

# THE IMPACT OF BRAND PLACEMENT AND BRAND RECALL IN MOVIES: EMPIRICAL EVIDENCE FROM MALAYSIA

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## ABSTRACT

*Brand placement in movies is an emerging marketing dimension and strategy. These strategies are currently widely applied in films. The aim of this research is to explain the relationship between the acceptance of brand placement based on consumers' perception and the brand recall towards brand preference, loyalty and intention to purchase among Malaysian young movie viewers. Surveys are conducted randomly and questionnaire distributed to undergraduate students of Malaysian universities. Five-hundred questionnaires were distributed with an 80 percent response rate. Two propositions and three hypotheses were developed and tested using mean and regression analysis. The result indicated that the acceptance of brand placement based on consumers' perception and brand recall have a significant relationship with brand preference, loyalty and intentions to purchase. These findings indicate to brand managers that brand placement has become an important marketing tool to reach emerging younger generation consumers. It also indicates that brand placement acceptance and recall plays a vital role in influencing marketing activities, enabling marketers to impact younger generations brand preference in either a gross or subtle manner. This research provides a guideline for global brand players in considering marketing activities using commercialized movies as a medium.*

**JEL:** M3

**KEYWORD:** Brand Placement, movie, attitude, preference, intentions to purchase, loyalty

## INTRODUCTION

In recent years, there has been an increase in the practice of product placement (McKechnie & Jia, 2003), which is defined as 'the planned entries of products into movies or television shows that may influence viewers' product beliefs and/or behaviors favorably' (Balasubramaniam, 1994). Considerable research indicates that firms' advertising and marketing communication decisions have strong influences on firms' stock prices (Wiles & Danielova, 2009). This is done by product placement, also sometimes referred to as brand integration, to include of branded products or identifiers through audio or visual means within mass media programming (Balasubramaniam, 1994). Product placement is the inclusion of product, package, signage, a brand name of the firm in a movie or in a television program for the intent to deepen the brand image and instant recognition at the point of purchase. Placements can be in form of verbal mentions in dialogue, actual use by character, visual displays such as corporate logos on vehicles or billboards, brands used as set decorations, or even snatches of actual radio or television commercials (Mandal, 2008). The key advantages of brand placement range from cost-effectiveness to positive audience-accepted and easier for delivering brand spirit (DeLorme, Denise E., & Reid, 1999). Therefore, marketers are increasingly using brand placement to reinforce brand awareness and create favorable attitudes especially in movies. Garrett Hedlund, the heroic of Tron Legacy in the recently popular movie in 2010, uses a Nokia N8 to access a high tech security door. The Nokia N8 is shown to provide high functionality and become a central of focus, to some consumers, for a few seconds in the movie. Brand placement in movies is a common practice around the globe and it appears often in blockbuster films (Gregorio & Sung, 2010). Brand placement is not a new form of advertising strategy in

marketing yet it has a unique position in advertising and has become a focus of study for researchers in the marketing field. Brand placement occurs regularly in movies. Consumers in Malaysia have similar behavior to consumers from different countries. However, national differences impact the effect of brand placement. Several studies have been conducted on the acceptance of brand placement in America and other countries (Gould, Gupta, S. J., P. B., & Krauter, S. G, 2000).

However, none report the acceptance of brand placement in Malaysia. Since there are differences between countries, the attitude towards brand placement is different. This research paper serves to highlight consumer behavior toward brand placement in Malaysia. Besides cultural differences, past research shows that individual differences might affect attitudes and behaviors toward the effect of brand placement (Balasubramanian, S. K., Karrh, J. A., & Patwardhan, H., 2006). This article examines the role of brand placement acceptance and recall influencing consumers' brand preference, loyalty and intentions to purchase. The remainder of the paper is organized as follows. In section 2 there will be literature review, section 3 describes the theoretical framework highlighting research questions and hypotheses, section 4 explains the research methodologies used in the study followed by presentation of results and analysis. Finally, the paper is concluded with a discussion, limitation of the study and description of future work in Section 5.

## LITERATURE REVIEW

The early study of brand placement provides an understanding of the effect of brand placement for marketing purposes. Research done on brand placement in past two decades is relatively little but has become an interesting topic in marketing (Balasubramanian *et al.*, 2006). The role of brand placement has become more important because of evolving traditional and digital media. Brand communication plays as a key component of branding. It determines if a brand is successfully established and ultimately turns a profit (Conchar, M. P., Crask, M. R., & Zinkhan, G. M., 2005). Conventional forms of brand communication via advertising, and public relations have achieved success but their effectiveness is declining due to growing consumer resistance to traditional broadcast advertising (Elliott, 2008). Therefore, brand placement through digital technology has been widely expanded and attracted the attention from academics (DeLorme & Reid, 1999).

A growing stream of product placement research has conducted surveys of consumer and practitioner views to gauge product placement's impact on brand awareness, attitudes, and purchase intent (Wiles & Danielova, 2009). Consumers connect the film world to their own, mapping their aspirations onto the products placed in the film, which in turn influences attitudes and consumption norms (DeLorme *et al.*, 1999). This research contributes to a better understanding of the brand placement perception toward consumer behavior from the perspective of consumers.

In customer-centric markets, the basic concept of brand placement is to place a particular brand of product, integrated seamlessly into the media content to target potential consumers. Particular placement was positively assessed when the principal actor was present, when the placement was noticeable, and when the brand was integrated well in movie scene (Chartier & D'Astous, 2000). Advertising Age, perhaps the most visible industry publication, has termed the power play between marketing and Hollywood "Madison & Vine," granting frequent coverage to the topic. Despite the burgeoning popularity of product placement as a marketing tool, there is limited substantive empirical evidence regarding whether and how it is effective in influencing consumer responses (Miles, 2009).

The literature on brand placements is divided into two major characteristics, prominence and plot connection. According to Lehu and Bessoud (2009), prominence is defined as the ability of the brand to create a centre of attention from spectator. This capacity is linked to the size and duration of the placement on the screen, the amount of brand appearances in the scene and its location on the screen. On the other hand, plot connection defined as the involvement or degree to which the brand is closely related to the film's story. This variable is close to the concept of centrality and conceptualized by the role of the product in the intrigue, as described by Lehu and Bessoud (2009).

There are two terms, often used interchangeably, in placements: product and brand placements (Lehu & Bessoud, 2009). Product or brand names are, in many cases, used to show the relationship between product and movie producer. For this reason, given brands often appeared on the screen and/or are mentioned in the movie dialogues. According to Thomas and Kholi (2011), three dimensions measure the effectiveness in brand placement: reach, impact, and frequency. Reach, as a function of audience size, refers to the total number of people exposed to the brand. Impact is defined as the extent to which an advertisement has the impact on audience impression. Frequency is defined as how often the brand is shown in the program. In practice, it is uncertain whether movies use various dimensions of reach or impact or frequency. Different movies target different dimensions of brand placement and the plot of the movie will affect the impact dimension of brand placement.

#### Relationship between Brand Placement Brand Recall

As product placement continues to grow in media markets, research has demonstrated that viewers recognize and recall brand/product placement. D'Astous and Chartier (2000) found that product placement not only increases brand recognition; it is also efficient for brand recall. A telephone survey conducted in 2002 by Morton and Friedman interviewed respondents to assess "day-after" recall of feature films. The results show approximately 38% of respondents correctly recalled brands appearing in films. Brand recall improved when product placement were visibly with a virtue of size, correct position on the screen or centrality to the action in the scene. It is a way of evaluating brand placements in research when consumers can describe the features of brands seen in films without additional descriptions, or can be known as spontaneous recall (Lehu & Bessoud, 2009). Longer duration for brand placement in film is optimal as repetition leaves more space for consumer to access and capture the information in brand memory (Reijmersdal, E. V., Neijens, P., & Smit, E. G., 2009). Brand placement was ideal and leads to better brand recall when it lasted for 15 minutes (Reijmersdal *et al.*, 2009).

Brand memory or recall increases when brands are placed prominently or were mentioned and shown by the actor (Reijmersdal *et al.*, 2009). Gupta and Lord (1998) revealed prominent placement tends to influence people to recall the product mentioned. Jin and Villegas (2007) found different types of product placement impacts consumer recall. Types of product placement include "prominence/subtlety" and "audio only" or "visual only" presentations. Their research indicates those product placements increase the attention of viewers and improve the memory of viewers to recall the product. The result of this research revealed that consumer recall is higher when featured prominently compared to product appearance in television commercials (Jin & Villegas, 2007). Variety of products with high involvement featured in film results in greater brand recall (Pokrywczynski, 2005). He points out high viewing conditions offer the opportunity for more brands to appear in the viewer's sight and draws attention from the audience.

#### Brand Placement and Consumer Behavior

To understand how product placement affects a consumer's buying behavior, consumers connect the world of movies with their social life (DeLorme *et al.*, 1994). Their buying behavior is affected by their everyday life. How they perceive products placed in movies or how a movie carries out a product strongly affects buying decision. For instance, if ones do not like smoking in daily life, one most probably would ban the idea of cigarette placement in a movie although it occurs with his or her favorite actors (Gould *et al.*, 2000). Many movie product placement studies have been performed in the past twenty years. Baker and Crawford (1996) used a self-completion survey combined with oral questions after participants viewed a movie containing several brands. The study found high levels of aided and unaided recall of product placement. Sixteen percent of the sample reported preference for featured products. There was generally a neutral attitude towards product placement, though viewers recognized it as a type of promotion. While we investigate consumer's behavior towards brand placement, one study showed the level acceptance by consumers towards use of brand placement in media. The research compared audience acceptance towards product placement in the United States, Austria, and France. The results show Americans accepted product placement more readily, and were more likely to report a favorable purchase intentions of placed brands (Gould *et al.*, 2000). Although the research are done within United

States, Austria and France, this research also indicates that these individual variables may be influenced by cultural differences, but their impact may be the same or vary on a cross-cultural basis.

Some evidence shows that product placement would be efficacy when using positive positioning and/or linking with an attractive character (McKee & Pardun, 1998). From a movie viewer's perspective, a product that appears with a celebrity actor in a scene can enhance the persuasiveness of the product and placement message. The relationship between character and the placed product, viewer and the character, and interaction between viewer, character and placed product can influence consumers' attitudes toward placed products (Su, H. J., Huang, Y.-A., Brodowsky, G., & Kim, H. J., 2011). This phenomenon is similar to advertising. The product's association with an actor in movie bolsters its credibility, defined as "audience's" perceptions regarding the brand or product (McDonald, 2000). In addition, evidence from Gupta and Lord showed that prominent placement performs better than advertising (Gupta & Lord, 1998). People recognize and recall the brands promoted.

Based on Gould, Gupta and Sonja (2000), consumer behavior is affected by individual differences, also known as non-cultural variables based on factors other than national culture. It also plays an important role in predicting consumer response to brand placement. These variables include attitudes towards product placement, frequency of viewing movies and gender. This research paper examined for those who have positive attitudes towards placing products in movies, as a promotional tool, have more favorable or positive acceptance toward the specific products mentioned. Those who resist such product placements reported as less favorable in accept such placement in movies. Those who watch movies more frequently are more favorable in accepting product placement and ethically charged products. Gould, Gupta and Sonja also determined the effects of frequency of movies watched. The theory is based on self-congruity theory. For example, if one watches movies frequently, it is more likely one will like them and aspects of them including product placement. Gould, Gupta and Sonja's (2000) find men have attitudes more favorable towards product placement in movies as accounted for accepting ethically charged products than females. This is because of women are more sensitivity to such products.

### Brand Placement and Loyalty

Brand placement is an important medium that can shape the consumer way of thinking, point of view and loyalty (Saladino, 2008). Saladino argues loyalty is important which can help the company maintain market opportunities. Celebrity product placement is one of the ways to influence consumers loyalty towards the product. McKee and Pardun (1998) implied the efficacy of brand placement when combining celebrity or artist with a brand to highlight the value of the product. Indeed, by using the samples or artist, it influences consumer loyalty where the consumer perceives the product as a choice of the celebrity when the celebrity is seen wearing or using the product (Saladino, 2008).

Sadino showed that product loyalty influences the reverse product placement strategy. Reverse product strategy allows consumers to translate the game world back into real life (Edery & Mollick, 2009). For instance the player is given the chance to create their own character's wardrobe. They can also create their own apparel and sell it to others and can place it in their blog or website. This can help the manufacture gain free product placement strategy and consumer loyalty (Saladino, 2008).

### Brand Placement Intentions to Buy

Brand placement affects recall and attitude among consumers but marketers must exercise caution because incongruent and congruent placements have different impacts on consumers (Henrie & Taylor, 2009). Incongruent placements can enhance recall for a visual placement. This is because consumers note the incongruent nature of the placement, start thinking about it, and generate counterarguments. Meanwhile, congruent placements can lead to increasing of consumer persuasion (Wise, K., Bolls, P. D., Kim, H., Venkataraman, A., & Meyer, R. (2008). An example of congruent placement can be gleaned from the 1982 movie, *ET: The Extra Terrestrial*. In the film, Elliott successfully attempts to make friends

with the alien by offering him Reese's Pieces; following this brand placement, Hershey reported a 65% increase in the sales of Reese's candy (Wise et al, 2008)

When viewers are exposed to a certain brand in a particular context, it influences memory about the brand message by adding or reinforcing links to the associate memory network (Cornwell, T., Humphreys, M. S., Maguire, A. M., Weeks, C. S., & Tellegen, C. L. (2006). Hence, the context and nature of brand placement may create brand associations that shape brand image. For example, Ray Ban Wayfarers (sunglasses) became hip when Tom Cruise wore them in the Risky Business movie, while Mini Cooper benefitted from its placement in The Italian Job movie.

Further studies convinced one of the goals of brand placement is to obtain attention from the audience to look forward to their placed brand in movie. For example, BMW promoted their new product, the Z3 Roadster, in Golden Eye with dealer promotion before and after the film (Fournier, S. & Dolan, R. J., 1997). The principle of brand placement in cinema is a matter of "placing" a product or a brand in one or more scenes of a film, in one form or another, in return for payment (Steven, 1992). Brand placement must be able to earn attention from the audience because it can create implicit memory in the audience's mind. The brand or product in the movie can automatically convert audience and increase the likelihood of purchase without awareness (Balasubramanian *et al.*, 2006). Therefore, designers and writers brands often use brand as a tools to communicate specific meaning to audiences. More commonly, marketers and creators use movie or television shows to promote their brand.

In addition, positive brand associations can change consumer response by influencing liking and purchase behavior. For instance, the aforementioned boost of Reese's Pieces sales from placement in *ET*. Besides that, when television character Ally McBeal wore Nick & Nora pajamas, the brand witnessed a 35% increase in sales over a 3-year period (Thomas & Kohli, 2011). There is evidence to show that greater recall, increased liking, and higher sales are possible via brand placements, although practitioners are not typically clear on how to achieve these outcomes on a consistent basis.

## DATA AND METHODOLOGY

In this section we describe the research framework. Figure 1 indicates the relationship in between Brand Placement and Brand Recall towards brand preference, loyalty and Intentions to purchase.

Figure 1: The Impact of Brand Placement and Brand Recall towards Brand Preference, Loyalty and Intentions to Purchase

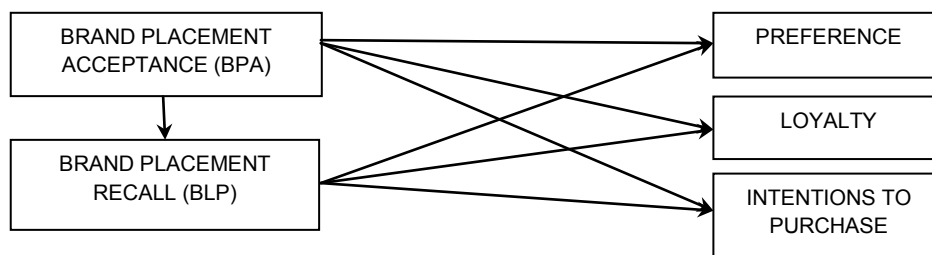


Figure 1: The Impact of Brand Placement and Brand Recall towards Brand Preference, Loyalty and Intentions to Purchase

Therefore, the following propositions and hypotheses emerge. Our research propositions are: 1. Malaysians can accept brand placement in movies. 2. Malaysians can recall brands placed in movies. Our Research Hypotheses are as follows:

*H1: Movie viewers' acceptance of Brand placement has a significant influence on Brand Recall.*

H2: *Movie viewers' acceptance of Brand placement has a significant positive influence on their behavior and attitude toward a brand (preference, loyalty and intentions to purchase).*

H3: *Movie viewers' brand placement recall has a significant positive influence on their behavior and attitude towards a brand (preference, loyalty and intentions to purchase).*

Samples of undergraduate students representing the population of young adults in Malaysia are collected. The questionnaire was administered to a convenience sample of 500 students at Malaysian universities both in the peninsular and Borneo with a response rate of 80%. The questionnaires were distributed to undergraduate students who come to the selected lecture halls. They were asked to complete the survey in their regularly scheduled classes. The subjects were given as much time as needed to complete the questionnaire. A pre-screening of the subjects was undertaken to ensure that no respondent completed the survey more than once. The sample included 40% of male respondents and 53% percent females with the average age of 22 years. The research used self-administered structured questionnaire as research instrument. Definitions of product placement given were on the front page of the questionnaire in the following terms: "The practice of placing brand name products in movies as props is called *product placement*." The respondents asked to rank their reaction of consumer behavior towards the effects of brand placement, by responding to a 5-point scales as well as categorical questions. The scale ranges from (1= Strongly Disagree 2= Disagree 3= Neutral 4= Agree 5=Strongly Agree).

There are three parts in the questionnaire; Part (A) examines the acceptance of independent variable, which involves brand placement perception. Part (B) questions the effects of brand placement towards consumer behaviors, which are brand recall, preference, brand loyalty, and intention to buy. Part (C) examines the characteristic and demographics of respondent. The questionnaire was developed by adapting the instrument used by Morton and Friedman (2002).

## RESULTS AND FINDINGS

Table 1: explains the frequency of movie watched within a month and movies watched by ethnicity of students. The results showed that most respondents watch movies 1 – 4 times per month with 52.0 % (n=248).

Table 1: Frequency of Movie Watched

Movies Watches per Month	
1-4 times/ month	52.0 % (n=248)
5-9 times/ month	20.5 % (n=82)
10-14 times/ month	5.8 % (n=23)
Almost everyday	10.0 % (n=40)

*This table shows the frequency of movies watched within a month and movies watched by ethnicity of students.*

Table 2 shows types of movies preference among students. The results showed that most respondents would prefer more than two choices stated in the list with 55.5 % (n=222).

There are two independent variables, acceptance of brand placement and recall measured by using a series of five-point Likert scale questions. The three variables were preference, brand loyalty and intention to buy. Cronbach's alpha test is used to test the reliability coefficient of the questions for each variable in order to ensure the reliability of the questions used.

Table 3 shows students preference to go with to watch movie. The results showed that most respondents would accompany by friends with 54.3 % (n=217). Table 4 shows the reasons students watch movies. The results showed that most respondents watch movies as entertainment with 41.5 % (n=166).

Table 2: Types of Movie Preference

<b>Romantic Movie</b>	<b>5.0 % (n=20)</b>
Action movie	14.5 % (n=58)
Horror movie	6.8 % (n=27)
Comedy movie	14.0 % (n=56)
Others	4.3 % (n=17)
More than two choices stated above	55.5 % (n=222)

*This table shows types of movies preference among students.*

Table 3: Preference of Person to Go with to Watch Movie

<b>Alone</b>	<b>5.8 % (n=23)</b>
Accompanied by friends	54.3 % (n=217)
Accompanied by family	3.3 % (n=13)
Accompanied by boy/ girl friends	9.0 (n=36)
Others	1.5 % (n=6)
More than two choices stated above	26.3 % (n=105)

*This table shows students preference to go with to watch movie.*

Table 4: Reason to Watch Movies

<b>Entertainment</b>	<b>41.5 % (n=166)</b>
Director of the movie	0.3 % (n=1)
Family influence	0.3 % (n=1)
To appreciate effort that put in the movie	1.5 % (n=6)
Peer influence	2.8 % (n=11)
Others	5.8 % (n=23)
More than two choices stated above	48.0 % (n=192)

*This table shows the reasons of student to watch movies.*

Table 5 explains the reliability analysis using the indication of Cronbach's Alpha for the five variables of study. Section A was the Brand Placement Acceptance items. The reliability of the test was 0.686 on Cronbach's Alpha assessment. For section B (1), the reliability test of the Brand Placement Recall was accepted as the value of Cronbach's Alpha which about 0.798. Section C for Brand Preference, shows the reliability value was 0.848, which indicating the items and combination of the question as one whole section is accepted, and was valid. Section D for Brand Loyalty, the value for the Alpha's analysis is 0.651. Finally, Section E for Intention to Purchase, the reliability value was 0.858. The reliability value exceeding 0.6 for all the variables and its items shows that the items are valid and reliable for further statistical analysis.

The data presented in Table 6 explains viewers agreement of the five research variables based on a five-point scale with the total mean score for each variable. Results show agreement in acceptance of brand placement in movies with a mean of 4.16. This finding shows Malaysians have positive attitudes toward brand placement in movies. Respondents can recall brands placed in movies with mean of 4.35. The mean score for brand preference is 4.18 indicating agreement. Respondents brand loyalty mean is 3.93 = 4.00 (agree) indicating that they are loyal to brands they see in movies. Respondents also have the intention to purchase brands they see in movies with mean of 3.72, which is close to 4.00 indicating agreement.

Table 5: The Cronbach's Alpha for Each Variable

Section	Variables	No. of Item	Cronbach's Alpha
A	Brand Placement Acceptance (BPA)	A1 + A2 + A3 + A4 + A5 + A6 + A7 + A8 + A9 + A10	0.686
B	Brand Placement Recall (BPR)	B1 + B2 + B3 + B4 + B5 + B6	0.798
C	Brand Preference (BPRF)	C1 + C2 + C3 + C4 + C5	0.848
D	Brand Loyalty (BL)	D1 + D2 + D3 + D4 + D5	0.651
E	Intention to Purchase (ITP)	E1 + E2 + E3 + E4 + E5 +E6	0.858

Table 5 explains the reliability analysis using the indication of Cronbach's Alpha for the five variables of study.

Table 7 indicates the correlation between brand placement acceptance and brand recall in movies. The first figure in each cell is the regression coefficient. The second is the t-statistics. \* indicate significance at 0.05. The analysis indicates that 44% of the variance of acceptance of brand placement recall in movies is explained by the significant influence on brand recall. At a 5% significant level, with  $F=79.126$ ;  $Sig.=.000$ , the F value shows that the acceptance of brand placement in movies contributed positively to viewer's brand recall. A major objective of this research is to test the impact of brand placement acceptance and recall on Malaysian consumers brand preference, loyalty and purchase intentions. Here a series of multiple regression analyses is used to examine these relationships. Three multiple regression models are estimated as the equation below:

$$V_d = \alpha + \beta_1i \text{ BPA} + \beta_2i \text{ BPR} + E, \text{ d} = \text{brand preference, loyalty, intentions to purchase} \tag{1}$$

Table 6: Mean For Total Brand Placement Acceptance, Recall, Preference, Loyalty and Intentions to Purchase

Variables	Mean	Std. Deviation
Brand Placement Acceptance	4.16	0.4573
Brand Placement Recall	4.35	0.6371
Preference	4.18	0.7498
Loyalty	3.93	0.5836
Intentions To Purchase	3.72	0.7031

\*Scale: (1) Strongly disagree to (5) strongly Agree

The regression coefficients are presented in Table 8. The first figure in each cell is the regression coefficient. The second figure in each cell is the t-statistics. \* indicate significance at 0.05 respectively for Results for Model 1, 2 and 3 are presented in Table 8. All regressions are estimated by ordinary least square (OLS). The dependent variable is preference, loyalty or intentions to purchase. The Collinearity Statistics indicates that all models do not have a collinearity problem with  $VIF=1$ .



Model 1:  $V_{(\text{Brand Preference})} = \alpha + 0.298 *_{\text{BPA}} + 0.470 *_{\text{BPR}}$  shows the regression was positively related with Brand Placement Acceptance and Recall. These two independent variables contribute significantly and predict 47.5% of the variation and significant change in viewer’s Brand Preference. The same results are found for Model 2 and 3 predicting 39.2% of the variations and significant change in Brand Loyalty and 37.9% of the variations and significant change in Intentions to Purchase. In other words, the consumers’ brand preference, loyalty and intentions to purchase for the brands placed in movies is positively related with their acceptance of the placement of the brands and recall of the brands placed in movies.

Table 7: Regression Model between Brand Placement Acceptance and Brand Placement Recall

Model 1		
Explanatory Variable	Brand Placement Recall	
	B	t
(Constant)	6.059	4.822*
Brand Placement Acceptance	0.493	11.302*
R Square	.443	
F-Statistics	79.126	
Sig.	0.000	
Number of Observations	397	

This table indicates the correlation between brand placement acceptance and brand recall in movies. Note: Significance \* at 0.05

Table 8: Regression Model on Preference, Loyalty and Intentions to Purchase Brand Placements in Movies with Brand Placement and Brand Recall

Explanatory Variable	Model 1		Model 2		Model 3	
	Preference		Loyalty		Intentions to purchase	
	β	T	β	T	β	t
(Constant)	2.689	6.165	6.286	6.427	4.687	3.150
Brand Placement Acceptance (BPA)	0.298	3.990*	0.148	2.885*	0.127*	2.422*
Brand Placement Recall (BPR)	0.470	9.561*	0.426	8.607*	0.346*	6.614*
R Square	0.475		0.392		0.379	
F-Statistics	75.376		70.588		43.198	
Sig.	0.000		0.000		0.000	
Number of Observations	397		397		397	

Regression Model on Preference, Loyalty and Intentions to purchase \*Note: Significance p at 0.05\* respectively

### CONCLUSION, LIMITATION AND FUTURE IMPROVEMENT OF THE RESEARCH

This research examined the effectiveness of brand placement in movies in terms of acceptance and recall on consumer behavior and responses through consumer brand preference, loyalty and intentions to purchase. The result indicates Malaysians have a high level of acceptance and recall for brands placed in movies. The study also reveals the impacts of brand placement in movies are possibly measured through acceptance and recall among Malaysian movie viewers. The five propositions of this research were answered. The result indicated that Malaysian accept product placement more readily and perceive brand placement in movies in a very positive way. These studies have added to the validity of the idea that Malaysian young adult recall product placements in films well in line with the findings of (Babin &

Carder, 1995; Babin & Carder, 1996; Gupta & Lord, 1998; Nebenzahl & Secunda, 1993). This research also indicates consumers' acceptance and recall of brand placement in movies have a substantial effect on their behavior pattern as revealed by the regression analysis showing the variations in preference, loyalty and intentions to purchase those brands seen in movies.

This agrees with the work of Saladino (2008) explaining brand placement as an important medium that can shape the consumer way of thinking, point of view and their loyalty (Saladino, 2008).

This study also determines that brand placement is effective across cultures such as in Malaysia as part of the Asian market. The current research also indicates that product placement offers a new strategic and efficient way to promote brands across culture especially brands from North America through the brand placement in North American movies into the Asian market. These findings contribute to brand managers in the world that brand placement has become a significant marketing tool in reaching the emerging younger generation of consumers. It also indicates that brand placement acceptance and recall plays a vital role in influencing marketing activities, enabling marketers to create impact towards the younger generations brand preference in either a gross or subtle manner.

This research provides a guideline for global brand players in considering marketing activities using commercialized movies as a medium. As long as these brands appear in popular cinema, brand placement will continue to be a desirable area of study. This research is based on the experience of the respondents and answering a close-ended questionnaire rather than a stimulus based experimentation, which gives more room for research reliability. The study was limited to only few Malaysian university students and graduates, so there is some degree of locality to the results. Based on the results, it would be interesting to compare the effects of brand placement in English movies from USA, Asian movies and local movies. This could influence the attitude toward a brand. Some people may favor a brand in the American movies, and others may favor a brand from Asian movies and local movies. Therefore, cultural difference can be important to future researchers. Since the products in this study involved different brands, it would be interesting to discover if domestic and foreign brand placement has any effect on attitude toward a product.

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## APPENDIX

List of questions based on research variables

### Brand Placement Acceptance

I noticed that a lot of brands appear in movies I watched.

I accept the existence of brand and product in movies.

The products/brand that appear in movie make me feel that it is another form of advertisement.

The placement in movies provides me information, especially for new products/ brands.

I feel the placement in movies is quite interesting and entertaining

I like it when brand-name products are shown in movies.

Real product should put into movie to make it more believable.

I feel it is disturbing when movies shown are interrupted by brands placement.

Brand placement in movies is an unethical form of advertising.

I feel the brand placement strategy should be restricted.

### Brand Recall

I more likely to remember a brand placed in movies than placed in commercial formats (example: advertising).

I can remember what was said by the product that appears in movie/ what was done with the product/ where the product scene located.

I can recall at least one brand placement in the movie I watched on the following day.

I can remember the product / brand placement(s) a few weeks after I have seen the placements.

When a character that I like uses the product in a movie, I am more likely to remember the product.

When I see a particular brand at a store or supermarket that had appeared in a movie, I would think of that placement scene in the movie.

### Preference

I look for the brand that appeared in movie after watching it.

I have searched for information about brands after seeing them in movies.

I try the brand that appeared in movie after watching it.

I want to use a brand that using by the attractive character in movies.

I prefer the brands that appeared in movies as my choice in future.

### **Loyalty**

The products that appear in movie changed my feeling toward it. movie to others.  
I want to switch product/ brand use in a movie after watching it due to social/ group norms.  
I will recommend the product using by me which appeared in movies  
I more likely to purchase brand that I think suitable for myself,irrespective of influence of other sources.  
I choose to stick to brands I like which less influenced by placements in movie.

### **Intentions to Purchase**

I would purchase brands I have seen in movies.  
Brand placements in movies make me want to buy the products being shown.  
I started using brands after seeing them in movies.  
I stop using the brand that appeared in movie after watching it.  
I buy brands I see movie stars using or holding in movies.  
I would like to buy the brands that appeared longer in length/ frequency in movies.

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