant placements and simultaneous exposure to multiple placements at multiple prominence levels. There was no significant difference, however, between the different product placement modalities ($p > .05$). Hence, the modality moderator was also removed from the simultaneous regression model.

Results also revealed that narrative source was a significant moderator of the effect of product placement on affective responses ($\beta = .34, p < .001$). Specifically, exposure to product placement in a non-fictional narrative resulted in a significant positive effect on affective responses, whereas exposure to product placement had no effect on affective responses within a fictional narrative.

Next, the moderating role of the medium in which the product was placed was examined. Results revealed that medium moderated affective responses to product placement ($R = .22, p < .05$). Specifically, while the effect was greatest within the literature medium, it was not significantly greater than the effects within film and videogame media. As predicted, however,
there was no product placement effect on affective responses for television programming. Turning attention to the effect of age, results did not support age as a moderator of the effect of product placement on affective responses ($p > .05$). As such, age was not included in the calculation of the final model.

Finally, an investigation of genre as a moderator revealed a significant difference between affective evaluations of products placed within comedic versus dramatic programming ($\beta = .50, p < .001$). Specifically, a positive effect of product placement on affective evaluations emerged when the product was placed in a comedic program, but there was no effect of product placement on affective responses when the product was placed in a dramatic program. The final simultaneous affective response regression model therefore included prominence, narrative source, genre, and medium as moderators.

Product Placement Effect on Conative Responses

**Conative Response Effect Size Calculation and Interpretation.** Effects sizes for conative responses were calculated such that an effect size with a significant positive value indicated exposure to product placement resulted in favorable behaviors involving the product (e.g., purchase intention, choice). A null effect indicated exposure to product placement had no impact on consumer behaviors. And, an effect size with a significant negative value indicated exposure to product placement resulted in less favorable product based behaviors.

**Main Analysis.** Results demonstrated an overall positive effect of exposure to product placement on conative responses ($d = .45, 95\% CI = .40, .51, k = 11$), and can be found in table
3.2. As with the cognitive and affective response analyses, because \( I^2 \) was significant for the conative response analysis (\( I^2 = 85.23, 95\% CI = 75.27, 91.17 \)), the methodological and hypothesized variables were included in a simultaneous weighted regression model. The final simultaneous conative response regression equation accounted for 74% of the total variance of exposure to product placement on conative responses.

A comparison between the effects of exposure to product placement against no exposure to the brand was not significantly different than the effect of exposure to product placement against more traditional forms of advertising for conative responses (\( p > .05 \)). Furthermore, an evaluation of prominence and modality also indicated that neither were significant moderators of conative responses (\( p > .05 \)). As such, the control group exposure, prominence, and modality moderators were removed from the simultaneous conative response regression model.

The moderating effect of narrative source on consumer conative responses was then considered. Results first revealed that exposure to product placement resulted in a significant positive effect on consumer conative responses within both non-fictional and fictional narrative sources, as shown in table 3.5. These effect sizes, however, were significantly different from each other (\( \beta = .56, p < .001 \)). Specifically, the product placement effect was greater within non-fictional source, compared to the effect within fictional source.

The medium through which consumers were exposed to product placement was examined next, but medium was not significant (\( p > .05 \)). As such, program medium was removed from the simultaneous regression model. Finally, consumer age as a moderator of the product placement effect was considered. Results revealed age as a significant moderator (\( \beta = -.33, p < .01 \)). Specifically, the product placement effect was greater for children compared to
adults. The final simultaneous conative response regression equation therefore included narrative source and age as moderators.

Simultaneous Outcome Variables Analysis

To analyze the impact of the product placement effect across the three outcome variables, the effects were combined into one dataset. In doing this, however, the assumption of data independence was violated, as a subset of the studies included in the dataset used repeated measure approaches (e.g., the study collected both brand recall and brand attitude measures from the same participants). In recognition of this violation, a series of syntheses were completed using two different study selection methods. The first method selected data-dependent studies based on an a priori rank order, recognizing conative studies as the top priority for managers, followed by affective studies, then cognitive studies. The second method used random selection to determine which dependent studies were to be included. This random selection was completed four times, and an overall effect of the different outcome variables for each of the different random selections was calculated. Finally, the complete dependent dataset was included for comparison against the different selection methods. Results can be found in table 3.6.

Product Placement Effect across Cognitive, Affective and Conative Responses. Next, the impact of different moderators across the different response types was considered. Of note, the a priori selection method for all moderator analyses was used as to not violate the assumption of data independence. To begin, the product placement effect was evaluated against traditional advertisements across the three different outcome variables. Controlling for prominence, results
revealed a significant interaction ($R = .54, p < .001$) such that first, the effect of exposure to a product through product placement compared to no exposure to the product was significantly positive ($d_+ = .57, p < .001$), but exposure to a product placement was significantly negative ($d_+ = -.21, p < .001$) when compared to exposure to the product through a traditional advertisement ($p < .001$). Furthermore, and consistent with my predictions, whether or not the control group was exposed to the product through a traditional advertisement did not moderate the product placement effect on affective or conative responses ($p$’s > .05). Of note and described in figure 3.1, however, a significant positive effect was found when comparing affective ($d_+ = .12, p < .01$) and conative ($d_+ = .32, p < .001$) responses against no exposure to the product, and when comparing affective ($d_+ = .17, p < .05$) and conative ($d_+ = .30, p < .001$) responses to those exposed to the brand through a traditional advertisement.

The interaction between the outcome variables and prominence were then considered. Results revealed a significant interaction between prominence and the outcome variables ($R = .39, p < .001$) consistent with the independent data analyses such that the effect of exposure to subtle placements ($d_+ = -.13, p > .05$) compared to blatant placements ($d_+ = .63, p < .001$) on cognitive responses was significantly less ($p < .001$). Moreover, the effect of exposure to subtle placements ($d_+ = -.10, p > .05$) compared to blatant placements ($d_+ = .43, p < .001$) on affective responses was also significant ($p < .001$). Interestingly, not only were exposure to subtle ($d_+ = .23, p > .05$) and blatant ($d_+ = .60, p < .001$) placements on conative responses significant, a directional comparison revealed that the effect of exposure to blatant placements was significantly larger than that of subtle placements ($p < .05$). The results of the interaction can be found in figure 3.2.
Results of the interaction between modality and outcome variables were also significant ($R = .28, p < .001$), controlling for prominence. Furthermore, consistent with predictions and the independent analyses, the effect of exposure to a visual placements ($d_+ = .44, p < .001$) compared to audiovisual placements ($d_+ = -.04, p > .05$) on cognitive responses was significantly larger ($p < .001$). Moreover, modality was not a significant predictor for affective ($p > .05$) nor conative responses ($p > .05$), though the effect of exposure to visual ($d_+ = .33, p < .001$) and audiovisual ($d_+ = .20, p < .001$) placements on conative responses were both significantly positive, as can be found in figure 3.3.

Turning to considerations of outcome variables and narrative source, results revealed a significant interaction between narrative source and the outcome variables ($R = .37, p < .001$). Consistent with predictions and the results of the independent analyses, directional comparisons between non-fictional and fictional sources existed within all three outcome variables (all $p$’s < .05). Moreover, the effects were consistent with the independent analyses for conative responses from non-fictional ($d_+ = .63, p < .001$) and fictional ($d_+ = .40, p < .001$) sources, affective responses from non-fictional sources ($d_+ = .48, p < .001$), and cognitive responses from fictional sources ($d_+ = .75, p < .001$). There were, however, two differences such that the effect of exposure to product placement from a non-fictional source on cognitive responses ($d_+ = .34, p < .001$) and the effect of exposure to product placement from a fictional source on affective responses ($d_+ = .13, p < .05$) were significant in the simultaneous analysis, but they were not significant in the independent analyses. Results of this analysis are available in figure 3.4.

Finally, the interaction between age and outcome variables was significant ($R = -.07, p < .05$), controlling for advertising exposure. Consistent with predictions, post exposure to a product placement children were less likely to recognize exposure to placements ($\beta = -.24, p < .001$), but
were more likely to report more favorable product evaluations ($\beta = .20, p < .01$) and behaviors ($\beta = .64, p < .001$), compared to adults. The interaction between age and response type can be found in figure 3.5, where children and adults are evaluated at the two ends of the age range reported by the studies included in the analysis, 6.68 years and 41 years of age, respectively.

GENERAL DISCUSSION

This work is the first to statistically synthesize the expanding literature on product placement. This was done through a meta-analysis which first independently evaluated the overall effect of product placement on cognitive, affective, and conative responses, then compared the different response variables across several key moderators of both theoretical and managerial importance. Next, each of the three product placement response variables are discussed, concluding with a summary of the theoretical and managerial implications of the findings, and directions for future research endeavors.

Cognitive Responses to Product Placement

Consistent with previous product placement findings considering recognition and recall, results revealed that exposure to product placement had a significant positive effect on cognitive responses. Moreover, and as expected, while consumers are likely to recognize seeing placed products, they are more likely to accurately recognize and recall exposure to a product within a traditional advertisement, compared to a product placement. Similarly, blatant placements appear to be more easily recognized than subtle placements, and products placed through a visual
modality were more likely to be recognized than products placed through an audio or audiovisual modality. It is surmised that this occurred because consumers perceive that auditory placements are, in general, more congruent with the program or narrative, and as such, are less likely to be elaborated upon, resulting in exposure to the product being dismissed by the consumer as simply part of the plot (Russell 2002). Furthermore, when consumers were exposed to multiple products, they were prone to making recognition errors. Again, this is reasonable considering consumers’ cognitive resources are limited, and as the number of placements increases, consumers’ ability to remember multiple placements is reduced.

Results support cognitive elaboration as the method through which cognitive responses are influenced by exposure to placed products. For example, when considering the impact of narrative source, results indicated consumers do not recognize products placed in non-fictional narratives, but do recognize products placed in fictional narratives. It is posited that this occurs because non-fictional narrative sources are accounts of life, and as such, product placements contained within the narrative are perceived as congruent with “real-life” experiences. This congruence leads to decreased cognitive elaboration upon the placement, resulting in decreased recognition and recall of exposure to the product (Mandler 1982; Russell 2002).

While consumers’ recognition of placed products is greatest when they are exposed to products within the literature medium, consumers are prone to making product recognition and recall errors when exposed to product placements in videogames. Again, it is likely that the increased recognition of products in literature is due to increased cognitive elaboration derived from first reading, and then imagining the product, and that this increased elaboration leads to a greater likelihood of recognizing and recalling exposure. This is compared to other media formats where consumers are simply presented with visual or auditory exposures and not
required to elaborate as greatly on the placed product. It is expected that the increased cognitive error found within the videogame medium is due to cognitive load. While other media formats require focused attention and very little cognitive effort from consumers, videogames require considerable amounts of effort and divided attention, exhausting consumers’ cognitive resources (Yang et al. 2006), and resulting in brand recognition and recall errors.

A final observation is that compared to adults, children are not only less likely to recognize placed products, but they are actually likely to make recognition errors (i.e., a significant negative effect of product placement on recognition). This result is not surprising, considering children lack the cognitive development necessary to properly elaborate upon products to which they are exposed (Macklin 1984; Roedder 1981), once again supporting cognitive elaboration as the method through which exposure to product placement affects cognitive responses.

Affective Responses to Product Placement

Considering consumers’ affective responses, an overall positive effect of exposure to product placement on brand attitudes was found. Furthermore, this effect is the same in magnitude and direction to that of traditional advertisements. In general, results examining the impact of exposure to product placement on affective evaluations seem to originate from the development of relationships with narrative characters and programing, and the subsequent use of these relationships as product evaluation guides (Russell et al. 2004). For example, results revealed that blatant placements have a large positive effect on consumer product evaluations, while subtle placements have no effect on product evaluations. This result may be somewhat
surprising when considering the persuasion knowledge model (Friestad and Wright 1994) as more blatant placements are more obvious, and therefore could be more likely to activate persuasion knowledge. Considerations of the balance theory (Heider 1946, 1958) and the development of relationships between narrative characters and programing, however, offer an explanation. Specifically, as prominence increases, the strength of the connection between the placed product and program components like the plot and characters also increases. Considering that placed products are generally referenced and demonstrated in narrative through a positive light (Chabria 2002) and consumers generally watch programs they like, the valance of consumers’ evaluations of the product should also be positive. These evaluations therefore become more favorable as the product becomes more blatantly placed and the consumer perceives these blatant placements as a stronger positive relationship between the program and product.

Turning attention to considerations of the program in which the product is placed, I hypothesized, and found empirical support that exposure to product placement results in more favorable product evaluations when the product is placed in non-fiction programing compared to fictional programing. I expect this result is driven by the stronger para-social relationships to “real” characters formed by the consumer, as humans have a strong propensity and desire to connect with other humans (Cross, Bacon, and Morris 2000; Russell et al. 2004).

Considering media type, affective response results indicated a positive effect of exposure to product placement on product evaluations for film, videogame and literature media. Yet, there was no significant effect with the television medium, implying that the mere presence of product placement does not activate persuasion knowledge, but instead the presence of television commercials activate persuasion knowledge and subsequently minimize the effect of products
placed within television programing on consumers affective responses. Finally, in consideration of genre, affective transfer theory suggests positive affective responses to the stimulus should transfer to elements (i.e., products) contained within the narrative. This is confirmed, as exposure to products in comedic programs resulted in favorable product evaluations compared to null results within the dramatic programs.

Conative Responses to Product Placement

An overall positive effect of exposure to product placement on consumer conative responses was found. This effect, however, did not differ based on whether the control group was not exposed to the brand or exposed to a traditional advertisement. Relying on the development of relationships between consumers and programing, and the resulting propensity for individuals to mimic what they observe within the narrative, Russell et al. (2004) offer support that consumers develop para-social relationships between themselves and characters and that these relationships drive consumption decisions. Considering these para-social relationships should be stronger when the character is perceived as a real person, a stronger propensity for mimicry (Tanner et al. 2007) should therefore exist when consumers are exposed to product placements in non-fictional, compared to fictional narratives. This was confirmed, as there was a significant difference between narrative sources such that the effect was positive and greater within non-fictional, compared to fictional programing.

Moreover, considering the moderating effect of age, the current results provide evidence that children are more likely to exhibit behaviors consistent with the placement, compared to adults. I postulate that this is due to children being more likely to look toward referent others for
behavioral guidance (Macklin 1984; Roedder 1981), and as such, make choices and participate in behaviors they witness characters perform. This further supports the importance that consumer-character relationships and mimicry has on the effect of exposure to product placement on conative responses.

Comparisons between Response Types

Comparisons between the six different study selection methods revealed little difference between the dependent analysis and the independent analyses. As such, while it is not suggested that the meta-analytic assumption of data independence should be ignored in future meta-analyses, the current results indicated that for this analysis, maintaining data independence was not overly critical. Even still, the independent dataset was used to consider the interaction results across the different outcome variables as to not violate the assumption of data independence.

Comparisons of exposure to product placement against baseline evaluations (i.e., the control group was not exposed to the product) and against traditional advertisements (i.e., the control group was exposed to an advertisement for the same product) replicated the independent results such that there was a significant positive effect of exposure to product placement against a baseline comparison and a significant negative effect of exposure to product placement against more traditional advertisements for cognitive responses. Furthermore, there was no difference between the exposure conditions for either affective or conative responses. Interestingly, and consistent with predictions, exposure to product placements resulted in more favorable evaluations and behaviors compared to both baseline evaluations and traditional advertisements, suggesting that product placement advertisements are more effective at increasing viewer
evaluations and behaviors than traditional advertisements. This should not be surprising, as engagement, para-social relationships, and desires to mimic are more robust in a product placement context compared to more traditional advertisements.

Considerations of prominence indicated that blatant placements resulted in larger positive effects than subtle placements for all three outcome variables. That is to say that as recognition of the placement increased, brand evaluations and behaviors became more favorable. This result offers further support for engagement, para-social relationships and mimicry arguments presented earlier such that increased elaboration on the placed product does not lead to decreased evaluations of the brand or less favorable brand based behaviors, but instead, stronger connections to the brand and increased desires to mimic. Interestingly, however, individuals were less likely to recognize exposure to an audiovisual placement, compared to a visual placement. While potentially surprising, this result is consistent with predictions, recognizing audiovisual placements are naturally more congruent with the program or narrative than a visual placement (Russell 2002). As such, their presence was less likely to be elaborated upon, more likely to be perceived as part of the plot, and therefore less likely to be recognized when compared to strictly visual placements that are not a part of the plot.

The significant interaction between narrative source and the three outcome variables supported predictions such that individuals were less likely to recognize a product placed in a non-fictional, compared to a fictional narrative, as non-fictional narratives are descriptions of “real life.” Moreover, considering consumers are frequently exposed to advertisements, exposure to products inside a non-fictional narrative source was congruent with the consumer’s reality, resulting in lower levels of cognitive elaboration (Mandler 1982). The results again suggest the same theoretical underpinnings, as characters were recognized as real, compared to fictional, the
para-social relationships formed by the consumer became stronger (Cross, Bacon, and Morris 2000; Russell et al. 2004) resulting in more favorable brand evaluations and increased propensities to mimic depicted behaviors (Tanner et al. 2007), subsequently resulting in more favorable conative responses.

Considerations of age and the outcome variables indicated that in a product placement context, children were unable to properly process product information (Macklin 1984; Roedder 1981), but were more susceptible to persuasive messages than adults (Macklin 1994). Furthermore, children were more likely to emulate witnessed behaviors than adults. As such, and consistent with predictions, results indicated a significant interaction between age and outcome variables.

Theoretical, Managerial, and Policy Implications

The meta-analysis reported in this manuscript reveals numerous implications, seven of which are of particular importance. First, it appears that exposure to product placement does significantly—and positively—impact brand recall/recognition, brand evaluations, and behaviors. As such, the present work provides an increased understanding of the product placement effect as it appears to offer a response to both academic and practitioner critics who have argued or reported results suggesting that there is no effect of product placement on consumers’ affective and conative responses. Furthermore, the positive effects indicate product placement is truly a viable option for marketers, providing further guidance for practitioners when choosing where to focus their limited advertising resources.
Second, the results suggest three ways through which exposure to product placement affects consumers’ responses. Specifically, cognitive elaboration appears to drive cognitive responses, such that under conditions of limited cognitive elaboration (e.g., increased cognitive load), consumers’ ability to recognize or recall placed products also becomes limited. Furthermore, the development of consumer-program relationships seems to result in more favorable evaluations, and the desire to mimic program components influences the degree to which conative responses tend to favor placed products.

Third, while evidence exists that individuals are able to create relationships with fictitious characters (Russell et al. 2004), the affective and behavioral responses measured here suggest that individuals are likely to create stronger relationships with characters when those characters are based on real people. As such, marketers may consider placing products in works of non-fiction, compared to fiction, in order to maximize favorable affective and conative responses. Similarly, given the findings with regard to the role of emotion and mood, marketers may wish to consider placing products in comedic narratives, as opposed to dramatic narratives.

Fourth, the synthesized effects repeatedly indicated that mere exposure to product placements does not activate persuasion knowledge (Friestad and Wright 1994). Specifically, the overall positive effect on evaluations combined with the overall positive effect of recognition and the positive affective effect of blatant placements in conjunction with increased recognition, indicate that even in instances where the product was recognized, brand evaluations were still favorable. While it is not suggested that the persuasion knowledge model is inaccurate or irrelevant to product placement research, results suggest that the activation of persuasion knowledge may not play as large a role in product evaluations following exposure to product placement as once thought (Balasubramanian, Karrh, and Patwardhan 2006; Romaniuk 2009;
Van Reijmersdal, Neijens, and Smit (2009). Instead, the current results indicate that while product placement advertising is recognized, this recognition may not activate persuasion knowledge, and that activation of persuasion knowledge within a product placement context may derive from an outside source.

Furthermore, and complementary to the previous contribution, a fifth contribution is the demonstration that the medium through which consumers are exposed to product placement plays a significant role in the impact of the product placement effect on cognitive, affective, and conative responses. Returning to the null effect of product placement within the television medium, this result offers an explanation for why some academic and practitioner critics argue against an effect of product placement on consumer attitudinal responses, as a large amount of research considering affective responses has considered the television medium. Their criticism, however, may be misguided inasmuch as the null effect may not be due to product placement itself, but instead due to heightened awareness of persuasive episodes created by proximal television commercials.

Sixth, an important policy-based implication concerns the use of product placement when targeting children. Specifically, results indicate that while children are less likely than adults to accurately recognize exposure to product placement, they are very likely to emulate the behaviors and choices they witness through product placements. As such, the targeting of children for product placement warrants close consideration from public policy makers.

Finally, results indicated that for the current analysis, the assumption of data independence was not overly critical. While it is not suggested that the results warrant ignoring this important meta-analytic assumption moving forward, the present results suggest the possibility that meta-analytic results are not as sensitive to the assumption of data independence.
as previously thought. As such, future considerations of the impact of data independence may be justified.

Limitations and Future Directions

Before concluding, some limitations of the meta-analysis should be noted. First, due to the interest in understanding the overall effect of product placement on consumer cognitive, affective, and conative responses, it was not possible to use any studies that lacked a true control condition. As such, future considerations of the product placement domain could meta-analyze studies that do not include a control (i.e., no-exposure) condition (e.g., Homer 2009; Russell 2002). Second, the conative analysis sample size was relatively small ($k = 11$), due to the relatively stringent inclusion criteria. As such, it is possible that other significant conative moderators exist and could be considered if more studies were available for inclusion in the simultaneous regression model.

Finally, two instances in which the results of the independent outcome variable analyses deviated from the interaction analysis are recognized. First, within the narrative source interaction, the effect sizes for cognitive responses from a non-fictional source and affective responses from a fictional source were not significant in the independent analyses but were significant in the positive direction in the interaction analysis. While this may confuse interpretations of the impact of these specific effect sizes, it is important to recognize that conclusions related to narrative source as a moderator still hold as comparisons of cognitive and affective responses between non-fictional and fictional sources in both the independent and interaction analyses were significant in the predicted directions. Specifically, individuals were
more likely to recognize exposure to a product placement in a fictional narrative compared to a non-fictional narrative, while individuals reported more favorable evaluations of brands placed in non-fictional narratives compared to fictional narratives. Second, in two instances moderators that were not significant in the independent analysis were significant in the simultaneous analysis, namely, the impact of age was a significant moderator of affective responses and prominence was a significant moderator of conative responses. It is expected that this effect is attributed to the number of available studies \((k)\), and suggested that with a larger number of datasets the moderators that were not significant in the independent analyses may become significant. It is therefore recommended as a future direction that experimentally manipulated comparisons of conative outcome variables on the effect of narrative source, genre, medium and age across the different responses be investigated, as additional explorations of these moderators could offer supplemental support for the theoretical and managerial implications recognized in this meta-analysis.
REFERENCES

* indicates the article was included in the meta-analysis


### Table 3.1
Summary of Study Characteristics

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<tr>
<td>South (US)</td>
<td>31.4%</td>
</tr>
<tr>
<td>West (US)</td>
<td>14.3%</td>
</tr>
<tr>
<td>Multiple regions (US)</td>
<td>8.6%</td>
</tr>
<tr>
<td>Outside US</td>
<td>25.7%</td>
</tr>
</tbody>
</table>
Table 3.2
Overall Effect of Exposure to Product Placement on Cognitive, Affective and Conative Responses

<table>
<thead>
<tr>
<th>Outcome Variable</th>
<th>N</th>
<th>k</th>
<th>d+</th>
<th>LL</th>
<th>UL</th>
<th>R²</th>
<th>z</th>
<th>p</th>
<th>I²</th>
<th>LL</th>
<th>UL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cognitive</td>
<td>7,614</td>
<td>35</td>
<td>.49</td>
<td>.45</td>
<td>.54</td>
<td>.65</td>
<td>21.52</td>
<td>.001</td>
<td>96.40</td>
<td>95.67</td>
<td>97.01</td>
</tr>
<tr>
<td>Affective</td>
<td>4,095</td>
<td>30</td>
<td>.29</td>
<td>.22</td>
<td>.35</td>
<td>.52</td>
<td>8.68</td>
<td>.001</td>
<td>84.02</td>
<td>78.15</td>
<td>88.31</td>
</tr>
<tr>
<td>Conative</td>
<td>4,695</td>
<td>11</td>
<td>.45</td>
<td>.40</td>
<td>.51</td>
<td>.74</td>
<td>15.08</td>
<td>.001</td>
<td>85.23</td>
<td>75.27</td>
<td>91.17</td>
</tr>
<tr>
<td>Total</td>
<td>16,404</td>
<td>76</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note.—Positive effect size values (d+) indicate that viewers exposed to the placement had greater recognition/recall, more favorable attitudes, or behaviors that favored the placed products (vs. the control condition). Tabled values are weighted mean effect sizes using fixed-effects assumptions.
## Table 3.3
Moderating Variables for the Effect of Product Placement on Cognitive Responses

<table>
<thead>
<tr>
<th>Moderator</th>
<th>Level/Category</th>
<th>Weighted M effect size, $d_-$ (95% CI)</th>
<th>Data sets $(k)$</th>
<th>$\beta^b$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Control group exposure</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No product exposure</td>
<td></td>
<td>.78 (.66, .90)</td>
<td>21</td>
<td>.57***</td>
</tr>
<tr>
<td>product advertisement</td>
<td></td>
<td>-.69 (-.84, -.53)</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>Prominence</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subtle</td>
<td></td>
<td>-.19 (-.42, .05)</td>
<td>6</td>
<td>.31***</td>
</tr>
<tr>
<td>Blatant</td>
<td></td>
<td>.54 (.42, .66)</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>Multiple placements</td>
<td></td>
<td>-.22 (-.37, -.07)</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>Modality</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Visual</td>
<td></td>
<td>.29 (.17, .40)</td>
<td>14</td>
<td>.18***</td>
</tr>
<tr>
<td>Audio / audiovisual</td>
<td></td>
<td>.03 (-.21, .27)</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>Multiple placements</td>
<td></td>
<td>-.18 (-.34, -.02)</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>Narrative Source</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-fiction</td>
<td></td>
<td>-.08 (-.20, .04)</td>
<td>11</td>
<td>.17***</td>
</tr>
<tr>
<td>Fiction</td>
<td></td>
<td>.31 (.13, .48)</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td>-.09 (-.34, .16)</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Medium</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Television program</td>
<td></td>
<td>-.11 (-.26, .04)</td>
<td>12</td>
<td>.16***</td>
</tr>
<tr>
<td>Film</td>
<td></td>
<td>.15 (.01, .28)</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>Videogame</td>
<td></td>
<td>-.27 (-.50, -.05)</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Literature</td>
<td></td>
<td>.41 (.19, .64)</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Participants’ mean age</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.65 years</td>
<td></td>
<td>-.15 (-.30, -.01)</td>
<td>34</td>
<td>.13***</td>
</tr>
<tr>
<td>41 years</td>
<td></td>
<td>.26 (-.04, .55)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note.—Positive effect size values ($d_-$) indicate that viewers exposed to the placement had greater recognition/recall of the placed products (vs. the control condition). $^a$Predicted values for the extremes of each moderator. $^b$Multiple $R$ is reported instead of $\beta$ when a categorical variable is tested at three or more levels. $^+p < .10; ^*p < .05; ^{**}p < .01; ^{***}p < .001.$
Table 3.4
Moderating Variables for the Effect of Product Placement on Affective Responses

<table>
<thead>
<tr>
<th>Moderator</th>
<th>Level/Category</th>
<th>Weighted M effect size, $d_+$ (95% CI)</th>
<th>Data sets $(k)$</th>
<th>$\beta^b$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Genre</td>
<td>Drama / more serious</td>
<td>-.09 (-.23, .05)</td>
<td>15</td>
<td>.50***</td>
</tr>
<tr>
<td></td>
<td>Comedy / more light-hearted</td>
<td>.54 (.41, .68)</td>
<td>14</td>
<td></td>
</tr>
<tr>
<td>Narrative Source</td>
<td>Non-fiction</td>
<td>.51 (.32, .70)</td>
<td>14</td>
<td>.34***</td>
</tr>
<tr>
<td></td>
<td>Fiction</td>
<td>-.06 (-.18, .07)</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>Prominence</td>
<td>Subtle</td>
<td>.05 (-.12, .21)</td>
<td>4</td>
<td>.23**</td>
</tr>
<tr>
<td></td>
<td>Blatant</td>
<td>.37 (.26, .47)</td>
<td>19</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Multiple placements</td>
<td>.27 (.05, .49)</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Medium</td>
<td>Television program</td>
<td>.07 (-.07, .21)</td>
<td>12</td>
<td>.22*</td>
</tr>
<tr>
<td></td>
<td>Film</td>
<td>.30 (.22, .41)</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Videogame</td>
<td>.21 (.04, .38)</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Literature</td>
<td>.33 (.15, .51)</td>
<td>7</td>
<td></td>
</tr>
</tbody>
</table>

Note. — Positive effect size values ($d_+$) indicate that viewers exposed to the placement had more favorable evaluations of the placed products (vs. the control condition). aPredicted values for the extremes of each moderator. bMultiple $R$ is reported instead of $\beta$ when a categorical variable is tested at three or more levels. *$p < .05$; **$p < .01$; ***$p < .001$. 

76
<table>
<thead>
<tr>
<th>Moderator</th>
<th>Level/Category(^a)</th>
<th>Weighted M effect size, (d_+) (95% CI)</th>
<th>Data sets ((k))</th>
<th>(\beta)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Narrative Source</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-fiction</td>
<td></td>
<td>.57 (.48, .66)</td>
<td>4</td>
<td>.56***</td>
</tr>
<tr>
<td>Fiction</td>
<td></td>
<td>.26 (.17, .35)</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Youngest (6.68 years)</td>
<td></td>
<td>.61 (.47, .75)</td>
<td>11</td>
<td>-.33**</td>
</tr>
<tr>
<td>Oldest (21 years)</td>
<td></td>
<td>.32 (.21, .42)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note.— Positive effect size values \((d_+)\) indicate that viewers exposed to the placement had behaviors that favored the placed products (vs. the control condition). \(^a\)Predicted values for the extremes of each moderator. CI = Confidence Interval. \(*p < .05; **p < .01; ***p < .001.\)
Table 3.6
Overall Effect of Exposure to Product Placement on Cognitive, Affective and Conative Responses across Different Study Selection Methods

<table>
<thead>
<tr>
<th>Outcome Variable</th>
<th>Dependent Dataset</th>
<th>a Priori Selection</th>
<th>Random Selection 1</th>
<th>Random Selection 2</th>
<th>Random Selection 3</th>
<th>Random Selection 4</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>k</td>
<td>d+</td>
<td>k</td>
<td>d+</td>
<td>k</td>
<td>d+</td>
</tr>
<tr>
<td>Cognitive</td>
<td>35 .49</td>
<td>30 .47</td>
<td>34 .49</td>
<td>33 .49</td>
<td>32 .48</td>
<td>33 .49</td>
</tr>
<tr>
<td>Affective</td>
<td>30 .29</td>
<td>27 .29</td>
<td>25 .30</td>
<td>24 .30</td>
<td>27 .30</td>
<td>26 .31</td>
</tr>
<tr>
<td>Conative</td>
<td>11 .45</td>
<td>11 .45</td>
<td>9 .45</td>
<td>11 .45</td>
<td>9 .45</td>
<td>9 .45</td>
</tr>
<tr>
<td>Total</td>
<td>76</td>
<td>68</td>
<td>68</td>
<td>68</td>
<td>68</td>
<td>68</td>
</tr>
</tbody>
</table>

Note.—Positive effect size values (d+) indicate that viewers exposed to the placement had greater recognition/recall, more favorable attitudes, or behaviors that favored the placed products (vs. the control condition). Tabled values are weighted mean effect sizes using fixed-effects assumptions. All effects are significant at p < .001.
Figure 3.1
The Moderating Effect of Advertising Exposure across Consumer Responses

Note.—Positive effect size values ($d_+$) indicate that viewers exposed to the placement had greater recognition/recall of the placed products (vs. the control condition) for cognitive responses, and more favorable brand evaluations and behaviors (vs. the control condition) for affective and conative responses, respectively. Results reported control for prominence.
Figure 3.2
The Moderating Effect of Prominence across Responses

Note.—Positive effect size values ($d$) indicate that viewers exposed to the placement had greater recognition/recall of the placed products (vs. the control condition) for cognitive responses, and more favorable brand evaluations and behaviors (vs. the control condition) for affective and conative responses, respectively.
Figure 3.3
The Moderating Effect of Modality across Consumer Responses

Note.—Positive effect size values ($d$) indicate that viewers exposed to the placement had greater recognition/recall of the placed products (vs. the control condition) for cognitive responses, and more favorable brand evaluations and behaviors (vs. the control condition) for affective and conative responses, respectively. Results reported control for prominence.
Figure 3.4
The Moderating Effect of Narrative Source across Consumer Responses

Note.—Positive effect size values ($d_e$) indicate that viewers exposed to the placement had greater recognition/recall of the placed products (vs. the control condition) for cognitive responses, and more favorable brand evaluations and behaviors (vs. the control condition) for affective and conative responses, respectively.
Figure 3.5
The Moderating Effect of Age across Consumer Responses

Note.—Positive effect size values ($d_+$) indicate that viewers exposed to the placement had greater recognition/recall of the placed products (vs. the control condition) for cognitive responses, and more favorable brand evaluations and behaviors (vs. the control condition) for affective and conative responses, respectively. Predicted values for the extremes of each moderator. Results reported control for advertising exposure.
CHAPTER IV

ESSAY TWO

Consumer Assent to Branded Artifacts in Media and the Consumer-Schematic Taxonomy of Product Placement

Abstract

In this essay, the Consumer-Schematic Taxonomy of Product Placement is proposed to recognize the knowledge structures consumers develop in order to understand and cope with product placement advertising. This taxonomy consists of perceptions of product placement obtrusiveness, utility, and deceptiveness. Furthermore, support is offered for the Assent to Branded Artifacts in Media construct, defined as a consumer’s general receptiveness to product placement as an effective and helpful guide in consumption decisions. Across several studies from multiple independent data sets, support for the validity of a second-order scale consisting of four first-order factors is presented, and the scale is shown to be a reliable predictor of placed brand attitudes.
Extant research has shown that individuals respond differently to commercial messages based on the advertising techniques through which they are delivered (Ha 1996; King, Reid and Morrison 1997; Mooradian 1996; Muehling 1987; Obermiller and Spangenber 1998; Peracchio and Meyers-Levy 1997; Sandage and Leckenby 1980; Speck and Elliot 1997; Wells, Leavitt and McConville 1971). Of these advertising techniques, it is possible that none are more polarizing than the inclusion of branded artifacts in media, commonly referred to as product placement, product integration, and brand integration (Wenner 2004). Since the birth of this phenomenon (Snyder 1992), the advertising technique has been met with controversy. For example, it has been praised for increasing media production values, viewer experiences (Branswell 2002), and perceived realism (Gupta and Gould 1997), while simultaneously criticized for being unethical and subliminal persuasion (Cowlett 2000), a destroyer of artistic integrity (Govani 1999), and a creator of false realism (Chabria 2002). It therefore stands to reason that these opposing views have created a considerable amount of disparity in consumer evaluations of both the advertising technique and the associated products post exposure to a placement. Interestingly, however, the understanding and measurement of these consumer evaluations has gone relatively unexamined. As such, the current essay has two objectives, beginning with an exploration of individuals’ perceptions of product placement as a commercial tool through the development of the Consumer-Schematic Taxonomy of Product Placement. This is followed by the development of the Assent to Branded Artifacts in Media construct and the Branded Artifacts in Media Assent Scale (BAMAS) as a device for capturing consumers’ perceptions of product placement. Finally, considerations of the Consumer-Schematic Taxonomy of Product Placement on consumers’ perceptions are assessed, and managerial and theoretical implications are considered. To begin,
CONSUMER-SCHEMATIC TAXONOMY OF PRODUCT PLACEMENT

The Consumer-Schematic Taxonomy of Product Placement is defined as the perceptual knowledge structures developed by consumers in order to understand and subsequently cope with exposure to product placement advertising. As individuals are repeatedly exposed to a given target (i.e., product placement), they are likely to establish knowledge structures or schemas (Hayes-Roth 1977; Marks and Olson 1981). These knowledge structures often include multiple attributes that allow the individual to establish both favorable and unfavorable opinions about the target (Park and Lessig 1981). An understanding of these knowledge structures and the subsequent development of this Consumer-Schematic Taxonomy of Product Placement is important for several reasons. First, there is a growing use of product placement advertising in mainstream media (Tiwsakul, Hackley and Szmigin 2005). Indeed, the estimated spending on product placement advertising in 2009 was $3.61 billion. Moreover, from 2010 to 2014, product placement spending is projected to grow at a compounded annual growth rate above nine percent (PQ Media 2010). As such, it is easy to see the financial significance of product placement as an advertising technique.

Second, while similar to previously established advertising methods like television commercials and print advertisements, the techniques, motives and desired outcomes of product placement make it a distinctly different vehicle for marketers to use to increase awareness of their brands (Tiwsakul, Hackley and Szmigin 2005). For example, while traditional advertising...
methods make little effort to mask their attempts to persuade viewers, product placement advertising is often much more subtle. Similarly, clear product descriptions are commonplace in traditional advertisements. In product placement advertising, however, product descriptions are less common. In fact, attempts to include detailed descriptions in product placement would work against the subtleness of the message described above, as viewers who become aware of the persuasive episode respond negatively to the message (Cowley and Baron 2008; Wei et al. 2008). A final example of differences between product placement and more traditional advertising techniques is the ability of product placement advertisers to use viewer connections to programs and characters (Russell et al. 2004) to increase consumer-brand connections. As viewers repeatedly expose themselves to program narrative, they can become more connected to particular programs. These connections have distinct benefits for persuasive messages, including the establishment of characters as referent others (Fiske 1992). Traditional advertisements, however, typically lack defined narrative and subsequent benefits from viewer-character connections are less likely. The Consumer-Schematic Taxonomy therefore expands this understanding of product placement and traditional advertising by taking these differences in to account.

Third, while several considerations of how product placement is presented to consumers have been offered, the development of the Consumer-Schematic Taxonomy of Product Placement extends previous product placement research by addressing how product placement is perceived by consumers. For example, Russell (1998, 2002) presents the Tripartite Typology of Product Placement by observing products can be presented to viewers through varying degrees of modality and relevance. Specifically, products can be visually present or absent from a scene, verbally referenced or not referenced in dialog, and be connected or not connected to the plot.
Moreover, different combinations of these three presentation categories have been shown to impact consumers’ brand recognition and attitudes (Russell 2002). For example, visual placements that are low in plot connection are less likely to be recognized by viewers than auditory placements that are high in plot connection. Similarly, auditory placements that are high in plot connection and visual placements that are low in plot connection result in more favorable brand evaluations than visual placements that are high in plot connection or auditory placements that are low in plot connection. This work therefore supplements Russell’s (1998, 2002) work, as reflective dimensions of this typology are considered by examining how product placement is perceived by viewers, instead of how they are presented to viewers, therefore investigating the complementing side of product placement-consumer interactions. To accomplish this, however, the three dimensions of the taxonomy, namely product placement obtrusiveness, utility and deceptiveness must be formalized.

Product Placement Obtrusiveness

Product placement obtrusiveness is defined as the degree to which a viewer’s ability to consume narrative is impeded by the presence of product placement. I hypothesize that perceptions of product placement as obtrusive result in a decreased acceptance of product placements, as the product placement would hinder viewers’ goals of consuming and enjoying narrative (Vorderer et al. 2004). Moreover, two sub-dimensions of obtrusiveness, namely the degree to which product placements are perceived as distracting, and the resulting awareness of product placement as a persuasive technique are expected to exist. Extant literature indicates that when an entity is perceived as out of place or distracting, there is an increased awareness of its
presence (Heckler and Childers 1992). When the entity is a persuasive message, knowledge of the persuasive episode is created, resulting in counter arguing and decreased willingness to comply with the message (Friestad and Wright 1994). Therefore it is expected that as viewers perceive product placements as distracting, they will be more aware of product placement as a persuasive episode, ultimately resulting in less favorable perceptions of product placement as an advertisement technique.

Product Placement Utility

Product placement utility is defined as the degree to which viewers recognize that the presence of product placement adds value to their narrative consumption experience, and I expect that increases in perceived product placement utility will result in increased acceptance of product placement. For example, it has been shown that the use of real brands, compared to fictitious brands, can increase viewer perceptions of narrative realism (Gupta and Gould 1997). Evidence also exists that placed products can play a role in the para-social connections between viewers and characters (Russell et al. 2004; Russell and Stern 2006), as viewers can connect to characters that like the same brands they like or use the same brands they use. Moreover, these perceptions of realism in media due to the presence of product placement should increase viewers’ ability to feel connected to a medium, strengthening the para-social relationships between viewers and characters and increasing narrative enjoyment as their consumption goals are met (Vorderer et al. 2004). Therefore, increased perceptions of realism in narrative due to the presence of product placement should result in increased narrative enjoyment and ultimately more favorable perceptions of product placement advertising.
Product Placement Deceptiveness

Product placement deceptiveness is defined as the extent to which consumers perceive product placement as serving practitioners interest at the expense of their own. Stated differently, product placement deceptiveness is the degree to which consumers perceive product placement as insincere or “out to get them.” And, as messages perceived as insincere and uninformative are met with skepticism of the claims (Chan and Sengupta 2010; Obermiller and Spangenberg 1998), this skepticism should result in decreased assent to product placement. When a message is perceived as less sincere, the receiver explicitly discounts the information contained in the message (Chan and Sengupta 2010), resulting in beliefs that the message is uninformative. Moreover, if a product placement is perceived as uninformative, it should stand that assent will decrease. Therefore, increased perceptions of product placement as insincere will result in increased perceptions of product placements as uninformative, resulting in less favorable perceptions of product placement advertising.

The conceptual mapping of the Consumer-Schematic Taxonomy of Product Placement can be found in Figure 4.1. In order to consider this taxonomy, however, a generalized construct related to individuals’ perceptions of product placement must be defined. As such, the Assent to Branded Artifacts in Media construct is subsequently developed.

**ASSENT TO BRANDED ARTIFACTS IN MEDIA**

The latent Assent to Branded Artifacts in Media construct is conceptualized as a consumer’s judgments of, and receptiveness to branded artifacts in media (product placement) as
a guide for brand evaluations and consumption decisions. Previous research supports the
existence of an Assent to Branded Artifacts in Media construct, suggesting that individuals vary
in their evaluations of product placement. For example, important variations have been shown in
individuals’ attitudes toward product placement in general, product placement realism, and
viewer support for banning product placement (Gupta and Gould 1997). These variations were
also found to influence individuals perceived appropriateness of placing ethically charged
products (e.g., tobacco, alcohol, and firearms) in media, and can differ based on gender
(McKechnie and Zhao 2003). Scholars also recognize variance in the appropriateness of placing
products in children’s programming based on country of origin (Hudson et al. 2008), and
differences in attitudes toward product placement for varying levels of general liking of
advertisements (Gupta et al. 2000). The current conceptualization of an Assent to Branded
Artifacts in Media construct expands our understanding of product placement evaluations by
connecting the attitudinal measures mentioned above with our general understanding of
acceptance. This link is further explored by expanding our understanding of product placement
to include both the ability to predict viewer’s brand attitudinal responses post exposure to
product placement, and the antecedent perceptions of product placement that both limit and
maximize the effect of product placement. In order to accomplish this goal, however, the
development of a scale to measure this latent construct was required.

SCALE DEVELOPMENT

The Branded Artifacts in Media Assent Scale (BAMAS) was developed using the method
suggested by Churchill (1979) to measure individual’s latent Assent to Branded Artifacts in
Media. Initial scale questions were developed from a collection of open-ended responses through both a pilot study of 78 participants asked to describe thoughts and feelings they have toward product placement and a review of relevant literature. Through these two methods, an initial set of 61 items was developed. Each question was measured on a seven-point scale, anchored from 1 = strongly disagree to 7 = strongly agree. A series of three data collections and exploratory factor analyses were used to refine the measure (Churchill 1979), ultimately leading to a four-factor model consisting of 12 items.

Confirmatory Factor Analysis

The items were administered to 397 undergraduate students (54% female, average age of 21) participating for partial course credit. A student sample was deemed appropriate for this model because collegiate students belong to the demographic that consumes the most media (Hulin-Salkin 1989), and are thus highly likely to be exposed to product placement advertising. With the student sample, a confirmatory factor analysis of the four factor model was conducted, offered strong global fit ($\chi^2 (50) = 97.42, p < .001; \text{CFI} = .99; \text{RMSEA} = .05; \text{SRMR} = .03$).

The four factors represent the different manifestations of how viewers perceive and accept product placement as a useful advertising technique. Persuasion characterizes consumers’ perceptions of product placement argument strength. The Helpfulness factor measures the level to which viewers believe product placement helps provide them with information needed to make purchase decisions. The Efficacy factor measures the degree to which viewers perceive product placements to be an effective vehicle for delivering branded messages. Finally, the
Attitude measure is a general measure of a viewer’s affective evaluations of product placement as an advertising technique. The items used to measure the four factors are found in table 4.1.

Alternative Models

The four-factor model was compared to three alternative models in order to determine which model provided the best fit and test for the existence of a second-order construct. The three alternative models were a baseline, null model (model A), a first-order, single factor model (model B), the first-order, four-factor model previously mentioned (model C), and a second-order, four-factor model (model D). As shown in table 4.2, the four-factor model (model C) was a significantly better fit than the baseline (model A) and single-factor (model B) models. Next, the single-order, four-factor model (model C) was compared to the second-order, four-factor model (model D). The second-order model did not substantially decrease the model fit, confirming BAMAS as an appropriate second-order, four-factor measure.

Moreover, several Monte Carlo estimations were run to verify the power of the first- and second-order loadings. For all simulations, all factors loaded at significant and substantial levels, indicating appropriate power for the sample size and providing further support for BAMAS as a second-order, four-factor measure of the Assent to Branded Artifacts in Media construct. The scale and initial loadings can be found in figure 4.2.
Reliability

The reliability of BAMAS was tested through both a test-retest administration and a data collection from a second participant set independent of the first. Participants for the test-retest reliability measure were from the initial confirmatory factor analysis data collection. Approximately four months after the initial data collection, BAMAS was again administered to 223 participants. A confirmatory factor analysis of the data collected at time two offered good fit ($\chi^2 (243) = 443.56, p < .001; \text{CFI} = .95; \text{RMSEA} = .06; \text{SRMR} = .05$), and the correlation between time one and two was deemed acceptable, $r = .70, p < .001$.

A second scale collection on a new participant set was also necessary in order to demonstrate the scale as generalizable over different individuals. Participants in the second participant set were 341 undergraduates, participating for partial course credit, and unrelated to the initial participant set used for the test-retest reliability test. A confirmatory factor analysis was conducted on the second-order BAMAS, again showing strong global fit ($N = 341, \chi^2 (50) = 108.43, p < .001, \text{CFI} = .98, \text{RMSEA} = .05, \text{SRMR} = .03$). Combined, the high test-retest correlation and appropriate fit with the second participant data set provided evidence for BAMAS as a reliable measure.

Nomological Validity

In order to assess the nomological position of the Assent to Branded Artifacts in Media construct in the advertising and product placement network, a series of previously established scales were administered to participants along with BAMAS. Included in the network were the
three exploratory product placement scales developed by Gupta and Gould (1997), a general attitude toward advertising scale (Muehling 1987), and a measure of skepticism toward advertising (Obermiller and Spangenberg 1998). It was expected that BAMAS would be positively correlated with general attitudes toward product placement (Gupta and Gould 1997), product placement realism (Gupta and Gould 1997), and attitude toward advertising (Muehling 1987), but negatively correlated with restrict product placement (Gupta and Gould 1997), and skepticism toward advertising (Obermiller and Spangenberg 1998). As can be seen in table 4.3, the expected correlations and directions were confirmed.

Discriminant Validity

Due to the significant correlations with the scales in the nomological network, tests of discriminant validity were warranted. As such, the discriminant validity between BAMAS and each of the scales in the network were tested. This was accomplished through two methods. In the first method, BAMAS and each individual network scale were one at a time set to be perfectly correlated. A second model was then estimated in which the correlation between BAMAS and the scale were allowed to rotate freely. Chi-squared values and degrees of freedom were recorded for each model. A chi-squared difference test was then used to measure the difference between each model, and results of these tests can be found in table 4.4.

For the second method, the average variance extracted for each of the scales in the network was calculated and results for the average variance extracted tests can be found in table 4.5. Results from both tests of discriminant validity confirmed that BAMAS is a distinctly different measure than those scales in the same nomological network. Taken together, these
results offered two conclusions. First, there is strong support for BAMAS as a second-order, four-factor scale of appropriate power that is reliable, and both nomologically and discriminately valid. Second, tests concerning the predictive validity of BAMAS were warranted.

OVERVIEW OF STUDIES

The subsequent studies are categorized into two groups. First, two studies are offered to validate Assent to Branded Artifacts in Media and the BAMAS measure from two theoretically relevant perspectives. For Assent to Branded Artifacts in Media to be an important construct in product placement and marketing research, BAMAS should impact viewers’ responses to product placement in some meaningful ways. Specifically, if Assent to Branded Artifacts in Media does indeed capture important dimensions of viewers’ responses to product placement, it should affect consumers’ brand recognition and brand attitudes post (but not prior to) exposure to product placements. Study 1 therefore provides a proof-of-concept used to evaluate the role Assent to Branded Artifacts in Media plays in influencing brand evaluations post exposure to placed products, recognizing a positive relationship between BAMAS and brand evaluations. Study 2 considers BAMAS as a moderator of consumers’ brand recognition and brand attitudes at different levels of placement prominence.

Second, two studies are offered considering the impact of the Consumer-Schematic Taxonomy of Product Placement on the Assent to Branded Artifacts in Media construct. Study 3 first employs structural equation modeling to consider the impact of the taxonomy on Assent to Branded Artifacts in Media, revealing that the three dimensions of the taxonomy do indeed impact individuals’ assent. Study 4 concludes the exploration of the Assent to Branded Artifacts
in Media construct by directly manipulating viewer perceptions of product placement through exposure to product placements at the various levels of the taxonomical dimensions (e.g., a product placement rated as high in utility but low in obtrusiveness and deceptiveness), revealing that manipulations of the taxonomy affect subsequent brand evaluations through BAMAS.

STUDY 1: THE RELATIONSHIP BETWEEN ATTITUDES TOWARD PLACED PRODUCTS AND ASSENT TO BRANDED ARTIFACTS IN MEDIA

Increased consumer willingness to assent to branded artifacts in media should result in a greater ability to appreciate the benefits of product placement, and therefore the two should be positively related. Research has shown that as consumers are better able to understand the functional benefits of advertisements, they are more likely to respond with positive evaluations of the target brand (Alwitt and Prabhaker 1992, 1994). Recognizing that product placement is a form of advertisement (Gupta and Gould 1997), consumers who are able to process the benefits of product placement should be more likely to comply with the advertising messages contained within, and subsequently respond with more favorable evaluations of the brand. As such, BAMAS and attitudes toward placed products should be positively correlated.

Method

Study 1 was conducted using test-retest methodology across three trials. Participants were students in an introductory marketing course (N = 39, 43% female, averaged 21.8 years of age), participating for partial course credit. To begin, participants reported their attitudes toward a
series of brands, including the target brand of Verizon Wireless, and completed the BAMAS measure. Two weeks later, participants were exposed to an episode of *30 Rock* entitled “Someone to Love” (originally aired Nov. 15, 2007) containing a reference to Verizon Wireless and provided a second evaluation of Verizon and a series of other brands in a computer laboratory setting. Participants reported attitudes toward a series of brands to minimize the likelihood of hypothesis guessing. The participants then returned to the lab a week later and again provided their attitudes toward Verizon and other brands, but were not re-exposed to the episode or Verizon placement. Participants were debriefed as a group after providing their final Verizon evaluations.

Results

A series of correlations were conducted considering the relationship between BAMAS and brand evaluations prior to exposure to the episode containing the placed product, immediately after exposure to the episode containing the placed product, and one week after exposure to the episode and placed product. As expected, results of the first correlation revealed no relationship between BAMAS and brand evaluations prior to exposure to the placed product ($r = .24, p > .05$), suggesting that any significant results found in the second and third correlational analyses were due to exposure to the placement, and not spurious correlations. The second correlation analysis indicated a significant positive relationship between BAMAS and brand evaluations immediately after watching the episode and being exposed to the placed product ($r = .35, p = .01$). Moreover, this relationship persisted a week later ($r = .30, p < .05$),
demonstrating a reliable, and lasting relationship between BAMAS and brand evaluations. Of note, within this essay one-tailed significance levels are reported for directional hypotheses.

Discussion

Study 1 revealed initial support that Assent to Branded Artifacts in Media is positively related to brand evaluations post exposure to placements. Moreover, results indicated that the relationship between the two variables has a lasting effect, as brand evaluations were significantly correlated to BAMAS scores a week after exposure to the placement. Study 1 also revealed no correlation between BAMAS and brand evaluations before the same individuals were exposed to a product placement for the brand, indicating that the significant relationships are a result of exposure, and not spurious correlation. As such, essay 2 continues with an exploration of the role of BAMAS on consumer evaluations by incorporating manipulations of placement prominence and including brand recognition as an outcome variable.

STUDY 2: THE ROLE OF ASSENT TO BRANDED ARTIFACTS IN MEDIA AND PLACEMENT PROMINENCE ON BRAND RECOGNITION AND BRAND ATTITUDES

Study 1 indicated the Assent to Branded Artifacts in Media construct is related to the development of brand attitudes within a product placement context. This role of assent in consumer and product placement research, however, can be further strengthened by considering it as a meaningful moderator of a common product placement question considering the simultaneous role of brand recognition and attitudes (Cowley and Baron 2008; Gillespie,
Joireman, and Muehling 2012; Homer 2009; Russell 2002). This is accomplished through an examination within both low and high placement prominence conditions. Placement prominence is most often defined as the degree to which a placed product or brand is incorporated into a medium (Cowley and Baron 2008; Gillespie, Joireman, and Muehling 2012; Homer 2009; Russell 2002), where placements are referred to as subtle when they are included in media but are not connected to the plot or characters, and considered blatant when they are included in media and connected to the plot or characters (Cowley and Baron 2008; Gillespie, Joireman, and Muehling 2012; Homer 2009; Russell 2002). Moreover, modality is often connected to prominence manipulations such that subtle placements are presented in a visual format, while blatant placements are presented in an auditory or audiovisual format (Gillespie, Joireman, and Muehling 2012; Homer 2009).

Considerable extant research (Balasubramanian, Karrh, and Patwardhan 2006; Romaniuk 2009) has attempted to understand the impact of prominence on brand recognition and brand attitudes. For example, it has been repeatedly demonstrated that prominence substantially impacts viewer brand recognition such that blatant placements are more likely to be recognized than subtle placements (Van Reijmersdal, Neijens, and Smit 2009). This is reasonable, as blatant placements trigger greater levels of elaboration (Russell 2002), and are subsequently more likely to be remembered by viewers (Gupta and Lord 1998).

Main effects of placement prominence on consumers’ attitudes toward placed products are less clear, however, as explorations of placement prominence pertaining to brand attitudes have typically resulted in inconsistent or null effects (Balasubramanian, Karrh, and Patwardhan 2006; Romaniuk 2009; Van Reijmersdal, Neijens, and Smit 2009). Two bodies of research, however, may provide insights into these results. First, prior results have demonstrated that
consumers possess the ability to recognize the functional benefits of exposure to advertisements (Alwitt and Prabhaker 1992, 1994). In terms of product placement advertising, these benefits can include increased perceptions of narrative realism (Gupta and Gould 1997), and increased connections between viewers and characters (Russell et al. 2004; Russell and Stern 2006), ultimately creating a more enjoyable viewing experience. As such, viewers should respond with more favorable evaluations of the target brand. Conversely, the recognition of placed products within narrative may be distracting to consumers, activating persuasion knowledge (Friestad and Wright 1994) as viewers elaborate on the motivations behind the presence of the brand, ultimately leading to less favorable evaluations of the target brand (Homer 2009).

An interaction is therefore expected such that Assent to Branded Artifacts in Media will effectively capture both of these favorable and unfavorable outcomes. Specifically, under conditions of subtle prominence, those high in BAMAS will be less likely to be distracted by the placement, and subsequently less likely to recognize exposure to the placement, as they are more likely to process the placement peripherally (Petty and Cacioppo 1986; Petty Cacioppo and Schumann 1983) resulting in more favorable brand evaluations. Those low in BAMAS, however, will be more likely to be distracted by the placement, subsequently recognizing the placement and perceive it as a persuasive attempt, responding with less favorable brand evaluations. A significant interaction under blatant placement conditions is also hypothesized such that those higher in BAMAS will report more favorable evaluations toward the brand than those low in BAMAS, but there will be no difference with respect to brand recognition between high and low BAMAS. It is expected that this will be due to the increased elaboration resulting from blatant placements (Russell 2002) and their overriding impact on effects of BAMAS.
An original short-film was created in order to test this moderated mediation model. Two versions of the program were made to allow for a consideration of both subtle and blatant placements. In the subtle version, a Dasani water bottle was sitting on a table, but not mentioned or interacted with by the actors. In the blatant version, however, the Dasani water bottle is not sitting on the table, but rather one actor mentions it is in a bag that she has come to retrieve, thus making the target product an integral part of the narrative and creating a relationship between the character and the product. This prominence definition is consistent with past manipulations of placement prominence (Cowley and Barron 2008; Homer 2009; Russell 2002). All other characteristics of the two versions of the film were identical. The film was shot in a location not easily recognizable to participants, and used two local actors. The short-film was approximately three minutes in length, and was presented to the participants in an online format.

Study 2a

*Method.* Participants were 114 students participating for partial course credit and completed BAMAS as part of a series of pretests approximately two months prior to exposure to the short-film. Upon arrival in the lab, participants were told they would be completing a series of studies, and that the “first” study considered how people watch videos. The participants were then exposed to the film that included the subtle placement, and asked to provide their attitudes and opinions toward different elements of the film that were unrelated to the product placement. Upon completing these measures, participants were told they would be participating in a
“second,” unrelated study about brand attitudes, and signed a second consent form. This helped prevent hypothesis guessing by giving participants the impression that reporting their brand attitudes had nothing to do with the exposure to the product placement during the “first” study. As part of the “second” study, participants were asked to rate a series of brands, including the target brand, on four, seven-point bipolar scales anchored by dislike very much/like very much, very unfavorable/very favorable, very unattractive/very attractive, and very bad/very good. The ability of the multiple studies method to limit hypothesis guessing was then checked by asking participants to guess the purpose of the study. No participants indicated they recognized a connection between the “first” and “second” studies.

Participants were then asked to think back to the short-film. They were presented with a list of brands and asked to indicate which brands they recognized being exposed to within the narrative. To control for potential familiarity confounds, participants were then asked about their familiarity with the actors and location, but no participants indicated they were familiar with either the actors or location. Participants were then dismissed and debriefed as a group upon completion of the data collection approximately two weeks later.

Results. To begin the analysis, a tertiary split was conducted to divide participants into two groups (low vs. high BAMAS), and the brand recognition and brand attitude results were standardized. Next, a 2 (BAMAS: low vs. high) × 2 (Response: recognition vs. attitude) repeated measures ANOVA was conducted. Results revealed a significant interaction (F (1, 112) = 4.66, p < .05), but no significant main effects for response or BAMAS (ps > .05). Next, simple contrasts revealed a marginally significant difference in attitudes between participants low in BAMAS (z = -.13, SD = .99), compared to those high in BAMAS (z = .12, SD = 1.00; t (112) = -1.29, p = .1).
Results also revealed a marginally significant difference in recognition between participants low in BAMAS ($z = .14, SD = 1.08$), compared to those high in BAMAS ($z = -.13, SD = .91; t (112) = 1.53, p = .06$). Results for study 2a can be found in figure 4.3a.

Study 2b

*Method.* Participants were 115 students participation for partial course credit and completed BAMAS as part of a series of pretests approximately two months prior to exposure to the short-film. The method used in study 2b was identical to that of study 2a with the exception that participants were exposed to the blatant placement for the target brand.

*Results.* The methods used to analyze the data in study 2b were identical to that of study 2a. The results of the 2 (BAMAS: low vs. high) × 2 (Response: recognition vs. attitude) repeated measures ANOVA revealed a significant interaction ($F (1, 113) = 3.93, p = .05$), but no significant main effects for response or BAMAS ($ps > .05$). Furthermore, simple contrasts revealed a significant difference in attitudes between participants low in BAMAS ($z = -.22, SD = 1.03$), compared to those high in BAMAS ($z = .24, SD = .92; t (113) = -2.49, p = .01$). As expected, however, there was no difference in recognition between participants low in BAMAS ($z = .04, SD = .97$), compared to those high in BAMAS ($z = -.04, SD = 1.03; t (113) = .51, p > .05$). Results for study 2b can be found in figure 4.3b.
Discussion

Results of study 2 indicated that latent Assent to Branded Artifacts in Media construct impacts consumers’ brand recognition and brand attitudes post exposure to product placement. Specifically, for those high in BAMAS, exposure to subtle placements resulted in increased brand evaluations, compared to those exposed to blatant placements, but those low in BAMAS were more likely to recognize exposure to the placement than those high in BAMAS. Conversely, for those high in BAMAS, exposure to blatant placements resulted in increased brand evaluations, compared to those low in BAMAS, but there was no difference in brand recognition between the two conditions. While the results of studies 1 and 2 have indicated that Assent to Branded Artifacts in Media is related to the effect of product placement on viewer evaluations, a potential limitation exists in that the process through which viewers develop and regulate Assent to Branded Artifacts in Media has not yet been empirically examined. As such, studies 3 and 4 address these antecedents to assent through the Consumer-Schematic Taxonomy of Product Placement and explore the impact of this taxonomy on brand evaluations through Assent to Branded Artifacts in Media.

STUDY 3: THE IMPACT OF THE CONSUMER-SCHEMATIC TAXONOMY OF PRODUCT PLACEMENT ON ASSENT TO BRANDED ARTIFACTS IN MEDIA

Before conducting Study 3, pre-tests were conducted to determine the items used to measure the Consumer-Schematic Taxonomy of Product Placement using the method suggested by Churchill (1979). Results of the pre-tests confirmed the six unique factors representing the
three dimensions of the taxonomy. Furthermore, a structural equation measurement model consisting of 349 participants provided acceptable global fit ($\chi^2 (360) = 553.08, p < .001; \text{CFI} = .98; \text{RMSEA} = .04; \text{SRMR} = .04$). Because the model global fit was acceptable, modification indices were not evaluated. Therefore, there were no cross-loadings or error correlations in the model. Furthermore, an investigation of factor correlations showed that while several latent factors were significantly correlated, none were substantially correlated (all $rs < .70$). The items used for the three dimensions of the perceptual taxonomy can be found in Table 4.6.

Method

Participants in Study 3 were marketing students ($N = 291$) participating for partial course credit. BAMAS was first presented to each participant, followed by the latent path variable items that measure the taxonomy. All participants completed both BAMAS and the latent path variable questionnaire individually. Participants were debriefed as a group following completion of the data collection.

Results

The Consumer-Schematic Taxonomy of Product Placement was tested using a three step structural equation modeling technique. First, the measurement model was evaluated. An assessment of the identification of the measurement model showed the model was over identified. The results of the measurement model also showed strong global fit ($\chi^2 (440) = 631.96, p < .001; \text{CFI} = .97; \text{RMSEA} = .04; \text{SRMR} = .04$). Similar to the pre-test results, because
the model global fit was acceptable, modification indices were not evaluated. Therefore, there were no cross-loadings or error correlations in the model. An investigation of factor correlations showed that while several latent factors were significantly correlated, none were substantially correlated (all $rs < .70$). Second, an assessment of the structural model showed the model was over identified. This, combined with the over identification of the measurement model, showed the overall structural regression model was over identified. Finally, the structural equation model was conducted, revealing strong global fit ($\chi^2 (479) = 781.49, p < .001; \text{CFI} = .96; \text{RMSEA} = .05; \text{SRMR} = .07$). Moreover, the 90 percent confidence interval for RMSEA was .041 to .052, with an 83% chance that the RMSEA was below .05, validating the model as acceptable. The model—with loadings—is described in figure 4.4. All loadings were significant at $p < .001$, with the exception of the loading of distraction on persuasion awareness, which was significant at $p < .05$.

**Indirect Effects on BAMAS.** The indirect effects of the latent variables on BAMAS were also tested and found to be significant. Beginning with the obtrusiveness dimension, there was a significant indirect effect of distraction on BAMAS through persuasion awareness ($z = -.03, p < .05$). Considering utility, the indirect effects of realism on BAMAS through enjoyment ($z = .13, p < .001$) was also significant. Finally, with respect to deceptiveness, an indirect effect of insincerity on BAMAS through uninformative ($z = -.26, p < .001$) existed.
Discussion

The strong global fit of the structural equation model confirmed the Consumer-Schematic Taxonomy of Product Placement significantly influences the Assent to Branded Artifacts in Media construct. In addition, the obtrusiveness, utility and deceptiveness dimensions combined to account for 69% of the variance in BAMAS ($R^2 = .69$), suggesting the Consumer-Schematic Taxonomy of Product Placement as a robust determinant of individuals’ willingness to assent to branded artifacts in media. Furthermore, all latent variables were significant predictors of BAMAS through either direct or indirect pathways. Finally, while results revealed obtrusiveness and deceptiveness both predicted decreases of BAMAS, utility was a positive predictor of BAMAS, holding obtrusiveness and deceptiveness constant. This result offers initial evidence that consumers possess the ability to develop knowledge structures related to product placement advertisements, but the question remains whether or not they possess the ability to do this under conditions of cognitive load resulting from active narrative consumption. As such, study 4 is offered as an exploration of the possibility that viewers possess the ability to concurrently evaluate product placements while consuming narrative. This is done by exposing viewers to placements at different taxonomical combination levels.

STUDY 4: THE IMPACT OF THE CONSUMER-SCHEMATIC TAXONOMY OF PRODUCT PLACEMENT ON BRAND EVALUATIONS

Assent to Branded Artifacts in Media should be the mechanism through which viewers’ perceptions of how a product is placed in a program influences subsequent product evaluations.
Considering consumers are able to comprehend the functional benefits and drawbacks of advertisements in general (Alwitt and Prabhaker 1992, 1994), they should also possess the ability to recognize the same benefits and drawbacks due to exposure to product placements even while consuming narrative. This evaluation should result in temporary changes in assent, which in turn should influence subsequent brand evaluations. Stated differently, exposure to product placements at different levels (low vs. high) of the three schematic dimensions should result in fluctuations in brand evaluations through BAMAS.

Stimulus Selection and Pretest

Before conducting Study 4, an initial pre-test was completed to determine whether or not placements are perceived differently by individuals based on the three schematic dimensions. The pre-test included 66 participants asked to rate a series of different placements on their levels of obtrusiveness, utility, and deceptiveness using adapted items from study 3. Results revealed that individuals may indeed process product placements along the three dimensions of the Consumer-Schematic Taxonomy of Product Placement, and offered eight product placements for use in study 4 that would account for the eight different combinations of the three perceptual taxonomy dimensions (i.e., 2 (Obtrusiveness: low vs. high) × 2 (Utility: low vs. high) × 2 (Deceptiveness: low vs. high)).
Participants and Procedure

Undergraduate students \((N = 394; 38.5\% \text{ female}; \text{ averaged } 21.6 \text{ years of age})\) participated in exchange for partial course credit. Before exposure to the product placement, participants were randomly assigned to one of the eight video conditions representing the three different perceptual predictors and asked to provide their attitudes toward the target brand. The experimenter was blind to participant conditions. All participants then watched their assigned video in a lab on 17” flat-screen monitors, divided by partitions. Sound was projected through headphones, and participants were invited to adjust the volume to a comfortable level. After watching the scene, participants reported their attitudes toward the placed product, completed BAMAS, and reported their perceptions of the placement in terms of its obtrusiveness, utility, and deceptiveness. Following completion of the study, participants were dismissed. All participants were debriefed as a group after the study was completed.

Results

*Manipulation Check.* To begin, the product placements were tested for appropriate levels of obtrusiveness, utility, and deceptiveness. As expected, the different levels of obtrusiveness, utility and deceptiveness were significantly different from each other \((p < .05)\) and centered on the midpoint, indicating successful manipulations of the three dimensions of the schematic taxonomy.
Structural Equation Model. Next, the structural equation model steps described in study 3 were used to assess the impact of the taxonomy on brand evaluations through BAMAS, recognizing the measurement model showed strong global fit ($\chi^2 (505) = 998.95, p < .001; \text{CFI} = .95; \text{RMSEA} = .05; \text{SRMR} = .05$). Similar to study 1, because the model global fit was acceptable, modification indices were not evaluated, and as such there were no cross-loadings or error correlations in the model. Next, an assessment of the structural model again showed the model was over identified, and combined with the over identification of the measurement model, showed the overall structural regression model was over identified. As such, the structural equation model was conducted, revealing strong global fit ($\chi^2 (577) = 1226.12, p < .001; \text{CFI} = .94; \text{RMSEA} = .05; \text{SRMR} = .08$), validating the model as acceptable. The model—with loadings—is described in figure 4.5. All loadings were significant at $p < .001$, with the exception of the loading of persuasion awareness on BAMAS, which was significant at $p < .01$. Next, the moderating roles of the different dimensions of the taxonomy were considered through three separate analyses, beginning with obtrusiveness.

Obtrusiveness Moderation Analyses. To begin, the moderating effect of exposure to a product placement low (vs. high) in obtrusiveness on the obtrusiveness path was analyzed, beginning with distraction and ending with brand attitudes. To do this, the groups were first constrained to be equal across the obtrusiveness dimension, ($\chi^2 (1244) = 2269.14$), then the path from distraction to brand attitudes was allowed to rotate freely across the obtrusiveness dimension ($\chi^2 (1221) = 2189.81$). Results of the chi-square different test revealed the level of obtrusiveness as a significant moderator of the overall mediational path model ($\Delta \chi^2 (23) = 79.33, p < .001$). Next, results of a 1,000 simulation bootstrap analysis indicated that the previously
significant indirect effect of distraction on brand attitudes through persuasion knowledge and BAMAS was not significant in either the low ($\beta = -.01, 95\% CI = -.03, .01$) nor high ($\beta = -.001, 95\% CI = -.02, .02$) obtrusiveness conditions. Considering the impact of persuasion knowledge on attitudes, however, revealed that for participants exposed to a product placement low in obtrusiveness, a one standard deviation increase in persuasion knowledge indicated a -.07 (99\% CI = -.13, -.01) standard deviation decrease in brand attitudes through BAMAS, while individuals exposed to a product placement high in obtrusiveness reported no change in brand attitudes dependent upon persuasion knowledge ($\beta = -.004, 95\% CI = -.05, .04$). Taken together, the results offered partial support for exposure to obtrusive product placements as a moderator of brand attitudes, as the indirect effect from distraction to brand attitudes was not significant but the indirect effect from persuasion knowledge to brand attitudes was significant.

**Utility Moderation Analysis.** Using the same method described in the obtrusiveness moderation analysis, an analysis of the utility dimension (low vs. high) was conducted first setting the loadings equal ($\chi^2 (1244) = 2304.96$), then releasing the loadings and allowing them to rotate freely ($\chi^2 (1221) = 2217.62$). Results revealed a significant difference between the models ($\Delta \chi^2 (23) = 87.34, p < .001$), and supported utility as a moderator of the overall mediational path. A second 1,000 simulation bootstrap analysis revealed a significant indirect effect of realism on brand attitudes for those exposed to a placement low in utility ($\beta = .05, 95\% CI = .01, .09$), but not high in utility ($\beta = .04, 95\% CI = -.01, .08$) through enjoyment and BAMAS. Furthermore, a one standard deviation increase in enjoyment resulted in a .06 (99\% CI = .001, .11) increase in brand attitudes through BAMAS for individuals exposed to a placement low in utility, but the indirect effect was not significant for those exposed to a placement high in utility ($\beta = .04, 95\%$
CI = -.01, .09), offering support for exposure to placements among the utility dimension as a moderator of perceived utility toward product placements and the subsequent impact on brand evaluations.

*Deceptiveness Moderation Analysis.* Lastly, a third analysis was completed considering the impact of deceptiveness on the deceptiveness path. Constraining the loadings to be equal across the two deceptiveness (low vs. high) groups ($\chi^2 (1244) = 2291.60$), then allowing the path to rotate freely ($\chi^2 (1221) = 2223.697$) revealed a significant chi-square difference ($\Delta \chi^2 (23) = 67.91, p < .001$), supporting perceptions of deceptiveness as a moderator of the deceptiveness path from insincere to brand attitudes through uninformative and BAMAS. Next, a final 1,000 simulation bootstrap analysis revealed a significant indirect effect of insincerity on brand attitudes for those exposed to a placement low in deceptiveness ($\beta = -.12, 99\% CI = -.20, -.03$), but not for those exposed to a placement high in deceptiveness ($\beta = -.03, 95\% CI = -.06, .003$) through uninformative and BAMAS. Furthermore, a one standard deviation increase in uninformative resulted in a -.12 (99\% CI = -.22, -.03) decrease in brand attitudes through BAMAS for individuals exposed to a placement low in deceptiveness, but the -.04 (95\% CI = -.07, .003) standard deviation change in brand attitudes through BAMAS for individuals exposed to a placement high in deceptiveness was not significant, offering further support that exposure to placements at different levels of deceptiveness moderates the impact of deceptiveness on brand evaluations through BAMAS.
Discussion

Study 4 supports Assent to Branded Artifacts in Media as the mechanism through which perceptual considerations of product placement affect subsequent brand evaluations. Specifically, perceptions of product placements as providing utility increases brand attitudes, while perceptions of product placements as obtrusive and deceptive decreases brand attitudes. The impact of these schematic dimensions is mediated through Assent to Branded Artifacts in Media. Interestingly, results revealed that the impact of the three different dimensions on brand attitudes were greater post exposure to a product placement when the placement was lower on the given dimension, compared to higher. That is to say, the negative impact of obtrusiveness on brand evaluations through BAMAS was only present when participants were exposed to a product placement that was considered low in obtrusiveness. This result makes sense, however, when considering the persuasion knowledge model (Friestad and Wright 1994), and recognizing that when persuasion knowledge is activated (i.e., the placement is obtrusive), individuals’ attitudes are less likely to change. Similar results were found within the deceptiveness dimension, such that skepticism (Obermiller and Spangenberg 1998) was activated when individuals were exposed to a placement high in deceptiveness, but not when individuals were exposed to a placement low in deceptiveness. Furthermore, a perception of value was activated when individuals were exposed to a placement high in utility, but not when individuals were exposed to a placement low in utility. Combined, results suggest viewers are able to develop placement perceptions while simultaneously consuming narrative, as products placed at different levels of the three dimensions were received differently by the participants, resulting in fluctuations in assent and subsequent brand attitudes.
GENERAL DISCUSSION

This research has established the Consumer-Schematic Taxonomy of Product Placement, the Assent to Branded Artifacts in Media construct, and the BAMAS measure as a substantive means for furthering our understanding of how consumers perceive product placement advertising. Confirmatory factor analyses on two independent sets of participants, test-retest, and power analysis show BAMAS to be reliable, and tests of nomological, discriminant and predictive validity show it to be valid. More importantly, the present work provides important insights into the product placement domain, including an understanding of factors that comprise individuals’ Assent to Branded Artifacts in Media as an influencer of future consumption decisions. The three-dimensional Consumer-Schematic Taxonomy of Product Placement was shown to be a significant influencer of subsequent brand evaluations, and Assent to Branded Artifacts in Media was revealed to be the underlying mechanism through which this process occurs, offering further insight into our understanding of the nature of viewers’ perception of product placement as an advertising technique. In the following sections, implications of the current research are discussed and an outline future directions for product placement and consumer behavior researchers is offered.

Managerial Implications

The results of this essay offer several methods through which marketing managers can use the Consumer-Schematic Taxonomy of Product Placement and the Assent to Branded Artifacts in Media construct as guidance for the traits and qualities of their placements. For example,
product placement should be genuine in as much as products should not be placed in such a manner that viewers perceive the placement as “out to get them.” This will lead consumers to hold perceptions that product placements are valuable, increasing their willingness to assent to the placement, and resulting in more favorable brand evaluations. Similarly, placements should be useful to viewers, as simply placing a product in a program is not enough to obtain desired advertising results. Placements should be realistic, as increased perceptions of realism increases enjoyment of the narrative, and subsequently results in greater willingness to assent and more favorable brand evaluations. Furthermore, while it is understandable that marketers want to avoid placing products that are not likely to be recognized by viewers, integrating placements in a manner that decreases the distraction of the placement from the consumption of the narrative will limit the likelihood of persuasion awareness, thereby increasing viewer assent, and ultimately increasing advertising evaluations.

A final implication involves the consideration of public policy concerning product placement. While support exists for the creation of product placement disclosure policies (Wei et al. 2008), the present research suggests consumers are already cognizant of product placement and have developed product placement specific knowledge structures used to cope with persuasive messages associated with product placement advertising. This result therefore suggests there may not be a need for public policy mandating product placement disclosure before, during, or after product placement advertisements. Furthermore, this work indicates that consumers possess the ability to effectively evaluate placements, and as such, consumers already engage in the self-policing of product placements, rewarding “good” product placements with more favorable brand evaluations, and punishing “bad” product placements with less favorable
brand evaluations, further questioning of the need for policy involving product placement advertising.

CONCLUSION

In this research, the Consumer-Schematic Taxonomy of Product Placement is introduced, a latent construct considering individuals’ Assent to Branded Artifacts in Media is offered, and a reliable and valid measure of the construct is developed. The empirical evidence presented repeatedly confirms that Assent to Branded Artifacts in Media plays a substantial role in viewers’ responses to product placement, and progresses the understanding of the product placement domain by exploring the relevant knowledge structures consumers create to cope with exposure to product placement advertising. As such, the Assent to Branded Artifacts in Media, corresponding BAMAS measure, and Consumer-Schematic Taxonomy of Product Placement may be highly useful to product placement and consumer behavior researchers moving forward.
REFERENCES


Figure 4.1
Conceptual Model: Consumer-Schematic Taxonomy of Product Placement

PP Ottrusiveness Path
- Distraction
- Persuasive Awareness

PP Utility Path
- Realism
- Enjoyment
- Perceptions of Product Placements

PP Deceptiveness Path
- Insincerity
- Uninformative
Table 4.1  
Branded Artifacts in Media Assent Scale Items

<table>
<thead>
<tr>
<th>Persuasion</th>
<th>In general, product placements in television shows and movies are persuasive.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Persuasion 1</td>
<td>In general, product placements in television shows and movies are persuasive.</td>
</tr>
<tr>
<td>Persuasion 2</td>
<td>In general, product placements in television shows and movies are believable.</td>
</tr>
<tr>
<td>Persuasion 3</td>
<td>In general, product placements in television shows and movies are convincing.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Attitude</th>
<th>In general, product placements in television shows and movies are good.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attitude 1</td>
<td>In general, product placements in television shows and movies are good.</td>
</tr>
<tr>
<td>Attitude 2</td>
<td>In general, product placements in television shows and movies are positive.</td>
</tr>
<tr>
<td>Attitude 3</td>
<td>In general, product placements in television shows and movies are favorable.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Helpful</th>
<th>Product placements provide useful information.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Helpful 1</td>
<td>Product placements provide useful information.</td>
</tr>
<tr>
<td>Helpful 2</td>
<td>Product placements help me find products that match my personality and interest.</td>
</tr>
<tr>
<td>Helpful 3</td>
<td>Product placements give me a good idea about products by showing the kinds of people who use them.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Efficacy</th>
<th>In general, product placements in television shows and movies are influential.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Efficacy 1</td>
<td>In general, product placements in television shows and movies are influential.</td>
</tr>
<tr>
<td>Efficacy 2</td>
<td>In general, product placements in television shows and movies are effective.</td>
</tr>
<tr>
<td>Efficacy 3</td>
<td>In general, product placements in television shows and movies are powerful.</td>
</tr>
</tbody>
</table>
Table 4.2
Model and Goodness of Fit Indices for Second-Order Factor Analysis

<table>
<thead>
<tr>
<th>Model</th>
<th>Description</th>
<th>DF</th>
<th>$\chi^2$</th>
<th>$\Delta\chi^2$</th>
<th>CFI</th>
<th>RMSEA</th>
<th>SRMR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model A</td>
<td>Null Model</td>
<td>66</td>
<td>3725.79</td>
<td>—</td>
<td>0.00</td>
<td>0.37</td>
<td>0.46</td>
</tr>
<tr>
<td>Model B</td>
<td>One-factor Model</td>
<td>54</td>
<td>1191.15</td>
<td>2534.64</td>
<td>0.69</td>
<td>0.23</td>
<td>0.10</td>
</tr>
<tr>
<td>Model C</td>
<td>Four-factor Model</td>
<td>48</td>
<td>96.04</td>
<td>1095.11</td>
<td>0.99</td>
<td>0.05</td>
<td>0.02</td>
</tr>
<tr>
<td>Model D</td>
<td>Second-order, four-factor</td>
<td>50</td>
<td>108.43</td>
<td>12.39</td>
<td>0.98</td>
<td>0.05</td>
<td>0.03</td>
</tr>
<tr>
<td></td>
<td>Model</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

$N = 397$
N = 397, $\chi^2 (50) = 108.43, p < .001$, CFI = .98, RMSEA = .05, SRMR = .03
Table 4.3
Convergent Validity with Relevant Advertising Scales

<table>
<thead>
<tr>
<th>Scale</th>
<th>N</th>
<th>$r^a$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attitudes toward Product Placement in General (Gupta and Gould 1997)</td>
<td>322</td>
<td>.15*</td>
</tr>
<tr>
<td>Product Placement Realism (Gupta and Gould 1997)</td>
<td>322</td>
<td>.29**</td>
</tr>
<tr>
<td>Restrict Product Placements (Gupta and Gould 1997)</td>
<td>322</td>
<td>-.13*</td>
</tr>
<tr>
<td>Attitude toward Advertising (Muehling 1987)</td>
<td>322</td>
<td>.29**</td>
</tr>
<tr>
<td>Skepticism toward Advertising (Obermiller and Spangenberg 1998)</td>
<td>322</td>
<td>-.40**</td>
</tr>
</tbody>
</table>

* $p < .05$
** $p < .01$

$^a$ ‘$r$’ represents correlation with BAMAS.
### Table 4.4

Discriminant Validity for Relevant Advertising Scales

<table>
<thead>
<tr>
<th>Scale</th>
<th>$\chi^2_a$</th>
<th>df$^a$</th>
<th>$\chi^2_b$</th>
<th>df$^b$</th>
<th>$\Delta\chi^2$</th>
<th>$\Delta$df</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attitudes toward Product Placement in General (Gupta and Gould 1997)</td>
<td>473.88</td>
<td>101</td>
<td>205.11</td>
<td>99</td>
<td>268.77</td>
<td>2</td>
<td>&lt; .001</td>
</tr>
<tr>
<td>Product Placement Realism (Gupta and Gould 1997)</td>
<td>559.41</td>
<td>116</td>
<td>293.45</td>
<td>114</td>
<td>265.96</td>
<td>2</td>
<td>&lt; .001</td>
</tr>
<tr>
<td>Restrict Product Placements (Gupta and Gould 1997)</td>
<td>459.02</td>
<td>87</td>
<td>129.63</td>
<td>85</td>
<td>329.39</td>
<td>2</td>
<td>&lt; .001</td>
</tr>
<tr>
<td>Attitude toward Advertising (Muehling 1987)</td>
<td>596.11</td>
<td>87</td>
<td>166.06</td>
<td>85</td>
<td>430.05</td>
<td>2</td>
<td>&lt; .001</td>
</tr>
<tr>
<td>Skepticism toward Advertising (Obermiller and Spangenberg 1998)</td>
<td>733.01</td>
<td>186</td>
<td>365.03</td>
<td>184</td>
<td>367.98</td>
<td>2</td>
<td>&lt; .001</td>
</tr>
</tbody>
</table>

*a latent variables forced to correlate at one.

*b latent variables allowed to load freely.

129
Table 4.5
Average Variance Extracted

<table>
<thead>
<tr>
<th>Scale</th>
<th>N</th>
<th>BAMAS</th>
</tr>
</thead>
<tbody>
<tr>
<td>BAMAS</td>
<td></td>
<td>0.691</td>
</tr>
<tr>
<td>Attitudes toward Product Placements in General (Gupta and Gould 1997)</td>
<td>349</td>
<td>0.059</td>
</tr>
<tr>
<td>Realism of Product Placement (Gupta and Gould 1997)</td>
<td>349</td>
<td>0.295</td>
</tr>
<tr>
<td>Restrict Product Placements (Gupta and Gould 1997)</td>
<td>349</td>
<td>0.025</td>
</tr>
<tr>
<td>Attitude toward Advertising (Muehling 1987)</td>
<td>285</td>
<td>0.140</td>
</tr>
<tr>
<td>Skepticism toward Advertising (Obermiller and Spangenberg 1998)</td>
<td>285</td>
<td>0.217</td>
</tr>
</tbody>
</table>
Figure 4.3a
Moderating Effect of BAMAS on Brand Recognition and Attitudes under Subtle Placement Conditions
Figure 4.3b
Moderating Effect of BAMAS on Brand Recognition and Attitudes under Blatant Placement Conditions
Table 4.6
Consumer-Schematic Taxonomy of Product Placement Items

<table>
<thead>
<tr>
<th>Product Placement Obrusiveness Path</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distraction 1</td>
</tr>
<tr>
<td>Distraction 2</td>
</tr>
<tr>
<td>Distraction 3</td>
</tr>
<tr>
<td>Persuasion Knowledge 1</td>
</tr>
<tr>
<td>Persuasion Knowledge 2</td>
</tr>
<tr>
<td>Persuasion Knowledge 3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Product Placement Utility Path</th>
</tr>
</thead>
<tbody>
<tr>
<td>Realism 1</td>
</tr>
<tr>
<td>Realism 2</td>
</tr>
<tr>
<td>Realism 3</td>
</tr>
<tr>
<td>Enjoyment 1</td>
</tr>
<tr>
<td>Enjoyment 2</td>
</tr>
<tr>
<td>Enjoyment 3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Product Placement Deceptiveness Path</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insincere 1*</td>
</tr>
<tr>
<td>Insincere 2*</td>
</tr>
<tr>
<td>Insincere 3*</td>
</tr>
<tr>
<td>Uninformative 1*</td>
</tr>
<tr>
<td>Uninformative 2*</td>
</tr>
<tr>
<td>Uninformative 3*</td>
</tr>
</tbody>
</table>

* Items reverse scored based on Obermiller and Spangenberg 1998
Figure 4.4
Consumer-Schematic Taxonomy of Product Placement: SEM

N = 291, \( \chi^2 (392) = 657.76, p < .001 \), CFI = .96, RMSEA = .05, SRMR = .06
* \( p < .05 \), all other loading are significant at \( p < .001 \)
Indirect effect of distraction to BAMAS (-.03 (.017)) is significant at \( p < .05 \)
Indirect effect of Realism to BAMAS (.13 (.032)) is significant at \( p < .001 \)
Indirect effect of insincerity on BAMAS (-.248 (.044)) is significant at \( p < .001 \)
N = 394, $\chi^2$ (577) = 1226.12, p < .001; CFI = .94; RMSEA = .05; SRMR = .08

*p < .01, all other loading are significant at p < .001

Brand attitudes post exposure to the product placement are controlled for by brand attitudes prior to exposure. Indirect effect of distraction to Brand Attitudes (-.01 (.01)) is significant at p < .05. Indirect effect of Realism to PP Scale (.04 (.01)) is significant at p < .01. Indirect effect of insincerity on PP Scale (-.06 (.02)) is significant at p < .001.
CHAPTER V

ESSAY THREE

Fitting Product Placements: The Role of Product Placement in Consumer Enjoyment of Media

Abstract

Traditional opinions of product placement suggest elaborating on placed products results in less favorable brand evaluations. The current essay proposes that product placement can offer benefit to consumers through proper product placement fit, operationalized along the independent affective and narrative fit dimensions. Through two pilot studies and two main studies, empirical evidence is presented demonstrating that as consumers’ media consumption goals (e.g., consistent mood states, engagement and enjoyment) are met through product placement advertising, consumers’ reward placed products with more favorable brand evaluations.
“If you notice it, it’s bad. If you don’t notice it, it’s worthless.” — The Product Placement Paradox (Ephron 2003, p. 20)

Product placement is defined as the inclusion of products in mass media streams with the intent to influence consumer attitudes or behavior (Russell 2002). While advertisers make efforts to have their products highly integrated into programs (e.g., television, film, music) in effort to increase elaboration (Poniewozik 2001), extant research has indicated that high product integration and increased elaboration results in less favorable brand evaluations (Cowley and Baron 2008; Homer 2009; Wei et al. 2008), creating the product placement paradox (Ephron 2003) accepted by advertisers and academics alike (Homer 2009). Given this paradox, the question remains, is it possible for highly integrated product placements and the subsequent elaboration to be positively received by viewers, resulting in favorable brand evaluations? In this essay, empirical evidence is presented supporting the argument that it is indeed possible to include product placements in a narrative in such a way that brand evaluations become more favorable. This is accomplished through considerations of individual’s narrative consumption goals and the development of product placement fit.

NARRATIVE CONSUMPTION

Narrative is defined as any tale or story. It can be based in fact or fiction, and aims to explain and describe the function of the world and principles of social conduct within cultures (Stern 1995). Narratives can be dissected into a taxonomy formed from four broad genres, namely: comedy, romance, irony and tragedy, and distinguished by their story endings and
terminal value to the consumer (Frye [1957] 1973). Specifically, comedy has a joyful conclusion and offers happiness to viewers; romance invokes nostalgia and offers ideal peace or beauty; irony surprises viewers and offers viewers excitement; and tragedy ends in sadness, imparting wisdom (Rokeach 1973). As such, comedy and tragedy act as polar opposites of each other as one imparts happiness and the other sadness. Similarly, romance and irony act as polar opposites, as romance imparts a reflection on a beautiful, idealized world, while irony exposes a flawed, real world.

Extant research has focused on understanding how and why individuals select and ultimately consume narrative. Mood management theory, for example, relies on the consumer’s constant desire to be in a positive mood state, and as such, suggests that individuals choose to consume media that will either sustain, or obtain this state (Zillmann 1988). While this may be the case in certain instances, a common criticism of mood management theory is that it implies when choosing media for consumption, consumers would never select tragic programing, as tragic programs are often melancholy, and do not create or sustain a positive mood state. As this assumption is certainly not correct, Zillmann (1994) revisited the narrative consumption domain by offering the affective disposition theory. The affective disposition theory accounts for the existence of tragic—and other more somber—programing by positing that individuals may choose to consume certain media based on judgments of characters in action and the positive viewer mood derived from observing the situational context of the characters. One example of this considers a consumer viewing a program in which a liked character experiences a series of good fortune. In this case the viewer will experience pleasure, and be able to sustain or obtain a positive mood state. A second example, however, would be a consumer that selects a program in which a disliked character experiences a series of misfortune (as is often the case of tragedy),
then revels in the suffering of the disliked character. Zillmann (1994) argues that this experience will subsequently elicit pleasure, and again be able to sustain or obtain a positive mood. Perhaps the most likely motivation for consuming a narrative, however, is that proposed by Vorderer, Klimmt, and Ritterfeld (2004), suggesting enjoyment as the motivation for consumption. Instead of relying on the desire to obtain a positive mood state, Vorderer et al. (2004) instead suggest that the basic desire for enjoyment drives an individual’s selection and consumption of media. Therefore, regardless of the motive, whether it is an attempt to manage mood, a desire to escape a physical world, develop para-social interactions, or any other reason, the selection and consumption of media is an enjoyable experience.

Returning to the narrative taxonomy (Frye [1957] 1973), the enjoyment based motivations proposed by Vorderer et al. (2004) therefore suggests that while consuming narrative, individuals’ motivational goals should be in-line with the emotions and terminal values elicited by the narrative. For example, as people watch a comedy, their motivational goal of enjoyment will manifest into a desire to laugh and experience joy and happiness, compared to a motivational goal of love, nostalgia and beauty when watching a romance.

Central to the hypotheses, these different motivational goals have important implications for product placement theory, as it is becoming increasingly more likely that they will be exposed to product placement when consuming narrative (Tiwsakul, Hackley and Szmigin 2005). As such, the theoretical development is continued with an examination of product placement prominence, recognizing advertisers desire to have their products highly integrated (blatant placements) into narratives in an effort to increase consumer elaborations, and result in more favorable brand evaluations compared to those placements that are less integrated (subtle placements) into narratives (Tiwsakul, Hackley and Szmigin 2005).
PRODUCT PLACEMENT PROMINENCE

Considerable efforts have been taken within the product placement domain to understand the impact of placement prominence on viewer brand recall and attitudes (for a detailed overview, see the review articles Balasubramanian, Karrh, and Patwardhan 2006; Romaniuk 2009; Van Reijmersdal, Neijens, and Smit 2009). In general, results indicate that subtle placements, or those products that are placed in the program without a connection to the characters or plot, are less likely to be recalled by viewers than more blatant placements that are highly integrated within the plot and connected to characters in a meaningful way (Gillespie, Joireman, and Muehling 2012; Russell 2002; Van Reijmersdal 2009). Previous research considering the impact of placement prominence on brand attitudes, however, is less consistent, with multiple studies revealing that blatant placements lead to less favorable evaluations (Cowley and Baron 2008; Homer 2009; Matthes, Schemer, and Wirth 2007; Russell 2002). For example, Russell (2002) demonstrated that more blatant placements are perceived as less favorable when presented in an incongruent visual modality compared to a congruent subtle placement presented through a visual modality. While Russell (2002) also demonstrated that this effect is reversed when considering auditory placements, Homer (2009) extended Russell’s (2002) definition of congruent blatant placements to include placements that have both visual inclusion and auditory mention, and recognized that repeated exposure to blatant placements decreases evaluation of a brand compared to subtle placements.

In conjunction with this consideration of the impact of modality on viewers’ perception of brands following exposure to blatant product placements, other scholars have considered the role of program familiarity and enjoyment on brand evaluations within a blatant placement
context (Cowley and Baron 2008; Matthes, Schemer, and Wirth 2007). Results indicate that as placements become more blatant, individuals are likely to recognize the deliberately persuasive nature of placements, and respond with less favorable evaluations compared to subtle placements (Matthes, Schemer, and Wirth 2007). Furthermore, it has also been shown that exposure to blatant placements results in less favorable brand evaluations when viewers like the program, compared to those who do not like the program (Cowley and Baron 2008). This negative attitudinal response is therefore problematic for practitioners, as it is reasonable to assume that the majority of individuals that consume a given narrative are likely to have generally favorable opinions of the program.

Considering practitioners continued desire to place products in blatant method, the following question is proposed, is it possible for blatant product placements and the subsequent elaboration to be positively received by viewers, resulting in favorable brand evaluations? This question led to the formation of product placement fit, defined as blatant product placements incorporated into a narrative such that the placement itself maintains the viewer’s desired experience-based goals, resulting in more favorable brand evaluations. In the following section product placement fit is introduced and two distinct dimensions that operationalize product placement fit are introduced.

PRODUCT PLACEMENT FIT

To begin, while mood management (Zillmann 1988) and affective disposition (Zillmann 1994) theories may not be able to completely capture individual’s narrative consumption choices, they do offer important insights related to product placement. Specifically, as consumers
seek to obtain or sustain a constant mood state (Zillmann 1988, 1994), products could be placed in a manner such that the presence of the placement itself helps consumers reach this constant state goal. Furthermore, recognizing enjoyment as the motivational goal in narrative consumption contexts (Vorderer et al. 2004), if the inclusion of a product placement is, by its nature, enjoyable, the placement itself could aid in consumers’ goal obtainment. Taken together, this suggests it is possible for product placements to be perceived favorably by consumers.

Complementing these foundations, an examination of congruency literature reveals that increased elaboration associated with incongruent messages results in less favorable evaluations (Mandler 1982). In this context, it is reasonable to expect that placements not in line with a consumer’s consumption goals will be perceived as incongruent, potentially resulting in increased elaboration (Meyers-Levy and Typout 1989), and decreasing favorability of the brand.

Product placement fit is therefore defined as the degree to which the nature of a product placement is consistent with an individual’s narrative consumption goals, and I hypothesize that while placements higher in narrative fit will be rewarded with more favorable consumer evaluations, placements lower in narrative fit will be penalized with less favorable consumer evaluations. Furthermore, two orthogonal dimensions of product placement fit are expected to exist, namely affective and narrative fit, and it is posited that every product placement possesses different levels of fit among these two dimensions. This essay is therefore continued by discussing these two types of product placement fit, beginning with considerations of affective fit.
Affective fit

While little work has been published concerning the impact of emotion and mood on product placement, an examination of emotion and mood in the context of television commercials may provide insight into expected results within the product placement domain. For example, Yang and Smith (2009) explored the impact of divergent and relevant advertisement creativity on purchase intention. They define divergence as the level in which an advertisement is “novel, different or unusual,” (Yang and Smith 2009, p. 936) while relevance is defined as the amount by which the advertisement is “meaningful, appropriate, or valuable,” (Yang and Smith 2009, p. 936) to the viewer, and recognize that the interaction between these two elements of advertisement creativity is directly and positively related to positive affect. These results are easily transferable to the product placement domain. Assuming the placement is not intrusive, as placements become more novel and appropriate they may elicit positive affect and increased viewing intentions. As viewing intention is an assessment of underlying acceptance of a commercial advertisement, considering product placements, viewing intentions may be better titled placement acceptance.

Moreover, considering the impact of advertisements within a television program, Goldberg and Gorn (1987) found that the mood elicited by a television program (happy vs. sad) transfers to viewers’ felt mood and that in general, advertisements were perceived as more effective when individuals were exposed to happy programs compared to sad programs. Furthermore, an interaction between the evoked mood of the program and the type of advertisement existed such that television programs and commercials that evoked similar moods (i.e., happy programs and happy commercials vs. sad programs and sad commercials) increased
reported felt mood. A potential explanation for the effect exists in that temporal associations between mood inducing programs and commercials can precipitate affect transfer from stimulus to stimulus (Gorn 1982). And, as viewers perceive commercials as shallow and lighthearted, a television program that is also shallow and lighthearted (in this case a program that evokes the emotion of cheer) provides consistence between the two media (Brown 1965). In contrast, a program that is considered serious and depressing (in this case a program that evokes the emotion of sadness), is considered inconsistent, and subsequently inappropriate when a happy commercial is presented.

As such, competing hypotheses related to affective fit exist such that as product placements become more humorous or lighthearted, affective transfer from the product placement to the consumer’s brand attitudes may result in more favorable evaluations, regardless of the affective tones of the program. Given consumers’ desire to maintain consistent mood states while consuming narrative (Vorderer et al. 2004; Zillmann 1988, 1994), however, the congruence between the emotions of the program and those of the placement itself should override any impact of affective transfer such that brand evaluations will be more favorable when the emotions elicited by the product placement are consistent with those elicited by the program. Affective fit is therefore defined as the degree to which the presentation of the product placement matches the emotions created by consuming the story, and I predict that product placements with higher levels of affective fit will result in more favorable brand evaluations compared to product placements with lower levels of affective fit.
Narrative fit

Evidence for the impact of narrative fit on product placement brand evaluations can be found in the narrative transportation literature, broadly defined as the absorption of a consumer into a story (Gerrig 1993; Green and Brock 2000). This phenomenon has been recognized as a mental process combining cognitive, affective and imaginative elements, limiting negative cognitive responding, creating strong affective responses, and increasing experiential realism, respectively. Narrative transportation is conceptually similar to flow in as much as both engagement and flow involve mentally leaving the physical world—though flow does not require the presence of a narrative (Csikszentmihalyi 1990). Furthermore, the limitation of analytical thought resulting from transportation (Escalas 2007) distinguishes it from cognitive elaboration and the Elaboration Likelihood Model (Petty and Cacioppo 1986; Petty Cacioppo and Schumann 1983).

Narrative transportation theory and research is also relevant to individuals’ media consumption habits, as evidence exists that transporting into narrative increases motivation for an individual to become empathically and affectively engaged (Green 2004). Moreover, evidence exists that individuals who are immersed in a narrative experience strong emotions associated with characters and more favorable character evaluations (Green and Brock 2000). As individuals transport, their experiences become more vivid (Higgins 2006), they are more likely to empathize with characters, and ultimately report increased perceived enjoyment of the narrative (Argo, Zhu and Dahl 2008). Furthermore, the presence of disruptive elements limits transportation, which can result in decreased enjoyment of the narrative (Green and Brock 2000). As such, it stands to reason that a product placement that fits within the narrative itself may help
progress the story, allowing the individual to remain engaged, and subsequently result in more favorable brand evaluations. This is compared to a placement that does not fit within the narrative of the program, creating elaboration upon the placement at the expense of consuming the narrative, decreasing transportation and engagement, and ultimately result in less favorable evaluations. Narrative fit is therefore defined as the degree to which the presentation of the product placement coincides with storyline themes, and I predict that product placements with higher levels of narrative fit will result in more favorable brand evaluations, compared to product placements that are lower in narrative fit.

OVERVIEW OF STUDIES

In the next section, two pilot studies and two main studies are presented based on the conceptual development of product placement fit. In pilot studies 1 and 2, the role of affective and narrative fit are considered, respectively, on consumer brand evaluations through the literature medium, as product placements within the literature medium are a growing area of emphasis for advertisers, yet have gone relatively unrecognized by researchers (for an exception see Bhatnagar and Wan 2011). Next, in study 1, the interactive impact of affective and narrative fit on brand evaluations is considered. This is accomplished through the development and production of a full-length television pilot episode, created to offer maximize control over the affective and narrative fit manipulations while minimizing the potential for confounds that could not be addressed through the use of previously developed stimuli. Study 2 concludes this essay by offering two mechanisms through which product placement fit impacts brand evaluations.
PILOT STUDY 1: AFFECTIVE FIT

Method

In order to directly compare the impact of affective fit on product evaluations, two versions of the same short story were written. In both versions, a businessman sits in a car discussing a business arrangement he had previously entered. In the dramatic version, he is discussing an arrangement with a “thug” he had hired to help him scare away local competition through force, but the thug ends up putting the competition in the hospital. In the comedic version, the same businessman is discussing an arrangement with a magician hired to perform at his child’s birthday party, but ends up scaring the children with a comedic performance more appropriate for an adult audience. In both conditions, the conversation is recorded on an Apple iPhone, and an attempt of blackmail is made by the thug (magician). In the comedic placement condition, when the recording is played back to the businessman and he recognizes the attempt as blackmail, the thug (magician) replies by saying “Yeah, they have an app for that,” compared to the dramatic condition in which the thug (magician) replies by saying “Yeah, it’s useful for that.” The resulting stimuli were two high affective fit conditions (i.e., a comedic product placement for Apple iPhone in a comedic narrative and a dramatic product placement for Apple iPhone in a dramatic narrative) and two low affective fit conditions (i.e., a comedic product placement for Apple iPhone in a dramatic narrative and a dramatic product placement for Apple iPhone in a comedic narrative setting).
Participants and Procedures

Participants were undergraduate students (N = 223, 46% female, averaged 21 years of age, 88% indicated English as their first language) enrolled in an introductory marketing course and participating for partial course credit. Upon arrival, participants were told they would be engaging in a series of unrelated studies in effort to mask the true purpose of the study and asked to review and sign a consent form. In the first phase, participants were randomly assigned to one of the two different narrative conditions (Narrative Theme: Comedic vs. Dramatic) and one of two different product placement conditions (Product Placement: Comedic vs. Dramatic). The experimenter was blind to participants’ conditions. Participants then read the story and answered a series of questions including the Green and Brock (2000) narrative transportation scale designed for stories in a literature medium. Upon completing the narrative transportation scale, participants were presented with a “second study” described as unrelated to the first, and reviewed and signed a second consent form. The use of a second consent form has been shown to minimize the likelihood of hypothesis guessing by participants (Gillespie, Joireman, and Muehling 2012; Russell 2002). Participants were then asked to evaluate a series of brands, including the target brand included in the story, over four dimensions (dislike very much/like very much, very unfavorable/very favorable, very unattractive/very attractive, bad/good) on seven point, bipolar scales. Upon completion of the attitudinal scales, participants were asked to reflect back on the story they had just read, then provided a list of brands and asked to indicate which were included in the story. Upon completion of this task, participants were dismissed. All participants were debriefed as a group following completion of the study.
Results

Manipulation Checks. To ensure the narrative tone of the story was manipulated, participants reported the degree to which they found the story to be comedic vs. dramatic. As expected, those who read the dramatic story ($M = 2.82$) perceived the narrative to be significantly more dramatic than those who read the comedic story ($M = 3.61$; $t(216) = 4.425$, $p < .001$), suggesting a successful narrative tone manipulation. Furthermore, 87% of participants indicated they recognized being exposed to the placed brand ($\chi^2 (1) = 120.07$, $p < .001$), demonstrating that the product was blatantly placed within the narrative.

Brand Attitudes. To test the impact of affective fit on brand attitudes, the brand evaluation items were averaged to create an attitudes index ($\alpha = .94$), and a 2 (Narrative: Dramatic vs. Comedic) × 2 (Product Placement: Dramatic vs. Comedic) between-subjects ANOVA was conducted. Results revealed no significant main effects ($ps > .5$) but did reveal the predicted interaction between narrative and placement tones, $F(1, 220) = 8.73$, $p < .01$, supporting affective fit as a predictor of brand evaluations. Results can be found in figure 5.1. As a follow up to the significant interaction between narrative and placement tones, simple contrasts were conducted. Given the directional predictions of all simple contrasts, one-tailed results are reported. Results indicated that individuals exposed to a comedic placement in a comedic narrative ($M = 6.42$, $SD = .78$) reported significantly more favorable brand evaluations than individuals exposed to a dramatic placement in a comedic narrative ($M = 6.10$, $SD = 1.05$; $\Delta = .31 (.20)$, $F(1, 220) = 2.59$, $p = .05$). Furthermore, individuals exposed to a dramatic placement in a dramatic narrative ($M = 6.43$, $SD = .84$) reported significantly more favorable brand
evaluations than individuals exposed to a comedic placement in a dramatic narrative ($M = 5.94$, $SD = 1.28$; $\Delta = -.48$ (.19), $F(1, 220) = 6.75$, $p = .01$), supporting the importance of affective fit in product placement advertising.

Discussion

In pilot study 1, affective fit predicted brand evaluations such that individuals who were exposed to product placement with the same affective tones as the narrative they read (i.e., a more humorous story with a humorous product placement or a more dramatic story with a dramatic product placement) reported more favorable brand evaluations than individuals who were exposed to a product placement with conflicting affective tones (i.e., a more humorous narrative with a dramatic product placement or a more dramatic narrative with a humorous product placement). Pilot study 1 therefore supported affective fit as a predictor of brand evaluations such that the thematic tone of a placed product must be consistent within the thematic tone of the narrative in order to result in more favorable brand evaluations. Next, in pilot study 2 the impact of the narrative fit of product placements on brand evaluations is considered.
PILOT STUDY 2: NARRATIVE FIT

Method

In order to directly compare the impact of narrative fit on product evaluations, two versions of a second short story different from that used in pilot study 1 were written. In both versions, a male character sits in his hot (vs. cold) living room waiting for a package to arrive. While he waits, he begins reflecting upon a female he met the night before, and wonders if fate will allow him to see her again. His thoughts are interrupted when there is a knock at the door. Believing it to be the package he’s waiting for, he opens the door to see the girl from the night before, a delivery girl with the LG air conditioner (vs. LG heater) he had ordered. The resulting stimuli were two high fit conditions (i.e., a product placement for an LG heater in a cold narrative setting and a product placement for an LG air conditioner in a hot narrative setting) and two low narrative fit conditions (i.e., a product placement for an LG air conditioner in a cold narrative setting and a product placement for an LG heater in a hot narrative setting).

Participants and Procedures

Participants were undergraduate students (N = 247, 48% female, averaged 21 years of age, 88% indicated English as their first language) enrolled in an introductory marketing course participating for partial course credit, and different from the participants used in pilot study 1. The procedure used for pilot study 2 was identical to that of pilot study 1 with the exception of the short story and target brand used to manipulate narrative fit.
Results

**Manipulation Checks.** To ensure the temperature of the narrative setting was manipulated, participants reported the temperature they expected it was inside the house. As expected, those who read the story in a hot setting ($M = 89$ degrees Fahrenheit) perceived the temperature to be significantly more hot than those who read the story in a cold setting ($M = 43$ degrees Fahrenheit; $t(245) = 26.48, p < .001$), suggesting that the narrative setting manipulation was successful. Furthermore, 67% of participants indicated they recognized being exposed to the placed brand ($\chi^2 (1) = 30.64, p < .001$), demonstrating that the product was blatantly placed within the narrative.

**Brand Attitudes.** To test the impact of narrative fit on brand attitudes, brand evaluation items were averaged to create an attitudes index ($\alpha = .93$), and a 2 (Narrative Setting: Cold vs. Hot) $\times$ 2 (Product Placement: Heater vs. Air Conditioner) between-subjects ANOVA was conducted. Results revealed no significant main effects ($ps > .75$) but did reveal the predicted interaction between narrative setting and product placement, $F(1, 243) = 7.03, p < .01$, supporting narrative fit as a predictor of brand evaluations. Results can be found in figure 5.2. As a follow up to the significant interaction between narrative setting and product placement, planned contrasts indicated that individuals exposed to the high narrative fit condition of a heater placement in a cold narrative setting ($M = 5.13, SD = 1.19$) reported significantly more favorable brand evaluations than individuals exposed to the low narrative fit condition of an air conditioner in a cold narrative setting ($M = 4.74, SD = 1.16; \Delta = -.39 (.21), F(1, 243) = 3.58, p < .05$). Furthermore, individuals exposed to the high narrative fit condition of an air conditioner in a hot
narrative setting \((M = 5.09, SD = 1.13)\) reported significantly more favorable brand evaluations than individuals exposed to the low narrative fit condition of a heater in a hot narrative setting \((M = 4.69, SD = 1.25; \Delta = -.48 (.21), F(1, 220) = 3.45, p < .05)\), offering further support of narrative fit as a predictor of brand evaluations following exposure to product placement advertising.

Discussion

In pilot study 2, narrative fit predicted brand evaluations such that individuals who read narratives that included a high fit placement (i.e., a cold narrative setting with a product placement for a heater or a hot narrative setting with a product placement for an air conditioner) reported more favorable brand evaluations than individuals who read a narrative that included a placement with low narrative fit (i.e., a cold narrative setting with a product placement for an air conditioner or a hot narrative setting with a product placement for a heater). Results therefore supported narrative fit as a predictor of brand evaluations such that placed products must fit within the presented narrative in order to lead to more favorable brand evaluations. Next the findings in pilot studies 1 and 2 are extended by considering the interactive impact of both affective and narrative fit on brand evaluations.

STUDY 1: PRODUCT PLACEMENT FIT

Accepting pilot studies 1 and 2 as evidence of the impact of affective and narrative fit on brand evaluations, study 1 endeavored to consider both dimensions of fit simultaneously. As
such, I offer a product placement fit consistency hypothesis, positing that product placements must simultaneously fit along both the affective and narrative dimensions in order to produce favorable brand evaluations.

Method

To directly compare the effectiveness of product placement fit on brand evaluations, a 23 minute long video (presented as a “television pilot episode”) was produced adapting the theater methodology proposed by Russell (2002). A script was written, semi-professional actors were cast, and a production company was hired to film the program. The story included four characters, two male and two female college students, and centered on one male character being placed under house arrest. Four different versions of the same product placement for Smart Water were filmed and included in the program. Specifically, a high affect-high narrative condition (i.e., a funny placement for Smart Water that related to the story’s narrative), a high affect-low narrative condition (i.e., a funny placement for Smart Water that did not relate to the story’s narrative), a low affect-high narrative condition (i.e., an unfunny placement for Smart Water that related to the story’s narrative), and a low affect-low narrative condition (i.e., an unfunny placement for Smart Water that did not relate to the story’s narrative) were created, resulting in four different versions of the same program. Of note, with the exception of the levels of affective and narrative fit through which the product was placed, the episode was identical across the four placement conditions. Moreover, a laugh track was added to help ensure that participants perceived the program as comedic (Cialdini 2009), further emphasizing the high vs. low affective fit conditions (i.e., funny vs. unfunny product placement).
Participants and Procedures

Participants were undergraduate students (N = 107, 54% female, averaged 21 years of age, 91% indicated English as their first language) participating for a chance to win a gift card. Upon arrival in the lab, each group (ranging from 2 to 13) of participants were told they would be viewing a “rough cut” of a new television pilot episode being considered for development into a series. Similar to pilot studies 1 and 2, each participant was provided an initial consent form to review and sign upon agreeing to participate. One of the versions of the program was then randomly selected and projected on a large screen for the participants to watch. Upon completion of the episode, each participant was provided a paper and pencil survey that included items designed to measure their opinions of the show (the show was entertaining, I enjoyed the show, I am a fan of the show), their perception of the show as a comedy vs. drama, and the narrative transportation scale (Green and Brock 2000) adapted for use with a television program. Upon completion of the narrative transportation scale, the participants were again presented with a second consent form and told they would be completing a “second study” regarding brand evaluations and included the target brand. The items used to measure brand evaluations were identical to those used in pilot studies 1 and 2 (dislike very much/like very much, very unfavorable/very favorable, very unattractive/very attractive, bad/good). Participants were then asked to reflect back to the pilot episode and given a third survey that included a list of brands and asked to indicate which were included in the program. Participants were then dismissed and debriefed as a group after completion of the study.
Results

**Manipulation Checks.** Important to the affective fit manipulation, individuals perceived the program to be comical (anchored at 7) compared to dramatic (anchored at 1) ($M = 5.07$, $SD = 1.08$; $t(106) = 10.16$, $p < .001$). Furthermore, 93% of participants indicated they recognized being exposed to the placed brand ($\chi^2 (1) = 78.87$, $p < .001$), demonstrating that the product was blatantly placed within the program. Manipulation checks also indicated that participants’ conditions had no impact on the degree to which they were transported ($\alpha = .85$) into the episode or their enjoyment ($\alpha = .87$) of the episode ($ps > .05$), suggesting that narrative transportation and episode enjoyment can reasonably be ruled out as potential confounds.

**Brand Attitudes.** To test the simultaneous impact of affective and narrative fit on brand attitudes, brand evaluation items were averaged to create an attitudes index ($\alpha = .89$), and a 2 (narrative fit: low vs. high) × 2 (affective fit: low vs. high) between-subjects ANCOVA was conducted. For all analyses, the degree to which viewers were transportation into the narrative was included as a covariate. Results revealed no significant main effects ($ps > .3$) but did reveal the predicted interaction between affective and narrative fit, $F(1, 99) = 4.22$, $p < .05$, supporting the product placement fit consistency hypothesis. Results can be found in figure 5.3. As a follow up to the significant interaction between affective and narrative fit, simple contrasts indicated that individuals exposed to a placement high in both affective and narrative fit ($M = 5.89$, $SD = 1.08$) reported significantly more favorable brand evaluations than individuals exposed to a placement high in affective but low in narrative fit ($M = 5.21$, $SD = 1.28$; $\Delta = .68 (.34)$, $F(1, 99) = 3.96$, $p < .05$), while there was no difference between individuals who were exposed to a
product low in affective fit but high in narrative fit ($M = 5.13, SD = 1.24$) and individuals who were exposed to a product that was low in both affective and narrative fit ($M = 5.47, SD = 1.32$; $\Delta = -.33 (.35), F(1, 99) = .88, p > .05$). Furthermore, individuals exposed to a placement high in both affective and narrative fit reported significantly higher evaluations than individuals exposed to a placement low in affective fit but high in narrative fit ($\Delta = .74 (.34), F(1, 99) = 4.65, p < .05$), while there was no difference between individuals who were exposed to a placement high in affective fit but low in narrative fit and those who were exposed to a placement that was low in both affective and narrative fit ($\Delta = -.27 (.34), F(1, 99) = .60, p > .05$), further supporting the fit consistency hypothesis.

Discussion

In study 1, a simultaneous consideration of affective and narrative fit predicted brand evaluations such that individuals who were exposed to a product placement high in both dimensions of product placement fit reported more favorable brand evaluations than individuals who were presented a partially fit placement that was high in only one dimension or low in both dimensions. Results supported the product placement fit hypothesis such that placed products must fit within the presented narrative among both affective and narrative dimensions in order to result in more favorable brand evaluations. Next, this essay is concluded by offering study 2, in which goal attainment and engagement are considered as mechanisms through which product placement fit impacts brand evaluations.
In considering mechanisms through which product placement fit influences brand evaluations, two theoretical foundations are seemingly relevant. First, in recognizing enjoyment as the goal of narrative consumption (Vorderer et al. 2004), any elements within a presented narrative that help consumers reach these goals will theoretically benefit the consumer, regardless of any other persuasive intent (e.g., more favorable brand evaluations). With this understanding, it seems to reason that enjoyable product placements that assist individuals in reaching their narrative consumption goals will be perceived more favorably than product placements that do not help individuals attain their consumption goals. Second, extant research has revealed that increased engagement leads to more intense reactions and extreme evaluations (Higgins 2006; Lee and Higgins 2009). Recognizing that individuals should be more likely to be engaged in product placements high in fit compared to those low in fit, and considering that product placements are, by their nature, positively valenced, these more extreme evaluations created through increased engagement should result in more favorable brand evaluations and therefore mediate the impact of product placement fit on brand evaluations. As such, I hypothesize that the degree to which an individual perceives a product placement assists with their narrative consumption goal attainment and the degree to which an individual becomes engaged with a product placement will mediate the impact of product placement fit on brand evaluations.
Method

For study 2, the two partial fit conditions (high affective/low narrative and low affect/high narrative) from the pilot episode were removed leaving only the high and low fit conditions. This was done to remove any potential noise created by the partial fit conditions and focus more directly on the mediating roles of goal congruence and engagement on brand evaluations.

Participants and Procedures

Participants were 69 members of an online panel participating for financial compensation, and were exposed to the same product placement scene featuring Smart Water described in study 1. Upon finishing the video, participants answered a series of questions related to the show, and rated a series of brands that included the target brand. They were then provided a list of brands and asked to indicate which brands they saw in the scene from the pilot episode. Following this, they were asked to answer a series of questions containing the goal attainment and engagement measures. The items used to measure goal attainment (the reference to Smart Water added to my viewing experience, the Smart Water reference made the show more enjoyable to watch, the Smart Water reference made watching the show a more pleasurable experience) were measured on seven point Likert-like scales ranging from strongly disagree to strongly agree. The items used to measure engagement with the target brand were adapted from Lee, Keller, and Sternthal (2009) (the Smart Water reference felt right, the Smart Water reference felt wrong (reverse scored), I was motivated to process the reference to Smart Water),
and were also measured on seven-point Likert-like scales ranging from strongly disagree to strongly agree.

Results

Manipulation Checks. Just as in study 1, it was important to the affective fit manipulation that individuals perceived the program to be comical. An evaluation of individual’s perceptions of the program as comical (anchored at 7) vs. dramatic (anchored at 1) revealed that participants did indeed find the program to be more comical than dramatic ($M = 4.74, SD = 1.10; t(67) = 5.51, p < .001$). Furthermore, 78% of participants indicated they recognized being exposed to the placed brand ($\chi^2(1) = 22.04, p < .001$), demonstrating that the product was blatantly placed within the program. Manipulation checks also indicated that participants’ conditions had no impact on the degree to which individuals were transported into the episode ($\alpha = .83$) or their enjoyment ($\alpha = .81$) of the episode ($ps > .05$), suggesting that narrative transportation and episode enjoyment can reasonably be ruled out as potential confounds.

Goal Attainment. Next, the mediational analysis method suggested by Zhao, Lynch and Chen (2010) and the bootstrapping techniques suggested by Preacher and Hayes (2004; 2008) were used to examine goal attainment as a mediator between product placement fit and brand evaluations. Similar to study 1, narrative transportation was included as a covariate for all analyses. To begin, product placement fit was regressed on goal attainment ($\alpha = .89$). Results revealed fit as a significant predictor of goal attainment ($\beta = .30, p = .05$). Next, the fit conditions and goal attainment were regressed onto the target brand evaluations, revealing goal attainment
as a significant positive predictor ($\beta = .38, p < .01$) while narrative fit was not significant ($\beta = - .12, p > .05$). A 1,000 simulation bootstrap analysis of the indirect effect was significant ($\beta = .12, 99\% CI = .01, .34$), however, indicating goal attainment mediates the impact of product placement fit on brand evaluations. Results of the goal attainment analysis can be found in figure 5.4a.

**Engagement.** The mediational analysis method suggested by Zhao, Lynch and Chen (2010) and the bootstrapping techniques suggested by Preacher and Hayes (2004; 2008) were again used to examine engagement as a mediator between product placement fit and brand evaluations. First, product placement fit was regressed on engagement ($\alpha = .64$) revealing fit as a significant predictor ($\beta = .27, p < .05$). Next, product placement fit and engagement were regressed onto the target brand evaluations, revealing engagement as a significant positive predictor ($\beta = .37, p = .01$) while narrative fit was not significant ($\beta = -.10, p > .05$). A subsequent 1,000 simulation bootstrap analysis revealed the indirect effect was significant ($\beta = .10, 99\% CI = .02, .27$), offering support that engagement also mediates the impact of product placement fit on brand evaluations. Results of the engagement analysis can be found in figure 5.4b.

Discussion

In study 2, the impact of product placement fit on brand evaluations through goal attainment due to the presence of the product placement and engagement with the product placement was considered. Results revealed both mediators were significant, indicating the
degree to which the a placement helps individuals reach their narrative consumption goals and the degree to which consumers engage with the placement as the mechanisms through which product placement fit influences brand evaluations.

GENERAL DISCUSSION

Since the birth of the product placement phenomenon, advertisers have worked to highly integrate their brands within narratives in order to increase elaboration and create more favorable brand evaluations among consumers (Tiwsakul, Hackley and Szmigin 2005). To this point, however, these efforts have been considered relatively counter-productive, as multiple academics have demonstrated that increased elaboration due to exposure to product placement actually results in less favorable evaluations (Cowley and Baron 2008; Homer 2009; Wei et al. 2008), resulting in the widely accepted product placement paradox (Ephron 2003). The current research challenges this thinking through the development and empirical examination of the product placement fit construct.

Drawing on consumers’ narrative consumption goals and recognizing the importance of congruency between these goals and the nature through which products are placed, results support the existence of a generalized product placement fit construct—operationalized by two distinct dimensions of affective and narrative fit—that impacts consumers’ brand evaluations following exposure to product placement under conditions of high elaboration. Specifically, greater levels of fit among those two dimensions result in more favorable brand evaluations, compared to lower levels of fit. This effect was shown across both literature and television formats, and in group and individual settings.
Furthermore, simultaneous considerations of both dimensions revealed that both affective and narrative fit must be present to result in more favorable evaluations. Moreover, this effect is operationalized through goal attainment and engagement with the placement. Results indicate that as the presence of a product placement assists consumers in reaching their enjoyment based narrative consumption goals, and as consumers become engaged in the product placement, they respond with more favorable brand evaluations.

Theoretical and Practical Implications

The results of this essay hold important theoretical and managerial implications. First, results suggest that blatant placements can result in favorable brand evaluations when the nature of those placements is consistent with the motivational goals of the consumer. As such, the present work may call to question the robustness of the product placement paradox that has been accepted by some academics and practitioners, suggesting that noticing a product placement does not necessarily lead to less favorable results.

Second and complementary to the first implication, the results indicate that product placements can in fact benefit consumers by aiding in attainment of narrative consumption goals. This result may again be contradictory to previous opinions of some academics and practitioners, but, recognizing the desire to reach a consistent mood state (Zillmann 1988, 1994), and enjoyment as goal of narrative consumption (Vorderer et al. 2004), any elements within a presented narrative that help consumers reach these goals will theoretically benefit the consumer, regardless of any other persuasive intent (e.g., more favorable brand evaluations).
Third, the development and evaluation of the product placement fit construct extends fit theory into the product placement domain. While a small stream of literature has considered the impact of congruence (vs. incongruence) on consumer responses to product placement (Russell 2002), the current research extends this domain by considering a complementary interaction between the placement and narrative beyond considerations of modality and prominence, focusing on how placements are perceived by consumers instead of how they are presented to consumers. Moreover, the current research offers important managerial insights in that the placements considered within this essay deal exclusively with the highly integrated products that practitioners seek to include in narratives (Tiwsakul, Hackley and Szmigin 2005). As such, the results may offer guidance for practitioners looking to engage in product placement advertising.

Limitations and Future Directions

Before concluding, some limitations should be noted as they offer opportunities for future considerations of product placement fit. First, participants were exposed to the placements within narratives with which they were not familiar. Considering familiarity toward a show and previous show liking have been shown to impact consumer responses to product placement results (Cowley and Barron 2008), future considerations could evaluate the impact of product placement fit within programs with which individuals are already familiar. Second, considering product placement is a relatively new advertising technique, a direct comparison of product placements high in fit to more traditional advertisements (e.g., television commercials, print advertising) could offer insight into the overall effect of product placement as an advertising technique. Finally, other manipulations of affective and narrative fit that were not tested here
may exist. For example, all considerations of product placement fit within the television medium were made within the comedic genre. Considering the impact of product placement fit within other genres (i.e., romance, tragedy, and satire) may result in a further understanding of the impact of affective fit on brand evaluations. Furthermore, other manipulations of narrative fit could exist, including degrees of narrative fit based on consumers’ previous product knowledge (e.g., a proper vs. improper use of a well-known product), or fit between characters and products (e.g., a male character using a traditionally female product). As such, future work considering other manipulations of affective and narrative fit may lead to further insights into the product placement fit construct, and offer even greater guidance for academics, advertisers and managers alike.
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Figure 5.1
The Effect of Affective Fit on Brand Evaluations

Dramatic Placement | Comedic Placement

- Drama
- Comedy
Figure 5.2
The Effect of Narrative Fit on Brand Evaluations

Cold Setting | Hot Setting
---|---
Heater | Air Conditioner

- Heater
- Air Conditioner
Figure 5.3
The Interactive Effect of Affective and Narrative Fit on Brand Evaluations
Figure 5.4a
The Impact of Product Placement Fit on Brand Evaluations through Goal Attainment

Controlling for Narrative Transportation.
Controlling for Narrative Transportation.

Figure 5.4b
The Impact of Product Placement Fit on Brand Evaluations through Engagement

β = .27, 99% CI = .01, .54

β = .37, 99% CI = .08, .66

Direct Effect = -.11, 95% CI = -.42, .20
Indirect Effect = .10, 99% CI = .02, .27
CHAPTER VI

CONCLUSIONS

A Summary of Contributions and an Agenda for Residual Outcomes Stemming from this Dissertation
Product placement is defined as the inclusion of products or brands in the context of mass media programming and narrative with the intent to persuade (Russell 2002). It is rapidly developing as a viable advertising technique at the disposal for practitioners interested in incorporating their products into the mainstream media and attracting consumers (Tiwsakul, Hackley and Szmigin 2005). Concomitantly, research considering this product placement effect is also expanding, but results clearly reveal that extant literature lacks consistency in magnitude, direction, and conditions under which product placement may be effective (Balasubramanian, Karrh, and Patwardhan 2006; Romaniuk 2009; Van Reijmersdal, Neijens, and Smit 2009). These inconsistencies have prompted criticism from practitioners and academics, questioning whether or not an overall product placement effect exists beyond recognition and recall effects (Babin and Carder 1996; Ephron 2003).

In response to these inconsistencies and criticisms, this dissertation endeavored to empirically examine the effect of product placement on brand recall and recognition, brand evaluations, and behaviors toward placed products by quantitatively measuring the product placement effect through the analyses presented in essay 1. Results of the first known meta-analysis of the product placement domain indicated an overall positive effect of product placement on cognitive, affective, and conative responses. These effects were influenced by several moderators of theoretical and managerial importance, and revealed cognitive elaboration, para-social relationships between consumers and characters, and character mimicry as the theoretical foundations for cognitive, affective and conative effects, respectively.

Results also revealed several moderators of the product placement effect beyond the effect of product placement on cognitive, affective and conative responses. For example, exposure to products placed in non-fictional narratives results in decreased brand
recall/recognition but more favorable brand evaluations and behaviors, compared to exposure in fictional narratives. In addition, children who were exposed to placements reported lower levels of brand recall/recognition, but more favorable attitudes and behaviors, compared to adults exposed to placements. Lastly, consumers reported more favorable brand evaluations when exposed to products placed in comedic versus dramatic genres. Accepting that the results of essay 1 established product placement as a viable advertising method, further examinations of the product placement effect were warranted. As such, this dissertation continued with a consideration of consumers’ perceptions of product placement in essay 2 and examined product placement advertising as a form of covert marketing.

In essay 2, the Consumer-Schematic Taxonomy of Product Placement was introduced as a means to better appreciate the knowledge structures consumers develop in order to understand and cope with product placement advertising. This taxonomy consisted of perceptions of product placement obtrusiveness, utility, and deceptiveness, and recognized that increases in perceptions of product placement obtrusiveness and deceptiveness lead to decreased assent to product placement messages, while increases in perceptions of product placement utility resulted in increased assent to product placement messages. This assent to product placement is captured by the development of the Assent to Branded Artifacts in Media construct, defined as a consumer’s general receptiveness to product placement as an effective and helpful guide in consumption decisions. Across several studies from multiple independent data sets, I offered support for the validity of a second-order Branded Artifacts in Media Assent Scale consisting of four first-order factors. The scale was also shown to be a reliable predictor of placed brand attitudes, and offers an explanation of previously inconsistent results examining the relationship between recognizing exposure to product placement and subsequent brand evaluations.
The examination of the product placement effect was completed by considering the role of product placement on consumers’ motivational goals within essay 3. As evident by the product placement paradox (Ephron 2003), many traditional opinions of product placement suggest elaborating on placed products results in less favorable brand evaluations. In essay 3, however, empirical support was offered indicating that not only can elaboration resulting from exposure to product placement lead to more favorable brand evaluations, but that the presence of product placement can actually offer a benefit to consumers through proper product placement fit. Product placement fit is defined as the degree to which the placement of the product itself matches consumers’ narrative consumption goals and is operationalized it along the independent affective and narrative fit dimensions. Specifically, as consumers’ media consumption goals (e.g., consistent mood states, engagement and enjoyment) are met through product placement advertising, consumers’ reward the placed products with more favorable brand evaluations compared to exposure to placements that do not help consumers reach their media consumption goals.

Taken together, the work presented within this dissertation calls to question three commonly accepted perceptions of product placement. First, contrary to critics that suggest product placement has no impact of affective and conative outcome variables, there does appear to be a significant positive effect of exposure to product placement on consumers’ brand evaluations and behaviors. Second, while there have been repeated calls for public policy legislation pertaining to product placement disclosures, this work indicates consumers possess the abilities and knowledge structures necessary to simultaneously consume narrative and evaluate placed products, resulting in an advertising domain that may be capable of policing itself. Third, though many have suggested that product placement advertising benefits advertisers
and producers at the expense of consumers, results of essay 3 indicate product placements may provide value to consumers when the placement aids an individual’s narrative consumption goals. As such, this dissertation sheds light on the product placement effect, and provides academics and practitioners alike a new perspective pertaining to the role of product placement within the advertising domain.

CONCLUDING COMMENTS

Critics of this work may suggest it encourages product placement as a form of subliminal advertising, or stokes the fire for practitioners operating within the “dark-side” of marketing. While it is recognized that many of the results found within this dissertation measure brand evaluations, and may subsequently offer a blueprint for managers seeking more favorable consumers brand evaluations and purchase intentions, this work does not contribute to subliminal advertising or the dark-side of marketing. Instead, the purpose of this work is to explore consumer power related to product placement advertising and methods in which the goals and motivations of advertisers and consumers can align for their mutual advancement. For example, essay 2 explores and finds support for consumers’ ability to instantly recognize and evaluate product placements, suggesting individuals are empowered consumers, not lemmings easily persuaded by a brand mention on television. Furthermore, essay 3 examines the possibility of product placements actually helping individuals reach their narrative consumption goals. In this way, product placement becomes a useful tool for the benefit of consumers, and any changes in brand evaluations are simply residual effect of this attainment of narrative consumption goals. My hope, therefore, is that any outcomes related to this body of work are not used for deceptive
advertising practices, but instead for the advancement of both consumers and managers within an advertising, narrative, and entertainment context.

   Journal of Consumer Research, 29(September), 270-279.


   Journal of Advertising, 31(3), 83-95.


In Memoriam

Dr. Ruth J. Nichols