

## **Viewer Perception of Product Placement in Comedic Movies**

**Michelle Rovella**  
**California State University, Fresno**

**Susan D. Geringer**  
**California State University, Fresno**

**Rudy Sanchez**  
**California State University, Fresno**

*Marketers have turned to product placement because ad avoidance is at an all-time high. This study examines viewer perception of product placement in comedic movies. A pre-survey was used to collect participants' mood, followed by two movie clips and a post-survey to again capture participants' mood and perception of the placement. Results indicated that increases in viewers' mood were positively related to attitude toward the brand, the type of placement did not make a difference in the viewers' acceptability of the product placement, and that although the type of placement may not matter, the mood of the viewer is important.*

### **PRODUCT PLACEMENT**

Product placement and branding in media today have ballooned into a substantial business. Products are no longer solely advertised in commercials during television shows, but they have shown up in almost every form of media including, but not limited to, movies, television shows, songs, literature and video/computer games. Product placement is also known as Entertainment Marketing. Entertainment Marketing does not refer to the marketing of entertainment; rather, "the term is used primarily to describe any means of inserting brands and brand references into entertainment vehicles" (Hackley & Tiwsakul 2006, pg. 64). Entertainment Marketing has been far more successful than advertising when it comes to media, because the consumer does not engage with the brand in the obviously contrived setting, but in a far more powerfully suggestive context in an entertainment setting (Hackley & Tiwsakul 2006), in which the viewer has made a conscious decision to engage.

There are many advantages that come with using product placement. These advantages include: a more realistic scene for the audience, lower production costs (because of the contracts between brand company and movie mogul), and potentially greater sales for the placed product (Hackley, Tiwsakul & Preuss 2008). According to a study conducted by d'Astous and Chartier (2000), there are three main reasons why marketers see product placement in movies as a highly successful vehicle for products. These three reasons include: watching a movie is a high attention activity, the environment associated with movie theaters is unparalleled for consumer attention, and moviegoers expend effort and money into going to see a film; therefore, they are very engaged in the movie.

With the invention of products such as digital video recorders (DVRs) and TiVo, audiences are no longer forced to sit through seemingly endless amount of television commercials in their homes. Viewers previously had the option to change the channel or walk away from the television set when a commercial was playing, but DVRs have made it very easy for viewers to zip through ads and get right back to their program (Bellman, Schweda and Varan 2010). According to research conducted by Bellman et.al. (2010) on ad avoidance, fast-forwarded advertisements and 'eyes off screen' exposure were found to be inferior to full attention exposures. 'Eyes off screen' occurs when the viewer can still hear the advertisement, even though they are not watching it, or paying any particular attention to the ad at all; through this subconscious listening the viewer will unintentionally pick up something from the ad. Advertising does not do what it was meant to do when it is avoided by the viewer. This has put a strain on advertisers and led them to use product placement as a means for displaying products. Although DVRs may lead to ad avoidance, they will also lead to a measure of that ad avoidance. "Advertisers can use as avoidance data to improve creative strategies, targeting, message rotation and scheduling, media buying, and return on investment (ROI) measurements" (Wilbur 2008, 147).

Since advertisers can no longer be sure that viewers are seeing their ads, they have turned to branding and product placement in other forms of media.

### **Product Placement in the Film Industry**

Product placement began in Hollywood in the early 1920's with placements featuring cigarettes, alcohol, cola and automobile manufacturers (Hackley 2008). Though not the first, the most notable modern placement came in 1982, with the release of *ET*. The placement of Hershey's Reese's Pieces within the film led to a 65% increase in the candy's sales (Gupta, 1998). Success of Hershey's product placement led to the development of the Entertainment Resources and Marketing Association (ERMA) in 1991 (Karrh, McKee & Pardun 2003). This group called attention to the practice of product placement and created a code of ethics to be followed. Some consumer advocacy groups feel that product placement is a deceptive form of advertising and should be banned (Delorme & Reid 1999). These groups claim that viewers are not aware of the persuasive nature of the placement and will subconsciously engage in purchase behaviors. Although these groups have pushed for sharper government regulation of the practice of product placement, they have been unsuccessful to date. Another notable placement came in the 1985 Universal Pictures Production, *Back to the Future*, with the most notable product placements within the movie being Pepsi and the DeLorean Automobile.

By placing brand name products in films, marketers are ensuring that moviegoers see their product. Once the movie is out of theaters and onto DVD, the product will be seen by an even wider audience.

Placing a product into a movie takes the hard work of several people. The two primary groups of people involved are placement agents and the movie producers (Karrh et al. 2003). The placement agent acts as an intermediary between the movie producers and the third group involved, the marketers. A movie producer is the behind-the-scenes individual who handles the funding of the movie in addition to casting, scheduling and other such tasks.

With many placements, there is no exchange of money between producers and the product company; this is a gratis, or free, arrangement. Often there will be no direct form of payment, but the placement company will agree to integrate the film into its marketing of the product. A tie-in promotion is often used with product placement. This is the agreement that Hershey's struck with *E.T.*, when Reese's Pieces was used in the movie.

A tie-in is the building of promotional items around the brand's involvement in the movie. An example of a tie-in would be the star of the movie appearing in commercials for the product placed in the movie. Although many placement contracts are performed on a 'gratis,' or on a 'tie-in' basis, the manufacturing company often pays large dollar amounts for product placements. BMW, for example, invested \$20 million on a placement campaign for their Z3 Roadster. This included a prominent feature in the James Bond movie, *Golden Eye*, as well a feature in the trailer and the majority of the TV ads (Eisenstein, 1997). There are numerous advantages to both the producers of the movie and the product company, which is why many companies are willing to pay to have their product appear in a movie. The

primary advantage is that placements are considered a method to subsidize the huge cost of producing a film, which is why aggressive movie studios will solicit corporations and even offer them a menu of prices for specific placements (Balasubramanian 1994).

Although it may seem that marketers would have a large amount of control over the placement of the product, which is often not the case. Marketers have far less control over product placement efforts than they do with traditional advertising (Karrh et al. 2003). The loss of control often results from the context of the brand appearance in the motion picture. The goals of the movie producer and the brand company can often collide. For example, in their 2003 study, Karrh, et. al stated that Coca-Cola was caught off guard by use of their product in the movie, *Natural Born Killers*. The Coke advertisement appeared during a bloody murder scene, which did not give Coke the desired effect of the placement to the audience.

### *Movie Genre*

A perusal of the literature indicates minimal empirical research on the topic of product placement, specifically related to a film's genre. Several studies have been conducted on the effects of humor in advertising and marketing, but not in film product placement.

Although there appears to be a lack of research in the area of genre and product placement, there is no lack of research on the effects of humor in advertising, and as a marketing tool. The use of humor in advertising has been found to enhance memory and attention and to increase the effectiveness and comprehension of the ad's message (Duncan 1979). One study investigated humor in television ads and the effects of repetition and the social setting. The results of this study were "that humor increases ad information recall and positively affects brand attitude" (Yong & Zinkhan, 1991 pg. 817). Another study conducted by Garza (2003), also looking at humor through the comedy genre and its effect on brand liking, did not find any significant results that would support the findings of Yong and Zinkhan. Garza's study also predicted that the comedy genre would increase the viewer's attitude toward product placement. After the study was conducted, the results actually found the drama genre to have the most favorable results.

Weinberegger and Gulas's 1992 study on humor in advertising found that humor does in fact enhance 'liking' of both the ad and the brand placed within the ad. This was a very important finding due to the fact that research has found 'liking' to be a very vital variable in the effectiveness of an ad. The study also cited Haley and Baldinger (1991) as finding that a positive response by viewers to the statement, 'This advertising is funny or clever,' will predict the success of an ad 53% of the time. While agreement to the statement, 'This advertising is boring,' can predict failure 73% of the time.

Because of the ambiguity of the subject of genre and product placement, this study will solely address the comedic genre, thus controlling for the issue of movie genre.

A comedy is defined by Dirks (2010) as:

light-hearted plots consistently and deliberately designed to amuse and provoke laughter (with one-liners, jokes, etc.) by exaggerating the situation, the language, action, relationships and characters. This section describes various forms of comedy through cinematic history, including slapstick, screwball, spoofs and parodies, romantic comedies, black comedy (dark satirical comedy), and more (no pg.)

### **Affect**

According to Cohen (1991), affect is defined as a "balanced feeling state" (pg. 207). The feeling people get toward a product or service is affect. Affect is important in this study because it is often used in advertising and marketing to cut through advertising clutter (Erevelles, 1998). Emotion and mood are both subsets of affect.

Emotions are normally triggered by a stimulus object (Erevelles, 1998). This may be reaction to some specific target-whether an event, a person, or a situation (Holbrook, 1984). Emotions are not viewed as an

antecedent state (Burke, 1989) because a person will often experience an emotion as they are exposed to a stimulus, rather than feel that emotion beforehand.

Mood may be defined as a mild, pervasive, generalized affective state, not usually associated with a stimulus object (Eservelles, 1998). Mood may be viewed as an antecedent state because it can be present before a viewer is exposed to an advertisement (Burke, 1989). Positive moods have been determined to increase the processing of information and the subsequent recall of information (or in the case of this study, the product placements). The idea that being in a positive mood would lead to a better reception of a product placement, (essentially an ad,) in a movie is a very logical assumption. If a person is in a positive mood and watching an upbeat, positive film, this may lead to better recall and a more supportive brand evaluation. This is indicated in the research conducted by Goldberg and Gorn (1987), addressing how happy and sad television programs affected viewers' reactions to commercials. The results of this study found that;

commercials viewed in the context of a happy television program resulted in a happier mood as viewers watched both the program and the commercials, more affectively positive cognitive responses about the commercials, and greater perceived commercial effectiveness (p. 1).

*H1: If movie viewers are in a positive mood before being exposed to product placement, they are more likely to react positively to the placement of the branded product.*

*H2: If the movie in which the product placement is placed positively changes the viewers' mood, they will be more likely to have a positive reaction to the product placement.*

## **Movie Ratings**

In the academic study of product placement a perusal of the literature indicates there has been little-to-no research conducted on the basis of the effect of a movie rating on a viewer's perception of product placement. The Classification and Rating Administration (CARA) was established by the Motion Picture Association of America (MPAA) as part of a system to provide information to parents about the content of movies and to aid them in determining the suitability of the movie for their children.

A study conducted by Austin (1980) looked at the influence of the MPAA rating system on audience attendance. The study investigated how a film's rating effects a viewer's decision to attend that movie. The study found attendance was not affected by the film's MPAA rating. Because rating did not affect attendance, will it have an effect on perception of product placement? A perusal of past literature did not reveal a definitive answer to this question.

The purpose of this study was to look at PG - 13 and R rated movies. These two ratings were selected due to the fact that the sample population for the study will focus on Generation Y, individuals born between 1977-1994 (Paul, 2001). Individuals within this age span may most likely be viewing movies with a rating of PG-13 or R and this study should receive more precise findings with the usage of these ratings.

A PG -13 rating refers to 'Parent Strongly Cautioned.' According to the MPAA (2010), a PG -13 rated movie is defined as:

A PG-13 motion picture may go beyond the PG rating in theme, violence, nudity, sensuality, language, adult activities or other elements, but does not reach the restricted R category. Any drug use will initially require at least a PG-13 rating. More than brief nudity will require at least a PG-13 rating, but such nudity in a PG-13 rated motion picture generally will not be sexually oriented. There may be depictions of violence in a PG-13 movie, but generally not both realistic and extreme or persistent violence. A motion picture's single use of one of the harsher sexually-derived words, though only as an expletive, initially requires at least a PG-13 rating. (no pg.)

An R rating means ‘Restricted’ and children under 17 require a parent to accompany them. According to the MPAA (MPAA, 2010), an R rated movie is defined as:

An R-rated motion picture may include adult themes, adult activity, hard language, intense or persistent violence, sexually-oriented nudity, drug abuse or other elements, so that parents are counseled to take this rating very seriously. (no pg.)

*Research Question 1: Will the audience perceive product placement in movies with a rating of R more positively than a movie with the rating of PG-13?*

### **Product Placement Modality**

According to Gupta and Lord (1998), there are three forms of placement strategies concerning mode: visual only (VIS), audio only (AUD) and a combined audio-visual (AV). VIS only involves showing the product, logo or other brand identifier without any relevant message or sounds on the audio track to draw attention to the product. AUD involves the mention of a brand name in audio form, without showing the product on the screen. The combination of AUD and VIS involves showing the brand, and at the same time, mentioning the brand name or conveying a brand relevant message in audio form (Gupta & Lord 1998). For the purpose of this study, the second and third strategies were used. In this study the products placed in the movie clips were (VIS) or seen and mentioned (AV), but not by brand name. For example the characters in *The Hangover* will talk about ‘the car,’ but they will not specifically refer to it by its brand name of Mercedes. In the clip from *The Proposal*, the products are seen, not mentioned.

### **Brand Evaluation**

A study conducted by Yang and Roskos-Ewoldsen (2007) investigated the level at which brands are recognized within a movie. Their research was based on the Landscape Model used by Russell (2002).

The landscape model takes advantage of the well- established finding that greater levels of semantic activation of a particular concept result in greater explicit memory for that concept. The model assumes that not all the information that is activated in memory is activated at the same level (Yang & Roskos-Ewoldsen 2007, pg. 472).

The term, activation, herein refers to a viewer’s recollection of the placement. The Landscape Model states that a placement that is vital to the movie’s plot will have a higher level of activation, or recall, by a viewer than a placement that is merely used by the main character as a prop, or used in the background of the scene. “Viewers will try to keep a story coherent while watching it; however, because of limited attentional resources, information that is central to the scene is activated at the highest level” (Yang & Roskos-Ewoldsen 2007, pg. 472). These authors further stated, “Brands that are necessary for maintaining story coherence, because they operate as enablers, will be activated more highly than brands that are part of the story, because the brand is used by a main character, but as background material” (pg. 472). Enablers are items or objects that allow the story to proceed (Yang & Roskos-Ewoldsen 2007) the results of the study by Yang and Ewoldsen (2007) found that placement involved in the story plot does, in fact, have a higher recognition rate than products simply used by the main character as a background prop. This level of activation can be linked to the discussion of prominence. A very prominent placement would be vital to the story plot and therefore would have a higher recognition by the viewer.

Explicit memory refers to brand recognition and recall. This type of memory can be thought of as a conscious effort to remember what you have seen. Explicit memory is defined as “when a consumer consciously thinks back to a prior exposure episode and intentionally attempts to access the information that was presented” (Shapiro & Krishnan, 2001 pg. 1). The opposite of explicit memory is implicit memory. Whereas explicit memory is intentional, implicit memory refers to a subconscious recall of the event or situation. It is defined as “revealed by a change in task performance due to a prior exposure

episode without a deliberate attempt to recollect the previously encoded information” (Shapiro & Krishnan, 2001 pg. 2).

The findings of Yang and Ewoldsen (2007) can be closely related to a 1998 study by Russell, in which he refers to the type of plot connection used to showcase the product. According to Russell (1998), plot connection refers to the degree to which the brand is integrated into the plot of the story. Lower plot placements do not provide a high contribution to the story, whereas high plot placements play a major role in the unraveling of the storyline and the persona of a character (Russell, 2002).

### **Viewer Perception of Product Placement**

The overall purpose and goal of marketing is to make the viewer feel something positive about a product, brand, or company, and purchase. Marketers want to make the target market see the product and urge them to buy it. A viewer’s perception, or how they judge the product or ad, is a very important aspect of marketing. For example, a company can have an exceptional marketing department and they could assume that they have put out a great ad for an admired product, but it could be found that the viewers of that ad develop a very negative opinion or idea from the ad about the product. Therefore, it is very important that marketers and advertisers take this into consideration when preparing an advertisement.

### **Reactance**

When people believe that a freedom is threatened they experience *reactance*, a motivational state aimed at restoring the threatened freedom (Silvia, 2005). According to a study by Clee and Wicklund (1980, pg. 390) “reactance theory proposes that a perceived threat to a specific, expected freedom will result in a motivational state directed at engaging in the threatened free behavior.” According to Zemack-Rugar et. al. (2007), when individuals feel pressure from social influences they tend to move in the opposite direction of the influence effort; this is known as a backlash effect.

Reactance Theory applies to the discussion of product placement because the audience has no choice in the decision of whether or not an ad is in a movie. Many product placements are subtle and just remain in the background of a movie and the audience sees them, but only notices them as a realistic addition to the movie. When a placement is more dominant the audience can become annoyed and reject the ad. This negative effect is referred to as the ‘boomerang effect’ (Clee & Wicklund, 1980). These negative attitudes caused by a feeling of losing a freedom can result in the complete opposite effect of what the placement was intended to accomplish. A negative reaction to the film, as well as the product may be the result.

Zemack-Rugar, et. al. (2007) found that reactance is caused by a psychological cost of adhering to recommendations. By recommendations the authors are referring to when a person is recommended to do something. A recommendation can commonly be seen as a traditional television advertisement. Their findings suggest that marketers should in fact use product placements to reduce this constant recommendation that creates the backlash effect. Their research encourages the use of embedding messages into the less threatening environment of product placement. This can be seen as a direct contrast to the idea of product placement, creating the viewer’s reactance. Another element of this study that may be looked at in regards to reactance theory is the idea of ratings enforced by the MPAA and whether audiences react to placements, depending upon the rating that is placed upon a movie.

According to Brehm and Brehm (1981), there is no reason to believe that this theory is sex specific, or that one gender exhibits higher levels of reactance than the other. In contrast, a study conducted by Joubert (1990) revealed that men actually scored higher in reactance when they were surveyed using Hong’s (1987) Reactance Scale. Joubert (1990) explained this difference with socialization theory, which states that dominant sex roles for men and women are theorized to value reactance differently (Hong, 2001).

*H3: An audience will have a more negative reaction to a product placement that has a high level of plot connection, than if the placement has low plot connection.*

*H4: Men will score higher on reactance than women.*

## **Generation Y**

The biggest divide facing our society is not that of gender, race, technology or income, but is a generational divide (McCordle, 2005). “Gen Y, also known as Echo Boomers, has been heralded as the next big generation, an enormously powerful group that has the sheer numbers to transform every life stage it enters — just as its parents’ generation did” (Paul 2001 pg. 44). In today’s society, marketers need to be more creative when targeting Generation Y because this group prefers truthful ads that involve irony and humor (Hawkins, Best and Coney 2004). Brand names are also very important to this generation (Hawkins, et al 2004). This age cohort is extremely important to marketers and businesses because there are 71 million members of Generation Y in the United States. As this group ages and heads into adulthood they will have disposable income to spend on consumer goods. Generation Y’s buying power is “a consumer behemoth” (Howe and Straus. 2000, pg. 23). Generation Y’s spending power may well amount to \$10 trillion over their expected lifetime (Weiss 2003). Because of Generation Y’s size and importance to our economy, this study will examine how they perceive products placed in films. This study may help marketers to better understand how Generation Y thinks, feels and reacts to this nontraditional form of marketing.

## **METHODOLOGY**

### **Sample**

The sample used in this study consisted of undergraduate and graduate students in a School of Business from a large public university, located in the Western United States. A total of 255 surveys were collected. One survey was deleted because all answers were exactly the same and it was obvious that the participant did not honestly answer all of the questions. The participants were 55% male and 44.4% were female. The sample size was determined using a formula provided by Hair, Babin, Money, and Samouel (2003).

### *Procedures and Measures*

Participants were given a pre-survey, viewed clips from two different movies and finally, they completed a post-survey.

### *Pre-Survey*

The main purpose of the pre-survey was to capture the participants’ mood before watching the movie clips. To capture the participant’s mood the Brief Mood Introspection Scale (BMIS) was used.

The Brief Mood Introspection Scale (BMIS) is a mood adjective scale with an item sample of 16 adjectives, selected from each of eight mood states: (a) happy (*happy, lively*), (b) loving (*loving, caring*), (c) calm (*calm, content*), (d) energetic (*active, peppy*), (e) fearful/anxious (*jittery, nervous*), (f) angry (*grouchy, fed up*), (g) tired (*tired, drowsy*), and (h) sad (*gloomy, sad*) (Mayer & Gaschke, 1988, pg. 104).

From this sample of 16 adjectives (See Table 1), four scales were created: pleasant-unpleasant, arousal-calm, positive-tired and negative-relaxed (Mayer, 1988).

The pre-survey also consisted of background questions addressing the participant’s movie viewing habits.

**TABLE I**  
**BMIS ADJECTIVE SCALE BREAKDOWN**

<p><u>Pleasant-Unpleasant scale</u></p> <p>Added adjectives: active, calm, caring, content, happy, lively, loving, and peppy</p> <p>Subtracted adjectives: drowsy, fed up, gloomy, grouchy, jittery, nervous, sad, and tired.</p>	<p><u>Arousal-Calm scale</u></p> <p>Added adjectives: <i>active, caring, fed-up, gloomy, jittery, lively, loving, nervous, peppy, and sad</i></p> <p>Subtracted adjectives: <i>calm and tired.</i></p>
<p><u>Positive-Tired scale</u></p> <p>Added adjectives: active, caring, lively, loving, and peppy</p> <p>Subtracted adjectives: drowsy and tired</p>	<p><u>Negative-Relaxed scale</u></p> <p>Added adjectives: fed up, gloomy, jittery, nervous, and sad</p> <p>Subtracted adjectives: calm</p>

**Movie Clips**

Two movie clips were used for this study. The movie clips used were taken from the films, “*The Hangover*” (R) and “*The Proposal*” (PG-13). These movies were selected because they are both comedies and hold the MPAA rating to be tested by this study. According to the Internet Movie Database (IMD, 2011), these movies both fit within the comedy genre.

*The Hangover* movie clip was 2 minutes and 10 seconds in length. The branded product intended for the viewer to notice was the Mercedes – Benz. Other branded products included in the scene were Toyota and DMX. Armor All was not seen in the scene but was mentioned while the characters were conversing. This clip was chosen because it portrayed some of the storyline, in addition to the very dominant product placement of the Mercedes – Benz. (Figure 1 below).

*The Proposal* movie clip was 4 minutes and 8 seconds in length. The branded product intended for the viewer to notice was Starbucks. Another branded product included in this scene was Apple computers. This clip was chosen because it portrayed storyline, in addition to the subtle usage of the branded product by the main character, Sandra Bullock. (Figure 2 below).

**FIGURE I**  
**MERCEDES BENZ PLACED IN *THE HANGOVER***



**FIGURE II**  
**STARBUCKS PLACED IN *THE PROPOSAL***



## POST-SURVEY

### Product Placement Definition

It was imperative that the term, 'product placement,' was defined for participants. Providing this definition was necessary because without it the sample may not know what the study was testing. Product placement was defined as the intentional or unintentional inclusion of a branded product into an entertainment vehicle (movie, TV program, video game, radio, etc.) by a corporation.

### Mood

Here, The Brief Mood Introspection Scale (BMIS) was used again to capture the participant's mood after watching the movie clips. Doing this allows one to capture any changes in the viewers' mood while watching the movie clips.

### Attitude/Perception Questions

In order to measure the participants' attitudes and perceptions of the branded product placement, Gupta's (2000) 23-item scale was used. This scale was adapted to exclude items used to measure ethically charged product placements, like tobacco, beer and liquor. This scale was broken down into three subscales: attitude against advertising ( $\alpha = .681$ ), Positive attitude toward placements ( $\alpha = .820$ ), and positive attitude toward realism in movies ( $\alpha = .795$ ). Questions concerning ethics were excluded because the focus of the study did not concern ethically-charged products. The scale was also adapted to include four items addressing the subjects' negative attitudes toward advertising, from Gupta's (1997) 30-item scale, including: "I hate watching ads on television," "I watch movies (at the theater or rented) to escape from the barrage of TV ads," "While watching a TV program, I frequently flip channels to escape watching ads," and "When an ad appears on my TV, I stop looking at the screen until the program starts again." The decision was made to include these questions because product placement is quite similar to advertising and it was desired to know the viewers' thoughts on the subject. This scale was originally measured on a 5-point Likert scale, but for the purposes of this study was extended to a 7-point Likert scale (Miller, 1956), because the study was questioning respondents over the age of 18.

### Reactance Questions

To measure reactance, Hong's (1987) 14-item scale ( $\alpha = .83$ ) was used. An example of the questions asked is: "I become frustrated when I am unable to make free and independent decisions."

## Results

The 255 surveys collected were filtered for the participants that reported they actually saw the product placement in the clips. The data was then filtered for the people who saw the right product. The data was finally refined to only Generation Y participants.

### Hypothesis 1

In the case of *The Hangover*, a positive relationship was found between arousal and the viewers' attitude about Mercedes Benz, with an  $r = .218$  and a  $p < .05$ . There was also a positive relationship between the negative and the viewers' attitude about Mercedes Benz, with a  $r = .225$  and a  $p < .01$ . In the case of *The Proposal* there were no significant findings.

### Hypothesis 2

In the case of *The Hangover*, a positive relationship was found between a change in the positive mood scale and the viewers' attitude about Mercedes Benz,  $r = .278$  and a  $p < .05$ . In the case of *The Proposal*, a positive relationship was found between a change in the positive mood scale and the viewers' attitude about Starbucks,  $r = .227$  and a  $p < .1$ .

### Hypothesis 3

Contrary to what we predicted in Hypothesis 3, the audience had a more negative reaction to low plot placement ( $\bar{x} = .429$ ) than higher plot placement ( $\bar{x} = .45$ ;  $t = 2.66$ ,  $p < .01$ ).

### Hypothesis 4

Men ( $\bar{x} = 5.77$ ) reported higher reactance than women ( $\bar{x} = 3.89$ ).

### Research Question 1

There were no significant findings to support that the rating of the movies had any effect on the viewers' perception of the products placed in the movies shown (*The Hangover*;  $\bar{x} = 5.77$ , *The Proposal*;  $\bar{x} = 5.79$ ).

## DISCUSSION

Product placement in films today has become the norm. The inclusion of brand name products into feature films has allowed marketers to combat the ad avoidance that is common among TV viewers. Marketers cannot ensure that their commercials will be viewed, but if the product is placed in a film, the likelihood of it being seen greatly increases.

Hypothesis 1 investigated how the viewers' mood before the placement affected their perception of the product placement. Partial support was found from the collected data. A positive relationship was found between the arousal mood variable, the negative mood variable and the viewers' attitude toward the Mercedes Benz placed in *The Hangover*. No support was found for this hypothesis in relation to *The Proposal*. This is important because it reveals that when participants are in either the aroused or negative state they react to the placement more positively than if they were in any of the other mood states.

In regards to Hypothesis 2, partial support was also found. A positive relationship was found between a change in the viewers' mood scale and the viewers' attitude about the Mercedes Benz placed in *The Hangover*. The same result was also found in the case of Starbucks in *The Proposal*. The findings of this hypothesis reveal that when there is a change in a viewer that is in a positive state, they perceive the product placement more positively.

Although Hypothesis 3 was not supported, significant results were found in the opposite direction. It was found that viewers reacted more negatively to the low plot placement of Starbucks in *The Proposal* than the high plot placement of the Mercedes Benz in *The Hangover*. This result may be due to only clips of the movie being shown instead of the entire movie. If both movies were shown in their entirety, perhaps the type of plot placement would have been more distinct and the results may have been different. This may have been the case, because in *The Hangover*, the Mercedes Benz is an integral part of the plot of the story, whereas the Starbucks cup in *The Proposal*, was simply used as a prop in a couple of scenes and then never brought up again. The Starbucks placement was subtle and low plot placement, but because the clip was so long and it was all the participants saw of the movie, it may have appeared to be more dominant.

In the case of Hypothesis 4, it was found that men reported higher reactance than women. This would be interesting to examine further to see if the type of product placed affected this finding.

Even though perusal of the literature indicated a lack of research upon which to make a hypothesis regarding movie rating, it was felt that it was an important factor to be examined. The findings indicate that the rating of the movie had no effect on the viewers' perception of product placement.

## IMPLICATIONS

Based on the findings of the present study, if marketers want to maximize movie viewers' reactions to product placement, they should advocate for scenes in which the audience is expected to be already aroused. Product placement in scenes in which viewers may be in a mood neutral state may not be as

effective regarding viewer reactions. Additionally, products placed in scenes in which viewers' attitudes are designed to move in a positive direction may also have more utility than other types of scenes.

## LIMITATIONS AND FUTURE RESEARCH

Several factors limited this study. The first limitation was the length of the two clips shown. The movie clips were both under 5 minutes in length; *The Hangover* was 2 minutes and 10 seconds in length and *The Proposal* was 4 minutes and 8 seconds in length. Perhaps if the viewers had seen both movies in their entirety, the results may have been different, especially in regards to the results of Hypothesis 3. If viewers had seen *The Hangover* in its entirety, they would have seen how dominant the placement of the Mercedes Benz was throughout the total movie and they may have reacted differently to it. It may also have helped if the film clips were more equal in time length.

In addition, the fact that the Mercedes Benz was an older model, many of the viewers did not recognize it. It may be interesting for future research to look at specific products placed within movies.

For future research it is also suggested that researchers investigate various film genres in regards to Generation Y. This study only focused on the comedic genre. Different genres, such as, mystery or horror may illicit different reactions from the audience.

It is also suggested that this method is used to look at various age cohorts, such as Baby Boomers, and Gen X. Generation Y was the focus of this study and they may have extremely different views than older or younger generations.

## REFERENCES

- Austin, B. (1980). The influence of the MPAA's film-rating system on motion picture attendance: a pilot study. *Journal of Psychology*, 106(1), 91.
- Balasubramanian, S. (1994). Beyond advertising and publicity: hybrid messages and public policy issues. *Journal of Advertising*, 23(4), 29-46.
- Bellman, S., Schweda, A., & Varan, D. (2010). The residual impact of avoided television advertising. *Journal of Advertising*, 39(1), 67-81.
- Brehm, S.S., & Brehm, J.W. (1981). Psychological reactance: A theory of freedom and control. San Diego, CA: Academic Press.
- Burke, Marian Chapman, & Edell, J.A.. (1989). The impact of feelings on ad-based affect and cognition. *JMR, Journal of Marketing Research*, 26(1), 69.
- Clee, M., & Wicklund, R. (1980). Consumer behavior and psychological reactance. *Journal of Consumer Research*, 6(4), 389-405.
- Classification and Rating Rules. (January 1, 2010). MPAA.  
[http://www.filmratings.com/filmRatings\\_Cara/downloads/pdf/ratings/cara\\_rating\\_rules.pdf](http://www.filmratings.com/filmRatings_Cara/downloads/pdf/ratings/cara_rating_rules.pdf)
- Cohen, J.B., and Areni, C.S. (1991). Affect and consumer behavior, in Handbook of Consumer Behavior, A. Robertson and H. Kassarian, eds., Prentice-Hall, Englewood Cliffs, NJ. 1991, pp. 183-240.
- Cowley, E., & Barron, C. (2008). When product placement goes wrong. *Journal of Advertising*, 37(1), 89-98.
- d'Astous, A., & Chartier, F. (2000). A study of factors affecting consumer evaluations and memory of product placements in movies. *Journal of Current Issues & Research in Advertising*, 22(2), 31.
- DeLorme, D., & Reid, L. (1999). Moviegoers' experiences and interpretations of brands in films revisited. *Journal of Advertising*, 28 (2), 71-95.
- Dirks, Tim. (2010). *Main Film Genres*. Retrieved from <http://www.filmsite.org/genres.html>
- Duncan, C.P. (1979). Humor in advertising: A behavioral perspective. *Academy of Marketing Science Journal* (pre-1986), 7(4), 285.
- Eisenstein, P.A. "Vehicles That Really Perform." *WorldTraveler*, January 1997. Vol. 18.
- Erevelles. S. (1998). The role of affect in marketing. *Journal of Business Research*, 42, 199-215.

- Goldberg, M., & Gorn, G. (1987). Happy and sad TV programs: How they affect reactions to commercials. *Journal of Consumer Research*, 14 (3), 387-403.
- Gould, S.J., Gupta, P.B., & Grabner-Krauter, S. (2000). Product placements in movies: A cross-cultural analysis of Austrian, French and American consumers' attitudes toward this emerging, international promotional medium. *Journal of Advertising*, 29 (4) pg. 46-47.
- Gupta, P.B., & Gould, S.J. (1997). Consumers' perceptions of the ethics and acceptability of product placements in movies: Product category and individual differences. *Journal of Current Issues & Research in Advertising*, 19 (1).
- Gupta, P., & Lord, K. (1998). Product placement in movies: The effect of prominence and mode on audience recall. *Journal of Current Issues & Research in Advertising*, 20(1), 47.
- Garza, S. D. (2003). The Influence of Movie Genre on Audience Reaction to Product Placement, (Master's Thesis). Texas Tech University, Texas.
- Hackley, C., & Tiwaskul, R. (2006). Entertainment marketing and experiential consumption. *Journal of Marketing Communications*, 12 (1), 63-75.
- Hackley, C., Tiwaskul, R., & Preuss, L. (2008). An ethical evaluation of product placement: a deceptive practice? *Business Ethics: A European Review*, 17(2), 109-120.
- Hair, J. F., Babin, B., Money, A. H., & Samouel, P. (2003). *Essentials of Business Research Methods*. Hoboken, New Jersey: John Wiley & Sons.
- Haley, R. I. & Baldinger, A.L. (1991), "The ARF Copy Research Validity Project," *Journal of Advertising Research*, 31 (April/May), 11-31.
- Hawkins, D.I., Best, R.J., and Coney, K.A. (2004). *Consumer behavior*. Ninth Edition. Boston: McGraw Hill: Irwin.
- Holbrook, M. B., O'Shaughnessy, J. (1984). The role of emotion in advertising. *Psychology and Marketing*, 1(2), 45-64. D
- Hong, S., & Faedda, S. (1996). Refinement of the Hong Psychological Reactance Scale. *Educational and Psychological Measurement*, 56 (1) pg. 177.
- Hong, S., Giannakopoulos, E., Laing, D., & Williams, N. (2001). Psychological reactance: effects of age and gender. *The Journal of Social Psychology*, 134 (2), 223-228.
- Howe, N. & Strauss, W. (2000). *Millennials rising*. New York: Vintage Books.
- IMDb (2011). <http://www.imdb.com/find?q=comedy+genre&s>. Retrieved February 13, 2012.
- Joubert, C.E., (1990). Relationship among self-esteem, psychological reactance, and other personality variables. *Psychological Reports*, 66, 1147 – 1157.
- Karrh, J., McKee, K. & Pardun, C. (2003). Practitioners' evolving views on product placement effectiveness. *Journal of Advertising Research*, 43 (2), 138-149.
- MPAA (2010). Motion Picture Association of America. Retrieved from <http://www.mpa.org/ratings/what-each-rating-means>
- Mayer, J. D., & Gaschke, Y. N. (1988). The experience and meta-experience of mood. *Journal of Personality and Social Psychology*, 55 (1), 102-111.
- McCrinkle, M, (2005), *Understanding Generation Y*, Association of Tertiary Education Management, Perth, Australia. Retrieved from: <http://learningtolearn.sa.edu.au/colleagues/files/links/understandinggeny.pdf>
- Miller, G. A. (1956). The magical number seven, plus or minus two: some limits on our capacity for processing information. *Psychological Review*, 63 (2), 81-97.
- Paul, P. (2001). Getting Inside Gen Y. *American Demographics*, 23 (9), 42.
- Russell, C. A. (1998). Toward A Framework of Product Placement: Theoretical Propositions. *Advances in Consumer Research*, 25 (1), 357-362.
- Russell, C. A. (2002). Investigating the effectiveness of product placements in television shows: The role of modality and plot connection congruence on brand memory and attitude. *Journal of Consumer Research*, 29, 306–318.
- Shapiro, S., & H Shanker K. (2001). Memory-based measures for assessing advertising effects: A comparison of explicit and implicit memory effects. *Journal of Advertising*, 30(3), 1-13.

- Silvia, P. (2005). Deflecting Reactance: The Role of Similarity in Increasing Compliance and Reducing Resistance. *Basic & Applied Social Psychology*, 27 (3), 277-284.
- Thomas, Ray. (2002) Product Placement. [http://74.125.155.132/scholar?q=cache:kny4D3B0J9YJ:scholar.google.com/++back+to+the+future+%2B+pepsi&hl=en&as\\_sdt=2000](http://74.125.155.132/scholar?q=cache:kny4D3B0J9YJ:scholar.google.com/++back+to+the+future+%2B+pepsi&hl=en&as_sdt=2000)
- Weinberger, M., & Gulas, C. (1992). The impact of humor in advertising: A review. *Journal of Advertising*, 21 (4), 35-59.
- Weiss, M.J. (2003). To be about to be, *American Demographics.*, 25 (7), 29-36.
- Wilbur, K. (2008). How the digital video recorder (DVR) changes traditional television advertising. *Journal of Advertising*, 37 (1), 143-149.
- Yang, M. & Roskos-Ewoldsen, D. (2007). The effectiveness of brand placements in the movies: Levels of placements, explicit and implicit memory, and brand-choice behavior. *Journal of Communication*, 57 (3), 469-489.
- Yong, Z., & Zinkhan, G. (1991). Humor in television advertising: The effects of
- Zemack-Rugar, Yael, G.J. Fitzsimons and D. R. Lehman (2007), Reducing reactance induced backlash responses to recommendations, *Advances in Consumer Research*, 34 pg. 263.