AUDIENCE RESPONSE TO PRODUCT PLACEMENTS: An Integrative Framework and Future Research Agenda

Siva K. Balasubramanian, James A. Karrh, and Hemant Patwardhan

ABSTRACT: This study comprehensively reviews the literature on product placements to develop an integrative conceptual model that captures how such messages generate audience outcomes. The model depicts four components: execution/stimulus factors (e.g., program type, execution flexibility, opportunity to process, placement modality, placement priming); individual-specific factors (e.g., brand familiarity, judgment of placement fit, attitudes toward placements, involvement/connectedness with program); processing depth (degree of conscious processing); and message outcomes that reflect placement effectiveness. The execution and individual factors influence processing depth (portrayed as a high–low continuum), which in turn impacts message outcomes. The outcomes are organized around the hierarchy-of-effects model into three broad categories: cognition (e.g., memory-related measures such as recognition and recall); affect (e.g., attitudes); and conation (e.g., purchase intention, purchase behavior). This study integrates potential main and interaction effects among model variables to advance a series of theoretical propositions. It also offers an extensive research agenda of conceptual and empirical issues that future work can address.

The volume and sophistication of product (or brand) placements have grown impressively and rapidly, easily outpacing research efforts in the field (Tiwakul and Hackley 2005). The extant literature on placements is just over a decade old (Russell and Stern 2006), is relatively sparse, and presents other special challenges and opportunities. For example, consider this literature vis-à-vis the hierarchy-of-effects (HoE) model, which temporally orders message outcomes into three broad classes—cognition, affect, and conation—that respectively correspond to consumers' mental stages for awareness/understanding, interest/liking, and purchase intention/buying a product (see Barry 1987; Barry and Howard 1990). Most placement studies are preoccupied with cognitive effects; progressively fewer addressing affective or conative outcomes, in that order. Moreover, results from quantitative and qualitative analyses in this area often differ markedly, both from one another and from practitioners' assumptions. Therefore, it is worthwhile to develop a conceptual framework that sheds light on how placements work. This study presents an integrative model that incorporates a full range of stimulus- and individual-level variables along with multiple outcomes from placements. Presentation of our model development includes a review of processes that explain how placements generate specific types of audience outcomes. We also offer several research propositions for future study.

Brands now play well-defined and well-integrated roles with respect to editorial content in various media. Writers, directors, set designers, and other creative professionals often use brands as tools to communicate specific meanings to audiences. Within a movie or television show, brands often lend verisimilitude to a drama, help set its time period, or convey characters' personality traits. More common, however, those brand appearances represent deliberate promotional efforts that are reinforced by formal agreements between marketers and the creators/managers of editorial content. The latter case illustrates produce (or brand) placement, which is the paid inclusion of branded products or brand identifiers through audio and/or visual means within mass media programs (Karrh 1998). A product placement is a prominent example of a hybrid message, or a paid attempt to influence audiences that does not identify the sponsor (Balasubramanian 1994). Both "brand placement" and "product placement" have gained currency in the literature; we use them interchangeably.

Product placements have had a long and bumpy history (Galician and Bourdeau 2004). During the 1920s through the

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early 1930s, their growth was sporadic and uncertain—two themes that also characterized the content of, and reaction to, Hollywood’s 1931 film *It Pays to Advertise*. By depicting moviemakers’ eagerness to showcase products to reduce production costs during the Depression, this movie attracted negative publicity about the surrender of media content to commercial interests (Brett 1995). Following a lengthy dormant period, a variety of factors (the diminishing role of movie studios, the emergence of independent producers, and location-based movie production) catalyzed the rebirth of placements during the late 1960s–70s (Balasubramanian 1994; Brett 1995; Segrave 2004). Growth spurts during the 1980s and 1990s propelled placements into a practice that now boasts over 1,000 brand marketers and an industry of placement professionals (Galician 2004; Karrh, McKee, and Pardun 2003). In the United States, television placements grew by a staggering 46% in 2004, while the market value of placements across all media amounted to $3.5 billion, including barter and gratis placements (*Economist* 2005b; *Marketing Management* 2005). The latter figure is expected to grow to $4.2 billion in 2005. Paid placements account for 29% of this value. Internationally, the regulatory barriers against placements are beginning to disappear. For example, the European Commission plans to alter current laws to make product placements acceptable (*Economist* 2005b).

The placement of Reese’s Pieces candy in the 1982 blockbuster film *E.T.: The Extra-Terrestrial* significantly energized both Hollywood and marketers. Once Hershey management attributed a 65% increase in Reese’s Pieces sales to this placement (Reed 1989), other marketers saw the benefits of tying brands to popular programs and stars. The aggressive pursuit of these benefits created prominent roles for brands in feature films (D’Orio 1999), cable television (Fitzgerald 2002), broadcast television (Vagnoni 2001), popular novels (Nelson 2004), music CDs/videos (*Maclean’s* 2005), computer/video games (Nelson, Keum, and Yaros 2004), blogs (*Maclean’s* 2005), and even live shows, including Broadway musicals (Elliot 2005; Matthews 2005). Reality television shows (such as *The Apprentice*) significantly enlarged opportunities for brand placement because their stories and format typically rely on a brand and its sponsor (Atkinson 2004). Other factors driving this popularity trend include consumers’ resistance toward ads (e.g., zipping, zapping, DVRs), fragmentation of traditional media, and marketers’ growing enchantment with nontraditional media. A new service (www.mediamatchmaker.com) even attempts to remove the guesswork and serendipity that characterize placements arranged by traditional product placement agencies (Edwards 2005). For a fee, this service facilitates real-time matches of sponsors’ preferences on placements (e.g., production dates, media, budget size, and genre) with features outlined by movie/television producers (e.g., show details, sponsorship needs).

Although product placements have registered impressive growth, our understanding of consumers’ responses to such messages has not fully evolved. First, academic research on placements is mostly laboratory-based, whereas practitioners favor field research; however, placement effects are difficult to test in both lab and field settings. In lab settings, researchers often cannot replicate the movie-watching experience as easily as, say, exposure to print ads. Some experimental studies rely on brief-duration stimuli (e.g., movie clips lasting 5 to 15 minutes) that fail to capture all the nuances of the movie experience. Qualitatively, recall measures for a placement in a short movie segment are not comparable to similar measures after exposure to the entire movie. Moreover, the use of preexisting stimuli diminishes experimental control by introducing noise. The theater methodology pioneered in Russell (2002) is a notable departure because it uses (1) full-length stimuli that are amenable to experimental manipulation, and (2) natural experimental settings. In field settings, it is difficult to disentangle the impact of a specific tool in the integrated marketing communications (IMC) arsenal, such as placement or sponsorship (Cornwell and Maigin 1998), when the goal of IMC is to seamlessly combine such tools.

Second, inferences about placements often do not converge across empirical studies (which report qualified impact on memory for relevant brands), practitioner sentiments (occasional claims of marketplace success from placements), or qualitative inquiries (which reveal complex meanings ascribed by audiences). Perceptual differences between practitioners and academic researchers may stem from subjectivity and problematic measures. Practitioners often evaluate film placements with a positive bias, even declaring success when a brand is merely shown, mentioned, or paired with a likable character (Karrh 1995; Karrh, McKee, and Pardun 2003; Pardun and McKee 1999). They also may rely on performance indices (e.g., CinemaScore) whose reliability information is unknown (Law and Braun-LaTour 2004). Qualitative evidence from depth interviews, focus groups, and interpretive studies (DeLorme and Reid 1999; Gould and Gupta 2006; La Pastina 2001) showcase insightful themes about program viewing (e.g., appreciating realism; noticing the familiar; the referencing process that captures consumers’ relationships with a program’s genre, its embedded characters, and placed products) and individual consumption (e.g., using information to develop one’s identity/aspirations and to make related purchase decisions; change and discomfort; belonging and security). Unfortunately, the bulk of empirical research on placements does not reflect these themes (for notable exceptions, see Russell and Stern 2006; Stern, Russell, and Russell 2005). These points underscore the need for an integrative model framework to understand placement effects. In the present study, we address this research gap.
FIGURE 1  
The Proposed Model Framework

**Execution Factors (Stimuli-based)**  
- Program type/program-induced mood  
- Execution flexibility  
- Opportunity to process the placement  
- Placement modality  
- Priming of brand appearance  
- Type and amount of brand information presented  
- Strength of link between brand/product and (a) story character, (b) editorial content/story, (c) vehicle and (d) medium

**Individual-Difference Factors**  
- Familiarity/ethicallity (strength of link between brand/product and individual).  
- Judgment of placement fit, appropriateness, relatedness—strength of link between individual and (a) story character, (b) editorial content/story, (c) vehicle, and (d) medium  
- Skepticism toward advertising  
- Attitude toward placement in general  
- Program involvement: Program connectedness/Motivation to process brand information

**Processing Type/Context/Setting**  
- Less conscious, Moderately conscious, Highly conscious (implicit v. explicit memory implications for recall and choice)

**Effect(s) from Placement**  
- Brand typicality/incidence  
- Place recognition  
- Brand salience  
- Placement recall  
- Brand portrayal rating  
- Identification with story character, traits  
- Identification with brand/imitation  
- Brand attitude  
- Purchase intention  
- Brand choice  
- Brand usage behavior

**TABLE 4**  
The proposed model with four components: execution (setting) variables, individual-level variables, depth of placement processing, and placement effects or outcomes. Table 1 lists representative studies that focus on relations among the antecedent factors and outcomes in Figure 1. Table 2 summarizes interaction effects among variables that are directly or indirectly related to model constructs. For ease of presentation, these interactions are not discussed in sequential order but appear in various sections as appropriate. Table 3 provides a capsule summary of all propositions related to the model development process.

Overall, this presentation strategy offers two advantages. First, it helps identify gaps in conceptual and empirical research that future studies may address (see the last column in Table 1). Given the sparseness of the placement literature, our model draws on developments in related research areas (see italicized items in Tables 1 and 2). Second, it facilitates integrative insights on processes that encourage one type of placement outcome over others. For example, by acknowledging the dissociated pattern of results between outcomes tied to explicit memory or implicit memory domains, we account for nonconvergent findings on brand recall/persuasion effects in placement research (see Law and Braun-LaTour 2004).

Table 4 documents and integrates this and other dissociations that are germane to placement contexts. Our model development endeavor also avoids the impact of methodological flaws. Researchers such as Babin and Carder (1996a, 1996b) and Avery and Ferraro (2000) have recognized method-based limitations in some placement studies (e.g., lack of control groups; small, nonrandom samples; single-exposure design; using short film clips instead of the entire movie or program). In response, our model and tables rely heavily on studies that avoid these limitations.

We organize this paper as follows. The next three sections develop research propositions related to three model components (execution/stimulus variables, individual factors, and processing depth) that collectively shape a placement's impact on the fourth model component: outcome variables. The remaining sections discuss the full range of outcomes shown in Figure 1 (which are divided into cognitive, affective, and conative classes per the HoE model), derive managerial implications and insights from our propositions, and offer useful directions for future research. Our study has three goals: to summarize the available placement literature, to integrate its findings in a manner that advances our understanding of product placement, and to showcase new avenues for research.

Overall, our propositions restrict focus to variable relationships that have conceptual/empirical support in the placement literature or allied fields such as advertising or psychology. For
<table>
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<th>Stimulus/execution factors</th>
<th>Representative placement/nonplacement studies (OVs)</th>
<th>Directions for future placement research</th>
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<td>A. Program type/program-induced mood</td>
<td>Goldberg and Gorn 1982 (choice)</td>
<td>Using moods to strategically enhance outcomes</td>
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<tr>
<td>B. Execution flexibility</td>
<td>Brennan, Dubas, and Babin 1999 (recognition)</td>
<td>Compare virtual/retrospective/on-line placements</td>
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<td>C. Opportunity to process the placement</td>
<td>Gupta and Lord 1998 (recall)</td>
<td>Explore more operationalizations: pace, repetition</td>
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<td>D. Modality: Audio/visual/Audiovisual</td>
<td>Bennett, Pecotich, and Putrevu 1999 (brand recall)</td>
<td>Explore other senses (e.g., smell)</td>
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<td>E. Priming the placed brand</td>
<td>Goldberg and Gorn 1982 (choice)</td>
<td>Primed versus nonprimed placements</td>
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<td>F. Type and amount of information provided</td>
<td>Russell and Stern 2006 (brand attitude); Avery and Ferraro 2000 (brand portrayal rating); Morton and Friedman 2002 (attitude, brand usage behavior)</td>
<td>Informational versus transformational placements</td>
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<td>G. Link between placed brand/product and</td>
<td>Russell 2002 (brand attitude); Gould and Gupta 2006 (qualitative insights); Nelson 2002 (recall—computer/video games)</td>
<td>Explore likability, celebrity status</td>
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<td>story character</td>
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<td>Impact of different program genres</td>
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<tr>
<td>b. editorial content/story</td>
<td>Nelson 2002 (recall); Gupta and Gould 1997 (acceptability); Karrh 1994 (salience)</td>
<td>Impact of different placement vehicles</td>
</tr>
<tr>
<td>c. vehicle</td>
<td>Gould and Gupta 2006 (qualitative insights)</td>
<td>Impact of different media types</td>
</tr>
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<td>d. medium</td>
<td>Nelson 2002 (recall); Nelson, Keum, and Yaros 2004 (purchase intention)</td>
<td></td>
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<td>Individual factors</td>
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<td>H. Brand familiarity/product ethicity</td>
<td>Nelson 2002 (recall); Gupta and Gould 1997 (acceptability); Karrh 1994 (salience)</td>
<td>Validate mere exposure effect</td>
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<td>perceptions, i.e., the link between placed</td>
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<td>Replication across more product categories/individual traits; impact on brand identification</td>
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<td>brand/product and the individual</td>
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<td>I. Placement &quot;fit&quot; between the individual and</td>
<td>Russell 2002; Russell and Stern 2006 (attitude)</td>
<td>Customization/personalization of messages</td>
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<td>a. story character</td>
<td>Gould and Gupta 2006 (qualitative insights)</td>
<td>Message segmentation issues</td>
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<tr>
<td>b. editorial content/story</td>
<td>Gould and Gupta 2006 (qualitative insights)</td>
<td>Does vehicle preference impact outcomes?</td>
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<td>c. vehicle</td>
<td>Nelson 2002 (recall); Nelson, Keum, and Yaros 2004 (purchase intention)</td>
<td>Interactivity; collaboration; fake placements</td>
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<td>d. medium</td>
<td></td>
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<tr>
<td>J. Skepticism toward advertising</td>
<td>Gupta, Balasubramanian, and Klassen 2000 (attitude)</td>
<td>Impact on outcome variables</td>
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<td>K. Attitude toward placement, other message types</td>
<td>Gould, Gupta, and Grabner-Kräuter 2000 (attitude)</td>
<td>Moderation/mediation effects</td>
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<td>L. Involvement/connectedness with program/motivation to</td>
<td>Nelson 2002 (recall); Russell and Stern 2006 (attitude)</td>
<td>Moderation/mediation effects</td>
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<td>process brand information</td>
<td>Baker and Crawford 1995</td>
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<td>Context factors</td>
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<tr>
<td>M. Less conscious versus conscious processing</td>
<td>Law and Braun 2000 (choice)</td>
<td>Blatant placements; personally relevant placements; impact of co-viewing behaviors</td>
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</tbody>
</table>
Effectiveness (outcome) variables

1. Brand typicality/incidence (Cognition)  
2. Brand salience/recognition (Cognition)  
3. Placement recall (Cognition)  
4. Brand portrayal rating (Affect)  
5. Identification with brand (Affect)  
6. Brand attitude (Affect)  
7. Purchase intention (Conation)  
8. Brand choice (Conation)  
9. Brand usage behavior (Conation)  

Market share perceptions; category exclusivity  
Effective brand–story character linkages  
Modeling behavior  
Placement saturation; category exclusivity  
Implications for Meaning Transfer Model  
Modeling/imitative behavior  

Notes: Factors/studies that do not focus on placements are in italics; outcome variables (OVs) are in parentheses.

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TABLE 2
Interaction Effects

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<th>Reference</th>
<th>Key independent factors/dependent variables</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auty and Lewis (2004a, 2004b)</td>
<td>Design factors: prior exposure to movie placement, presence or absence of a reminder about placement. Dependent variable: choice.</td>
<td>Of children who had seen the movie placement earlier, those subjected to a reminder brand exposure were more likely to choose the placed brand than those who did not get the reminder exposure.</td>
</tr>
<tr>
<td>Brennan, Dubas, and Babin (1999)</td>
<td>Design factors: placement type (creative, on-set) and exposure time (continuous variable). On-set placements are those wherein the placed brand is a major focus of the scene or is endorsed by a major actor. Creative placements are those wherein the placed brand is in the background of the scene. Dependent variable: brand recognition.</td>
<td>Interaction effect such that exposure time had a positive impact on viewer recognition for on-set placements, but not for creative placements.</td>
</tr>
<tr>
<td>Chang (2002)</td>
<td>Design factors: product involvement, affective (mood) states, and self-congruency (congruence of participants’ self-concepts with the ad message). Dependent variable: attitudes.</td>
<td>Interaction effects suggest that for low product involvement situations, participants in a positive mood state rely on self-congruency to form brand and ad attitudes; participants in a negative mood state did not rely on self-congruency in this manner. For high product involvement contexts, participants did not rely on self-congruency, irrespective of whether the mood state was positive or negative.</td>
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</tbody>
</table>

(continues)
<table>
<thead>
<tr>
<th>Reference</th>
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</tr>
</thead>
</table>
| d’Astous and Chartier (2000)  | Design factors: prominence (high, low), integration of placement with movie scene (high, low), manifestness or obviousness of the placement (high, low), principal actor (present, absent). Dependent variables: liking, perceived unacceptability of placement, recall, and recognition. | 1. The higher the degree of integration of a placement within a movie scene, (a) the higher the liking of the placement, but (b) the lower its recall.  
2. The impact of prominence on recall is negative and stronger when integration is low, compared with when integration is high.  
3. The impact of prominence on recall is negative and stronger for popular movies as opposed to movies that are less popular.  
4. Manifestness has a greater impact on liking when the integration of placements was high as opposed to low.  
5. Manifestness increased unacceptability of placements when integration was low as opposed to high.  
6. Prominence had a higher impact on liking when the principal actor was present as opposed to when this actor was absent. Significant television program × commercial interaction such that the program effect on the viewers’ felt mood was greater for those watching emotional commercials than for those watching informational commercials. |
| Goldberg and Gorn (1987)      | Design factors: television program (happy, sad) as between-subjects factor; commercial (emotional, informational) as within-subjects factor. Dependent variables: felt mood, perceived commercial effectiveness, intention to purchase. |                                                                                                                                               |
| Gould, Gupta, and Grabner-Kräuter (2000) | Design factors: country (United States, France, Austria), sex (male, female), movie (frequent movie watcher, not a frequent movie watcher), and product (ethically charged, not ethically charged). Dependent variable: acceptability of placements. | 1. Product × sex—Males were more accepting of ethically charged products than were females.  
2. Product × movie—Frequent movie watchers were more accepting of ethically charged placements than were less frequent movie watchers; no difference for products that were not ethically charged. Product × sex interaction suggests that men are more likely to accept placements involving cigarettes, alcohol, and guns than are women. |
| Gupta and Gould (1997)        | Design factors: sex, frequency of movie watching, and product category. Dependent variable: acceptability of movie placements. | Under mood thematic incongruence, positive mood decreased attitudes toward the product by decreasing the processing of ad information. Under mood thematic congruence, positive mood increased attitudes toward the product by increasing the processing of ad information. Results indicate that the impact of positive moods on attitudes depends on the relation between how the mood was manipulated and the topical context in which the mood effects are examined. |
| Howard and Barry (1994)       | Design factors: argument in the ad (strong, weak), mood (positive, neutral), mood thematic congruence (product congruent or incongruent with induced mood theme). Mood congruence was manipulated to be incongruent (using a sports stimulus followed by exposure to a casual shoe or casual shorts ad) or congruent (using a sports stimulus followed by exposure to an athletic shoe or athletic shorts ad). Dependent variable: attitude toward the product. |                                                                                                                                               |
Issue-relevant elaboration is high when consumers evoke the central/systematic route to persuasion by carefully processing important cues in the stimuli (e.g., focus on the brand), and low when they rely on peripheral cues/heuristic processing (e.g., focus on the ad).
Source congruity captures the degree of match between perceptions (of a brand endorser) and attributes associated with the brand.
Dependent variable: brand attitude.

McKechnie and Zhou (2003) Design factors: frequency of movie watching (high, low), product category types (ethically charged products, other products), country (China, United States).
Dependent variable: perceived acceptability of placements.

Russell (2002) Design factors: plot connection (high brand contribution to story, low brand contribution to story) and modality (visual, audio) as within-subject factors.
Congruous placements defined as high-plot connection/audio or low-plot connection/visual placements; incongruous placements defined as high-plot connection/visual or low-plot connection/audio.
Dependent variables: recall, persuasion.

Dependent variable: attitude persistence.

Interaction effect such that:
(a) under high issue-relevant elaboration, source congruity enhanced brand attitude
(b) under low issue-relevant elaboration, source congruity had little or no impact on brand attitude

Significant gender × product interaction such that U.S. males accepted ethically charged products in placements more than did U.S. females. Interaction not supported in China.

Modality × plot connection interaction such that:
(a) incongruous placements were better remembered in the visual condition, but not in the auditory condition, and
(b) congruous placements were more persuasive than incongruous ones.

Two-way interaction of time and cue type was significant in low-involvement conditions. Cue relatedness enhances attitude persistence in low-involvement conditions, whereas attitude persistence was low in the case of unrelated cues. In high-involvement conditions, no interaction between cue relatedness and time was observed.

Note: References in italics indicate studies that do not focus on placements.
<table>
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<th>Proposition</th>
<th>Description</th>
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<tr>
<td><strong>Proposition 1a:</strong> Interaction</td>
<td>Under negative program-induced moods, congruent placements produce better cognitive outcomes than incongruent placements. Under positive program-induced moods, incongruent placements produce better cognitive outcomes than congruent placements.</td>
</tr>
<tr>
<td><strong>Proposition 1b:</strong> Interaction</td>
<td>Under negative program-induced moods, placements produce better cognitive outcomes than ads. Under positive program-induced moods, ads produce better cognitive outcomes than placements.</td>
</tr>
<tr>
<td><strong>Proposition 1c:</strong></td>
<td>Positive (negative) emotion-laden programs produce positive (negative) mood spillover effects that increase (decrease) affective outcomes, that is, attitudes.</td>
</tr>
<tr>
<td><strong>Proposition 1d:</strong></td>
<td>Mood-thematic congruent (incongruent) placements are more (less) likely to facilitate program-induced mood spillover effects for affective outcomes, that is, attitudes.</td>
</tr>
<tr>
<td><strong>Proposition 1e:</strong> Interaction</td>
<td>Placements (ads) are more (less) likely to facilitate program-induced mood spillover effects on affective outcomes, that is, attitudes. Under negative program-induced moods, placements are more likely to decrease attitudes than ads. Under positive program-induced moods, placements are more likely to increase attitudes than ads.</td>
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<tr>
<td><strong>Proposition 2:</strong></td>
<td>As the execution flexibility associated with a product placement increases, its impact increases with regard to all message outcomes.</td>
</tr>
<tr>
<td><strong>Proposition 3a:</strong></td>
<td>As a placement's prominence increases, viewers can better differentiate the brand from other program stimuli, thereby increasing cognitive outcomes, that is, recall.</td>
</tr>
<tr>
<td><strong>Proposition 3b:</strong></td>
<td>As a placement's exposure duration increases, viewers can better process the brand's appearance or audio mention, thereby increasing cognitive outcomes, that is, recall.</td>
</tr>
<tr>
<td><strong>Proposition 4a:</strong></td>
<td>Dual-mode placements generate better cognitive outcomes (i.e., recall) than single-mode placements.</td>
</tr>
<tr>
<td><strong>Proposition 4b:</strong></td>
<td>With respect to cognitive outcomes (i.e., recall), dual-mode placements generate a stronger impact than verbal-only placements, which, in turn, produce a stronger impact than visual-only placements.</td>
</tr>
<tr>
<td><strong>Proposition 5a:</strong></td>
<td>Primed placements produce better cognitive outcomes (i.e., recall) than nonprimed placements.</td>
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<td><strong>Proposition 5b:</strong></td>
<td>Unprimed or media-primed placements produce better affective outcomes than ad-primed placements.</td>
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<tr>
<td><strong>Proposition 6a:</strong></td>
<td>Increasing brand information in a placement is likely to increase cognitive outcomes (i.e., recall).</td>
</tr>
<tr>
<td><strong>Proposition 6b:</strong></td>
<td>Increasing brand information in placements is likely to decrease both affective and conative outcomes.</td>
</tr>
<tr>
<td><strong>Proposition 6c:</strong></td>
<td>Placements are more similar to transformational ads than to informational ads.</td>
</tr>
<tr>
<td><strong>Proposition 6d:</strong></td>
<td>Placements are more similar to drama ads (which are processed empathetically) than to argument ads (which are processed evaluatively).</td>
</tr>
<tr>
<td><strong>Proposition 7a:</strong></td>
<td>The stronger the association between the placed brand and a story character, the higher the elaboration of the placed brand, which thereby increases cognitive outcomes.</td>
</tr>
<tr>
<td><strong>Proposition 7b:</strong></td>
<td>The stronger the positive (negative) association between the placed brand and a story character/editorial content/vehicle medium, the higher (lower) the impact on affective outcomes.</td>
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<tr>
<td><strong>Proposition 8a:</strong></td>
<td>Unfamiliar brands are more likely to increase cognitive outcomes (i.e., recall) than familiar brands.</td>
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<tr>
<td><strong>Proposition 8b:</strong></td>
<td>Audiences are less (more) likely to use unfamiliar (familiar) brands for inferences about characters/story that increase affective/conative outcomes.</td>
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<tr>
<td><strong>Proposition 9a:</strong></td>
<td>In general, incongruent placements produce higher cognitive outcomes (i.e., recall) than congruent placements.</td>
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<tr>
<td><strong>Proposition 9b:</strong></td>
<td>In general, congruent placements yield higher affective outcomes than incongruent placements.</td>
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<td><strong>Proposition 10:</strong></td>
<td>The higher the skepticism toward advertising, the lower the impact of placements on affective outcomes.</td>
</tr>
<tr>
<td><strong>Proposition 11a:</strong></td>
<td>Ads (placements) have low (high) levels of both disguise and obtrusiveness; ads (placements) identify (do not identify) brand sponsors; both ads and placements are paid for. Assuming identical message content, an ad may produce lower affective outcomes than a placement.</td>
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<tr>
<td><strong>Proposition 11b:</strong></td>
<td>The higher the attitude toward placements, the higher the affective outcomes toward the placed brand.</td>
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<tr>
<td><strong>Proposition 11c:</strong></td>
<td>Consumers in all cultures/countries find placements for ethically charged products less acceptable than those for ethically neutral products.</td>
</tr>
</tbody>
</table>
Proposition 11d: American consumers are more accepting of placements than their counterparts in other countries.
Proposition 12a: As a viewer’s program involvement increases (decreases), cognitive outcomes such as recall of (a) brands in ads decreases (increases) and of (b) brands in placements increases (decreases).
Proposition 12b: The higher the connectedness to a program, the higher the message outcomes for placements embedded in the program.
Proposition 13: Motivation to process brands for self-presentational purposes influences cognitive outcomes (i.e., attention and processing) for brand placements.
Proposition 14a: Unconscious processing of placements (e.g., visual-only or screen placements that appear in the background) relates to implicit memory, and enhances affective and conative outcomes more than cognitive outcomes.
Proposition 14b: Conscious processing of placements (e.g., high level of plot centrality for the placed brand) relates to explicit memory, and enhances cognitive outcomes (e.g., recall) more than affective or conative outcomes.

### TABLE 4

**Dissociations Among Outcomes, Related Propositions, Processes/Mechanisms/Strategies and Variables/Stimuli**

<table>
<thead>
<tr>
<th>Proposition(s)</th>
<th>Processes/mechanisms/strategies (proposition)</th>
<th>Variables/stimuli</th>
<th>Cognitive</th>
<th>Affective</th>
<th>Conative</th>
</tr>
</thead>
<tbody>
<tr>
<td>1a and 1e</td>
<td>Central processing/mood-thematic congruence (1a)</td>
<td>Program-induced negative (positive) mood</td>
<td>increases</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mood spillover effect/mood-thematic congruence (1e)</td>
<td>Program-induced negative (positive) mood</td>
<td></td>
<td>decreases</td>
<td>increases</td>
</tr>
<tr>
<td>5a and 5b</td>
<td>Contextual priming (5a)</td>
<td>Ad-primed (unprimed) placement</td>
<td></td>
<td>increases</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Kelley’s discounting principle (5b)</td>
<td>Ad-primed (unprimed) placement</td>
<td></td>
<td></td>
<td>decreases</td>
</tr>
<tr>
<td>6a and 6b</td>
<td>Informational emphasis (6a)</td>
<td>Increased information on placed brand</td>
<td></td>
<td>increases</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Informational emphasis (6b)</td>
<td>Increased information on placed brand</td>
<td></td>
<td>decreases</td>
<td>decreases</td>
</tr>
<tr>
<td>8a and 8b</td>
<td>Familiarity effect/Von Restorff effect (8a)</td>
<td>Unfamiliar (familiar) brand</td>
<td></td>
<td>increases</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Symbolic information/meaning transfer/ inference (8b)</td>
<td>Unfamiliar (familiar) brand</td>
<td></td>
<td>decreases</td>
<td>decreases</td>
</tr>
<tr>
<td>14a and 14b</td>
<td>Implicit memory (14a)</td>
<td>Unconscious processing</td>
<td></td>
<td>decreases or no effect</td>
<td>increases</td>
</tr>
<tr>
<td></td>
<td>Explicit memory (14b)</td>
<td>Conscious processing</td>
<td></td>
<td>increases</td>
<td>decreases or no effect</td>
</tr>
</tbody>
</table>

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this reason, most of our propositions do not address all three HoE outcome classes presented in Figure 1, nor do they address all variables within a given outcome class. Furthermore, since most placements appear in movies or television shows, our work is germane to brand appearances in these media. Several sections of this research (e.g., execution flexibility) also generalize to other media, however.

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**EXECUTION (SETTING) VARIABLES**

Most placement studies showcase one or more execution variables under the control of the sponsor or program creator. We synthesize these variables into: program type/program-induced mood, execution flexibility, opportunity to process the placement, placement modality, placement priming, type/amount...
of brand-relevant information provided, and strength of associations between the placed brand and program characters/message/vehicle/medium.

Program Type/Program-Induced Mood

Aylesworth and MacKenzie (1998) provide helpful guidance on the implications of central versus peripheral processing of ad messages for cognitive outcomes. They assert that a negative program-induced mood does not induce central processing of an ad that accompanies the program. This is because the negative mood triggers problem solving (i.e., central processing) that is directed at the source of the negative mood (i.e., the program). The focused deployment of processing resources on program content (instead of ad content) diminishes the likelihood that information in the ad is adequately processed. In contrast, positive program-induced moods encourage central processing of an ad that accompanies the program. Note the difference between the ad in the Aylesworth and MacKenzie study (where brand content accompanies, but is distinct from, editorial content) and a product placement (where a brand message is embedded within, and therefore not distinct from, editorial content; that is, placements are better integrated with editorial content than ads, in a manner analogous to congruent placements being more integrated with editorial content than incongruent placements). Findings from the Aylesworth and MacKenzie study, when extended to the placement context, imply that the impact of program-induced mood on message processing depends on the valence of the mood and the degree to which the placement is congruent with editorial content. More specifically, the pattern of impact on cognitive outcomes for a brand in a product placement is the opposite of that for a brand featured in an ad, that is, it is accentuated (diminished) under negative (positive) program-induced moods. Furthermore, incongruent or loosely integrated placements yield effects similar to ads. This yields two interaction propositions:

**Proposition 1a:** Under negative program-induced moods, congruent placements produce better cognitive outcomes than incongruent placements. Conversely, under positive program-induced moods, incongruent placements produce better cognitive outcomes than congruent placements.

**Proposition 1b:** Under negative program-induced moods, placements produce better cognitive outcomes than ads. Conversely, under positive program-induced moods, ads produce better cognitive outcomes than placements.

We next consider affective outcomes. Petry et al. (1993) exposed individuals to a persuasive message after inducing a positive or neutral mood. They found that a positive mood led to more positive attitudes toward the message advocacy. Field studies and experiments also show that variations in the affective quality of a recently viewed film evoke different levels and types of empathy (Davis et al. 1987). Forgas and Moylan (1987) found that participants who viewed a happy film were more likely to make positive, lenient, or optimistic judgments, when compared to those who watched a sad or aggressive film. Furthermore, Goldberg and Gorn (1987) report that television programs coded as happier in tone produce happier moods and greater perceived ad effectiveness among viewers. These results are also consistent with Mayer, McCormick, and Strong (1995), Sedikides (1992), and the affect transfer from program to placed product (Russell 1998). Because programs that embed placements may vary along a positive-negative emotion continuum, this program-type variable will influence the valence of attitudes toward placements. That is, positive (negative) emotion-laden programs are likely to trigger positive (negative) attitudinal spillover effects for placements.

**Proposition 1c:** Positive (negative) emotion-laden programs produce positive (negative) mood spillover effects that increase (decrease) affective outcomes, that is, attitudes.

Goldberg and Gorn (1987) found a television program × commercial interaction, such that the program effect on viewers’ mood was higher for those exposed to emotional ads (as opposed to informational ads). Another interesting interaction effect emerged in a study by Howard and Barry (1994) that manipulated mood to be either congruent (positive mood induced with a sports story, followed by exposure to an ad for athletic shoe/athletic shorts) or incongruent (positive mood induced with a sports story, followed by exposure to an ad for casual shoe/casual shorts). Under mood-themed congruence (incongruence), positive mood increased (decreased) attitudes toward the advertised product. Results indicate that the impact of positive moods on attitudes depends on how mood is manipulated and the context in which the mood effects are considered.

Note that the program that carries a given placement is often carefully selected to facilitate mood spillover effects that encourage a positive predisposition toward the placed brand. Therefore, the higher the mood-themed congruence between a placement and the program in which it is embedded, the higher the likelihood of program-induced mood spillover effects on attitudes.

**Proposition 1d:** Mood-themed congruent (incongruent) placements are more (less) likely to facilitate program-induced mood spillover effects for affective outcomes, that is, attitudes.

Note that programs containing placements are usually stories with a predominance of emotional (rather than informational) content. Furthermore, placements are embedded within the program, as opposed to ads, which are merely juxtaposed with program content. For these reasons, placements may engender program-induced mood spillover effects.
on attitudinal outcomes more readily than ads. An interaction proposition follows:

Proposition 1: Placements (ads) are more (less) likely to facilitate program-induced mood spillover effects on affective outcomes, that is, attitudes. Under negative program-induced mood, placements are more likely to decrease attitudes than ads. Under positive program-induced mood, placements are more likely to increase attitudes than ads.

Execution Flexibility

Advances in digital technologies facilitate flexible execution settings for brand placements. The emergence of virtual placements (e.g., brand messages digitally added during telecast of a sports program that live-event audiences are not exposed to), retrospective placements (e.g., digitally embedding brands or messages in a movie after its release), and on-line placements (e.g., real-time on-line delivery/updating of customized placements while individuals play Internet-based video games) is particularly noteworthy because they generate opportunities and outcomes that are more effective than traditional placements.

Hey (2002) recounts an early virtual placement during Super Bowl XXXV, when the U.S. television audience witnessed the debut of the First Down Line with no commercial message, but the same line was accompanied by FedEx logos in German telecasts and Pizza Pizza logos in Canadian telecasts. A good example of retrospective placement is a previously nonexistent Wells Fargo billboard that was digitally inserted after an episode of UPN’s science fiction show Seven Days was produced (Hey 2002). On-line placements hold immense potential for customizing placement messages, as evidenced by Dodge’s Race the Pros advergame, which allows players to experience its brand of automobiles in a hyperrealistic simulation. According to The Economist (2005a), this game periodically uploads real NASCAR race times into the computer-controlled cars, and features a track dotted with virtual billboards of auto dealerships located near the player (who must enter a zip code to participate). The ability to insert placements in on-line game environments allows sponsors and game publishers to customize/update messages, and to assess their impact in real time. From an execution standpoint, on-line 3D Gaming facilitates virtual, direct, or nonscripted brand experiences in product placement episodes (Economist 2005a; Grigorovici and Constantin 2004).

These emergent technologies enhance execution flexibility in powerful ways, and impact all message outcomes positively. Indeed, they add two advantages not previously linked to placements, that is, the ability to customize/personalize messages and assess message impact in real time. They also remove two disadvantages associated with traditional placements: (1) the risk of poor box-office performance of the movie that embeds placements, and (2) sponsors’ inability to plan in advance for placement opportunities (see Balasubramanian 1994). In sum, the enhanced execution flexibility evident in the examples described transforms brand placement into a very desirable option for sponsors, for it allows for a risk-free message that accommodates one-to-one segmentation, real-time audience impact assessment, and advance planning and development (Wenner 2004).

Proposition 2: As the execution flexibility associated with a product placement increases, its impact increases with regard to all message outcomes.

Opportunity to Process the Placement

This construct captures the extent to which circumstances at brand exposure are favorable to brand processing (MacInnis and Jaworski 1989; MacInnis, Moorman, and Jaworski 1991). This is influenced by both a placement’s prominence and the duration of its exposure.

Gupta and Lord (1998) found that prominent placements (e.g., a brand shown by itself in the foreground, with longer exposure time) generated higher brand recall than more subtle placements. Others (Schneider and Cornwell 2005) have replicated this. Brennan, Dubas, and Babin (1999) differentiated the prominence of “on-set” placements (those that were paired with a character or were conspicuously displayed) from “creative” placements (those appearing in the background). They report that on-set placements generate greater brand recognition. Furthermore, exposure duration positively influenced brand recognition, but only for prominent/on-set placements.

Proposition 3a: As a placement’s prominence increases, viewers can better differentiate the brand from other program stimuli, thereby increasing cognitive outcomes, that is, recall.

Proposition 3b: As a placement’s exposure duration increases, viewers can better process the brand’s appearance or audio mention, thereby increasing cognitive outcomes, that is, recall.

Placement Modality

To accommodate memory-based research findings, Paiio’s Dual Coding framework presents two coding systems: a verbal system for language information and a nonverbal analog to process imagery information (Paiio 1983, 1986). Russell (1998) posits that plot placements (i.e., dual-mode placements with both visual and verbal components) influence brand memory more than single-mode placements, that is, either visual-only screen placements or verbal-only script placements. This rationale is consistent with Paiio’s Coding Redundancy hypothesis, which posits that “increased availability of both codes increases the probability of item recall because the response can be retrieved from either code” (Paiio 1979, p. 297).
The Coding Redundancy hypothesis has empirical support in product placement contexts. Both unaided recall and recognition performance of a combined visual-plus-verbal message is significantly higher than that of stand-alone visual information such as logos (Brennan and Babin 2004; Sabherwal, Pokrywczynski, and Griffin 1994). In addition, Gupta and Lord (1998) found that an audio mention of a brand (without accompanying visual depiction) produced better recall performance than a visual placement (without audio reinforcement). Taken together, these studies suggest the following dominance hierarchy in memory effects: visual-verbal combination, followed by verbal-only and visual-only placements.

**Proposition 4a:** Dual-mode placements generate better cognitive outcomes (i.e., recall) than single-mode placements.

**Proposition 4b:** With respect to cognitive outcomes (i.e., recall), dual-mode placements generate a stronger impact than verbal-only placements, which, in turn, produce a stronger impact than visual-only placements.

### Placement Priming

Given the close cooperation between brand sponsors and the managers of editorial media content, informed audience members may actually expect placements in media content. A few sponsors deliberately widen/enhance this expectancy by referencing their placements in traditional ads. The goal here is to prompt viewers to look for their placed brand in a particular movie or a television show. Such targeted program-related advertising serves as a prime for brand placements, as might a viewer’s memory of past consumption experiences or ad exposures (DeLorme and Reid 1999). For example, BMW management promoted the appearance of its Z3 Roadster in *GoldenEye* with dealer promotions, special events, and ads both before and after the film’s release (Fournier and Dolan 1997).

Research indicates that objects toward which people hold highly accessible attitudes may attract more attention (Roskos-Ewoldsen and Fazio 1992). Similarly, movie viewers who were shown a list of brands placed therein outperformed a control group on brand recall (Bennett, Pecotich, and Putrevu 1999). Consistent with these studies, we propose that priming increases attention to, and recall of, a placed brand.

**Proposition 5a:** Primed placements produce better cognitive outcomes (i.e., recall) than nonprimed placements.

Are there circumstances that increase the impact of priming on affective outcomes? In general, contextual priming increases the likelihood that individuals will subsequently interpret persuasive information in terms of primed attributes, with a consequent effect on brand evaluations (Yi 1990). Consider two potential priming sources in the BMW example: a media prime (a nonpartisan message such as a media story that alerts readers about the appearance of Z3 in *GoldenEye*) and an ad prime (a partisan communication such as a BMW ad that conveys the same information). The nonpartisan source is a useful baseline anchor in the following argument: the process of placement priming with the BMW ad encourages a more confident attribution of commercial intent behind the placement than, say, when the priming is implemented via a media story or when there is no priming at all. Following attribution theory and Kelley’s discounting principle (for a related discussion on placement context, see Balasubramanian 1994), it is likely that, compared to viewers either primed with a media story or not primed at all, those primed with the BMW ad are more likely to discount the persuasive message. Perceptions of message source bias may engender more counterargumentation and resistance in the ad-primed state than in the media-primed or unprimed states. Groenendyk and Valentino (2002) either exposed participants to one of two ads (a negatively toned Sierra Club issue ad that was widely broadcast during the 2000 presidential election, and a candidate ad that was an edited version of the issue ad depicting Al Gore as the sponsor) or presented no ad at all. The issue ad held greater credibility and persuasive power than the candidate ad because “candidates are generally viewed as being motivated primarily by electoral incentives, whereas interest groups are most likely to be seen as invested in a particular issue” (Groenendyk and Valentino 2002, p. 300). More important, these authors tested whether the issue ad is a more powerful prime than the candidate ad in boosting environmental concerns while evaluating the relevant target (George Bush). Results indicated that the impact of Bush’s environmental record as a criterion in his overall evaluation was quite small among participants who were exposed to the Gore ad, but this impact was greatly enhanced among participants who saw the issue ad. By way of relating these findings to the BMW example, note that the candidate ad, the issue ad, and George Bush are respective analogs for the partisan ad prime, the nonpartisan media prime, and the placed product (Z3 Roadster). We therefore posit:

**Proposition 5b:** Unprimed or media-primed placements produce better affective outcomes than ad-primed placements.

### Amount and Type of Brand Information Presented

Generally, a feature-rich, meaningful, and personally relevant stimulus attracts greater attention, thereby influencing cognitive outcomes such as recall. But placement messages differ from ads in that they do not contain a substantial amount of brand-related information (Russell 1998). Most placements do not describe brand information because audience expectations differ sharply between placements and ads. In placement episodes, the brand is of secondary importance, even if information about it adds mean-
ing and value to the story. In contrast, the brand is the primary object of focus in ads, with an audience mind-set that expects brand-related information. Increasing brand-information content within a placement (ad) is inconsistent (consistent) with this expectation, and therefore more (less) likely to encourage attention toward the brand. If placements contain substantial product information, audience attention may be distracted away from the media story, thereby increasing the processing effort devoted to such placements. In sum, more "informative" placements may increase cognitive outcomes (e.g., recall).

Messages with substantial product information cannot qualify as congruent placements that blend seamlessly with editorial content. Moreover, "informative" placements may irritate audiences by undermining the media story they seek to follow, thereby diminishing the affective and conative outcomes that sponsors seek for the placed brand.

**Proposition 6a:** Increasing brand information in a placement is likely to increase cognitive outcomes (e.g., recall).

**Proposition 6b:** Increasing brand information in placements is likely to decrease both affective and conative outcomes.

We extend related discussion in Gardner (1994), Puto and Wells (1984), and Russell (1998) to propose that placements are more similar to transformational ads (soft/indirect messages that portray the significance or meaning of product consumption) than informational ads (hard-hitting/direct messages that provide factual, verifiable, and detailed product information). Somewhat analogously, Deighton, Romer, and McQueen (1989) characterize argument and drama as anchors of a dramatization continuum for ads (an argument involves a narrator whose message lacks both plot and character; it becomes a story with the introduction of these two elements; the story evolves into a drama when the narrator is removed). An argument (drama) appeals to objectivity (subjectivity) and is processed evaluatively (emotionally). Placements resemble drama ads more than argument ads.

**Proposition 6c:** Placements are more similar to transformational ads than to informational ads.

**Proposition 6d:** Placements are more similar to drama ads (which are processed empathetically) than to argument ads (which are processed evocatively).

**Strength of the Link Between Brand and Story Character/Editorial Content/Vehicle/Medium**

Execution factors may strengthen the association of the placed brand with one or more story characters. A stronger association is likely to increase brand-related cognitive elaboration (Bloxbom 1998; d'Astous and Seguin 1999; Russell 2002), thereby enhancing cognitive outcomes. For advertising contexts, Kirmaji and Shiv (1998) show that increased congruity between a brand and the message source (i.e., the endorser) improves brand attitudes, especially when issue-relevant elaboration is high. More recently, Russell and Stern (2006) applied genre theory to study the role of characters and products in the persuasion process for sitcom placements. Individuals' attitudes toward placed products were influenced by the story character's attitudes toward the same products (this finding was qualified by viewers' attachment to the story character).

Conceptually, the spirit of these findings easily extends to links between the placed brand and (1) editorial content/story (Bloxbom 1998; Russell, Norman, and Heckler 2004a, 2004b), (2) vehicle (Gould and Gupta 2006; La Pastina 2001), or (3) medium (Avery and Ferraro 2000; Ferraro and Avery 2000; Moorman, Neijens, and Smit 2002). For example, the scenery surrounding a placed brand may be carefully crafted to generate a consistent and supportive impression (DeLorme and Reid 1999). Professionals responsible for creative elements of soap operas use settings and fashion that reinforce a stereotypical upper middle class image that is appropriate for many placed products (Neumann, Cassata, and Skill 1983). In the film Out of Africa, consumption symbolism was used to enrich both the plot and its characters (Holbrook and Grayson 1986).

To the extent that a film placement represents an implied endorsement, the fit between the brand and the endorser/character is important. In advertising contexts, the endorser's effectiveness improves as such fit increases. Higher perceived congruence between a spokesperson and the endorsed brand increases the spokesperson's believability/attractiveness, enhances brand attitude (Kamins and Gupta 1994), and improves affect transfer from the spokesperson to the brand (Misra and Beatty 1990), in the spirit of McCracken (1989).

**Proposition 7a:** The stronger the association between the placed brand and a story character, the higher the elaboration of the placed brand, which thereby increases cognitive outcomes.

**Proposition 7b:** The stronger the positive (negative) association between the placed brand and a story character/editorial content/vehicle/medium, the higher (the lower) the impact on affective outcomes.

**INDIVIDUAL-LEVEL VARIABLES**

Published research on placements emphasizes execution characteristics more than audience characteristics. Many studies include demographics (e.g., Baker and Crawford 1995), despite their inability to explain much of the variance in measures of placement effectiveness. In this category, we consider individual-level variables that may or may not characterize a unique relation to the program and placement.
Several individual-level variables in our models influence the perceived effectiveness of placements: prior familiarity with the brand; judgments about the “fit” of the individual with the story character/editorial content/vehicle/medium; skepticism toward advertising; attitudes toward placements/other message types; and program involvement/program connectedness/motivation to process brand information.

Prior Familiarity with the Placed Brand

A robust phenomenon called the Von Restorff effect (Wallace 1965), or the isolation effect (Huang, Scale, and McIntyre 1976), may influence the recall of product placements (Balasubramanian 1994). A key tenet of this phenomenon is that since unfamiliar or unexpected stimuli are incongruent with prior expectations, they attract greater attention and produce superior cognitive outcomes (e.g., recall) than familiar stimuli. In a recent study of placements in computer/video games, Nelson (2002) found evidence that brands that are less familiar to participants (new brands or those that are atypical of brands generally found in games) demonstrated recall superiority.

Proposition 8a: Unfamiliar brands are more likely to increase cognitive outcomes (i.e., recall) than familiar brands.

Although unfamiliar brands generate more immediate attention, familiar brands facilitate identification with characters in the program. In other words, placements involving familiar brands are more diagnostic to viewers in terms of quickly understanding complex meanings in program content. This view is compatible with research suggesting that individuals skew their use of trait information about others toward behaviors or symbols that are easily understood (Beike and Sherman 1994). McCracken’s (1989) Meaning Transfer Model also supports this premise strongly. McCracken’s model explicitly focuses on a dual-staged transfer of meaning from the celebrity endorsinger to the product, and from the product to the consumer. Both stages showcase the role of familiarity in facilitating effective communications with audiences. The preceding discussion explains filmmakers’ preferences for well-known brands in placement contexts.

Proposition 8b: Audiences are less (more) likely to use unfamiliar (familiar) brands for inferences about characters/stories that increase affective/conative outcomes.

Judgments of “Fit”

The importance of fit in placement contexts is acknowledged by both movie viewers (DeLorme and Reid 1999) and placement practitioners (Karrh 1995; Karrh, McKee, and Pardun 2003). This term needs careful definition, however, to avoid overlap with perceived relatedness of cues to product category (see Sengupta, Goodstein, and Boninger 1997).

Perceived fit may embed individual-level judgments about product, medium, communicator, and message dimensions (Balasubramanian 1994; Bhattacharjee, Aksylo, and Malkoc 2004). Russell (2002) investigated the impact of fit, or congruence, between modality (visual or auditory) and brand/placement connection (high, low) in placements on memory and persuasion measures. Incongruence (i.e., higher-plot visual placements or lower-plot audio placements) between these factors improved memory performance, whereas congruence (i.e., lower-plot visual placements or higher-plot audio placements) increased persuasion. The congruency/incongruency literature sheds light on this dissociation or nonlinear memory–attitude relation (Russell 2002). Incongruence triggers greater cognitive elaboration, whereby the placement message becomes more memorable. At the same time, such elaboration adversely impacts attitude by encouraging questions about the brand’s appearance in the medium, and if the brand placement is perceived as objectionable, these questions prompt resistance toward the message and counterargumentation. In general, congruence may be compatible with the peripheral route to persuasion ( Petty and Cacioppo 1986; Petty, Cacioppo, and Schumann 1983) because placements are natural, they attract no counterargumentation, and they are more likely to produce positive affective outcomes (d’Astous and Chartier 2000). Two propositions follow (note that the interaction presented in Proposition 1a qualifies, rather than contradicts, Proposition 9a below).

Proposition 9a: In general, incongruent placements produce higher cognitive outcomes (i.e., recall) than congruent placements.

Proposition 9b: In general, congruent placements yield higher affective outcomes than incongruent placements.

Skepticism Toward Advertising

Skepticism, a defense mechanism triggered when a message recipient is presented with information that strains credibility, involves the suspension of belief. Skepticism toward advertising increases when audiences acquire a more refined knowledge of advertisers’ tactics and persuasive intent (Boush, Friestad, and Rose 1994). In general, skepticism toward advertising lowers attitudes toward both ads and placements. Significantly, Gupta, Balasubramanian, and Klassen (2000) found a strong correspondence between attitudes toward advertising and attitudes toward placements. In their study, respondents who were more positively disposed toward advertising also held significantly more positive attitudes toward placements. Conversely, respondents who were less positively disposed toward advertising also held significantly less positive attitudes toward placements. We therefore posit:
Proposition 10: The higher the skepticism toward advertising, the lower the impact of placements on affective outcomes.

Attitudes Toward Placements in General

The ethicity framework (Nebenzahl and Jaffe 1998) associates ads (placements) with low (high) levels of both disguise and obtrusiveness. According to these authors, a message is highly disguised when it is paid for and the sponsor is not identified, in a manner similar to hybrid messages (Balasubramanian 1994) where the sponsor's benefit-mix is high in terms of increased message control, message believability, and message impact. Obtrusive messages are those that are secondary to the main stimulus perceived by an audience. Overall, this framework predicts that ads (placements) with similar messages may yield lower (higher) evaluations or affective outcomes.

Over the past decade, the ethical acceptability of placements has attracted considerable media and research attention, especially regarding the prevalence of smoking or drinking behaviors in feature films. Given the potential for widespread disagreement about the acceptable or "proper" use of product placements, it follows that viewers' perceptions of placement ethics should influence their responses to specific brand appearances in media programs. Although early surveys (e.g., Nebenzahl and Secunda 1993) found that only a small proportion of respondents object to placements on ethical grounds, subsequent work suggests a more pronounced sentiment against placements in certain ethically charged product categories. In a survey of American college students, Gupta and Gould (1997) found that placements in ethically charged categories such as alcohol, guns, and tobacco products were less acceptable to respondents than placements in ethically neutral categories. Other researchers have investigated the link between placements and attitudes toward tobacco products (e.g., Gibson and Maurer 2000; Pechmann and Shih 1999). Nevertheless, Gupta, Balasubramanian, and Klassen (2000) show that respondent groups that are negatively predisposed toward both advertising and placements do not discriminate between ethically charged and ethically neutral products.

Other studies (Gould, Gupta, and Grabner-Kräuter 2000; Gupta and Gould 1997; McKechnie and Zhou 2003) show that U.S. males are more accepting of placements involving ethically charged products. In addition, frequent movie watchers accept placements of ethically charged products more readily than infrequent movie watchers, but no such difference is evident for placements of ethically neutral products (Gould, Gupta, and Grabner-Kräuter 2000). Available evidence also suggests that these gender and frequency effects are not robust across cultures/nations. A comparison of young viewers in the United States and Singapore found Singaporeans to be more concerned with placement ethics and more supportive of government restrictions on the use of placements (Karrh, Frith, and Callison 2001). Similarly, Chinese consumers view placements as less acceptable than do their American counterparts (McKechnie and Zhou 2003). Research that compared audiences in the United States, Austria, and France reaffirmed this result: Americans accepted product placement more readily, and were more likely to report purchase intentions toward placed brands (Gould, Gupta, and Grabner-Kräuter 2000). Likely reasons for this include a U.S. regulatory environment that is less restrictive of advertising than is the case in other nations and historical-cultural differences as captured in Hofstede's (1991, 2001) cross-national studies. Recent work focusing on other countries/cultures (Brennan, Rosenberger, and Hementerra 2004; La Pastina 2001) further affirms these findings and the generalizations presented in Propositions 11c and 11d below.

Proposition 11a: Ads (placements) have low (high) levels of both disguise and obtrusiveness; ads (placements) identify (do not identify) brand sponsors; both ads and placements are paid for. Assuming identical message content, an ad may produce lower affective outcomes than a placement.

Proposition 11b: The higher the attitude toward placements, the higher the affective outcomes toward the placed brand.

Proposition 11c: Consumers in all cultures/countries find placements for ethically charged products less acceptable than those for ethically neutral products.

Proposition 11d: American consumers are more accepting of placements than their counterparts in other countries.

Involvement/Connectedness with Program/Motivation to Process Brand Information

Viewers' involvement with a program's content influences the effectiveness of its embedded placements (Bhatnagar, Aksoy, and Malkoc 2004). As one example, program involvement with a computer game increased short-term recall of placed brands (Nelson 2002). In ad contexts, however, very high levels of program-evoked arousal are counterproductive; indeed, they may inhibit recall of brands in such situations (Newell, Henderson, and Wu 2001). Note that ads (and the brands they contain) only accompany the program, whereas placements are embedded within it. As viewers' involvement with the program increases (decreases), their recall of brands in ads accompanying the program will likely decrease (increase), while their recall of brands embedded in the program will likely increase (decrease).

Proposition 12a: As a viewer's program involvement increases (decreases), cognitive outcomes such as recall of (1) brands
Program connectedness is a more comprehensive and far-reaching construct than program involvement. Program connectedness is relevant when a viewer’s relationship with a program extends beyond the exposure experience into his or her personal and social life (Russell 1998; Russell, Norman, and Heckler 2004a, 2004b; Russell and Puto 1999; Russell and Stern 2006). In such instances, the program exerts a far greater influence than one might expect under high program involvement. This influence may find expression through adoration or imitation of program characters, social groups that facilitate interactions with other program fans, or rituals constructed around the viewing experience (Russell 1998).

A high level of program connectedness is analogous to a high-immersion experience. For example, Grigorovici and Constantin (2004) assert that structural features of Immersive Virtual Environment in 3D Gaming (high immersion, presence) increase users’ affective engagement with the stimuli/environment and their embedded placement messages. Individuals with a high degree of connectedness to a program are likely to view it frequently, pay greater attention to it, and imitate behaviors drawn from its episodes. Furthermore, they may not necessarily perceive any commercial intent behind brand usage in the program.

Proposition 12b: The higher the connectedness to a program, the higher the message outcomes for placements embedded in the program.

Many viewers use placed brands to validate their existing identity and purchasing patterns (DeLorme and Reid 1999). Others may be motivated to process brand appearances as a means to enhance their identities. Individuals may use a particular brand in a given situation to enact a desired social identity (as opposed to a global self). Generally, the more important a social identity is to one’s sense of self, the more one will perceive as desirable the brand that displays or reinforces that identity. The marketplace, including media programs, provides opportunities to learn and adopt such identities (Kleine, Kleine, and Kernan 1993). However, individuals need not evaluate themselves in a dramaturgical fashion for such behavioral editing to occur (Messinger, Sampson, and Towne 1990). Nor does this process of identifying with brands ever end. Indeed, identification goals represent a self-defining and ongoing process (Wicklund and Gollwitzer 1982). Most people maintain at least a minimal level of motivation to process information about symbols that may help them express their desired identities.

Motivational antecedents influence whether/how brands are processed as identity cues (MacInnis and Jaworski 1989). For example, impression motivation is an important antecedent. It captures the degree to which people are motivated to control how others see them (Leary and Kowalski 1990). Three central factors determine impression motivation: the goal relevance of the impressions, the value of desired outcomes from the impression, and the discrepancy between desired and current social image. Overall, an individual’s impression motivation and related choices (e.g., which impression to make and how to accomplish this) are influenced by the need to align social image with desirable prototypes (Leary 1989). Note that these prototypes may symbolize an ideal self that, in turn, is influenced by media content (Hirschman and Thompson 1997; Hoffer and Cantor 1991). Based on these findings from impression management and media research, we propose that a viewer’s motivation to scan the media environment for brands (that are likely to help him or her express a desired image) is an important individual-level determinant of placement processing.

Proposition 13: Motivation to process brands for self-presentation purposes influences cognitive outcomes (i.e., attention and processing) for brand placements.

PROCESSING DEPTH

Our model assumes that execution- and individual-level variables influence the viewer’s processing of a given product placement. Labeled as "processing depth," this model component ranges across a low/high consciousness continuum with important implications for the explicit versus implicit memory dichotomy in both advertising (Duke and Carlson 1993; Lee 2002; Shapiro 1999; Shapiro, MacInnis, and Heckler 1997) and placement contexts (Auty and Lewis 2004a, 2004b; Law and Braun 2000; Law and Braun-LaTour 2004).

Explicit memory is tapped by direct tests such as recall/recognition performance. These tasks entail an intentional effort to access and retrieve information from a previous stimulus exposure event (Krishnan and Chakravarti 1999; Shapiro and Krishnan 2001). In contrast, implicit memory is evident in indirect tests (e.g., sentence completion, word association, projective tests) where consumers do not use conscious memory retrieval (Duke and Carlson 1993; Krishnan and Chakravarti 1999). That is, retrieval of implicit memory occurs automatically.

Implicit memory is often characterized by a response bias that increases the likelihood that information from a recent stimulus exposure (e.g., an ad) will be used to perform a subsequent task (e.g., purchase) without conscious retrieval or even awareness of prior exposure to that information (Lee 2002). This bias may manifest itself as increased preference for information from the exposure episode. Consider, for example, the perceptual fluency phenomenon whereby feature-level analysis (e.g., shape, color) of a product during incidental ad exposure...
creates a memory trace that facilitates feature-level processing during a subsequent product exposure occasion. Specifically, the "previously seen stimulus appears familiar, and absent a successful search of memory to attribute this familiarity to the prior exposure episode, the familiarity is attributed to a preference for the stimulus" (Shapiro and Krishnan 2001, p. 2). In contrast, the notion of conceptual fluency involves semantic-level analysis (e.g., meaning) of a product during incidental ad exposure, such that the likelihood of its subsequent inclusion in an individual's consideration set is increased.

Measures of explicit memory remain the exclusive focus for most research studies on advertising (Law and Braun 2000) and placements (Law and Braun-La Tour 2004). Recent studies in the advertising field (Lee 2002; Shapiro and Krishnan 2001; Shapiro and Krishnan 2001) seek to mitigate this imbalance. For example, Shapiro (1999) offers evidence indicating that the response bias during incidental ad exposure stems from unconscious influences. That is, advertised products were more likely to be included in the consideration set even when participants actively tried to avoid choosing such products. Shapiro and Krishnan (2001) found that implicit memory performance is not impaired despite divided attention during ad exposure, or a lengthy delay between ad exposure and test event.

Similar studies in the placement domain (Auty and Lewis 2000; Lew and Kraut 1999a) showcase key differences between, and related implications of, the explicit versus implicit memory dichotomy. They suggest that the ability of placements to enhance recall and choice performance is mediated by distinct mechanisms. Although Law and Braun (2000) found that placements improved overall performance on recall/recognition and choice tasks, empirically observed disassociations point to different rationales for these improvements. The centrality of the product to the plot, for example, was instrumental in enhancing recall performance, but played no role with regard to choice performance. Similarly, seen-only (or visual) placements were least recalled, but influenced choice the most. It is useful to note that Russell's (2002) study explores interaction effects between these two factors, using memory and persuasion as dependent measures. In sum, the key implication here is that a sponsor may tailor the level of congruence or modality choice depending on whether a placement's campaign emphasizes recognition/recall or attitudinal impact.

Even if most placements are processed at relatively low levels of consciousness, they may retain the ability to generate marketplace impact in terms of affective and conative outcomes. For example, brand attitudes were found to persist over time even under low-involvement processing (Sengupta, Goodstein, and Boninger 1997) if the cues and product category were highly related. Even unconsciously processed stimuli in advertising may produce negatively or positively valenced affective responses (Aylesworth, Goodstein, and Kalra 1999). Shapiro, MacInnis, and Heckler (1997) assert that incidental exposure to a product depicted in a persuasive message increases the likelihood of its inclusion in a consideration set, even when participants lack explicit memory for the ads. This phenomenon appears quite robust (it was replicated across two product categories, in memory-based and stimulus-based consideration set formation contexts, and in familiar and unfamiliar buying situations).

Proposition 14a: Unconscious processing of placements (e.g., visual-only or screen placements that appear in the background) relates to implicit memory and enhances affective and conative outcomes more than cognitive outcomes.

Proposition 14b: Conscious processing of placements (e.g., high level of plot centrality of the placed brand) relates to explicit memory and enhances cognitive outcomes (e.g., recall) more than affective or conative outcomes.

EFFECTS

This section organizes outcome variables around the three broad classes of the HoE model: cognitive, affective, and conative.

Cognitive Outcomes

Judgments About the Placed Brand's Typicality/Incidence

Even processing that entails relatively low levels of consciousness may influence consumers' judgments about brand typicality, such as perceived market share. A placement could serve as a vivid and simple exemplar (Zillmann 1999) that skews perceptions of a brand's marketplace presence. In research related to the cultivation effect, O'Guinn and Shrum (1997) found that the amount of television viewing affects judgments about the prevalence of products and behaviors linked to an affluent lifestyle. Relevant information was more accessible for heavy viewers than light ones. As Table 1 indicates, outcomes such as brand typicality and brand incidence await research in placement contexts.

Memory for Brands and Placements

Studies show that placements generate short-term memory effects, as measured through recognition, salience, or recall (Babin and Carder 1996b; Baker and Crawford 1995; Gupta and Lord 1998; Johnston and Dodd 2000; Karth 1994; Nelson 2002; Sabherwal, Pokrnywczynski, and Griffin 1994). As discussed earlier, these measures from the explicit-memory domain are popular among practitioners to gauge placement effectiveness (Karth 1995; Karth, McKee, and Pardun 2003). When brand placements operate less consciously, however, in the manner
that Krugman (1965) suggests low-involvement ads work, recall measures are inadequate; measures that tap into implicit memory processes are vital in such contexts. This is because consumers cannot verbalize thoughts about issues they are not consciously aware of, or for which they lack a proper vocabulary (Synnot 1991). Furthermore, insights from depth interviews and focus groups (DeLorme and Reid 1999) suggest that both frequent and infrequent movie viewers can express complex and durable interpretations of deeply processed placements. In short, viewers may retain long-term memories of certain placements, but only for those placements that prompted more conscious processing during exposure. Therefore, recognition, salience, or recall measures are more appropriate for placements that elicit moderate to high levels of conscious processing.

Affective Outcomes

Brand Portrayal Rating

Two studies (Avery and Ferraro 2000; Ferraro and Avery 2000) describe a rating scale to assess the degree to which a brand was favorably portrayed in a given placement. This portrayal rating is then used as a dependent variable in regression analyses with several execution characteristics as independent variables. This line of inquiry holds considerable promise to assess the relative impact of other variables in our model.

Identification with Brand

Affective responses such as empathy may arise even at low levels of conscious processing. Empathy and emotional identification processes are common to almost all placements. Hackley and Tiwakul (2006) examine the role of entertainment marketing in facilitating consumers’ self-concepts and identity formation through brand exposure. Russell (1998) asserts that empathetic identification is “the main ingredient of product placement’s effectiveness” (p. 359). Empathy for characters paired with placed brands has emerged as a key theme in some studies (Deighton, Romer, and McQueen 1989; DeLorme and Reid 1999). The process by which consumers identify with placement messages deserves greater research scrutiny, however. A few interpretive studies (Gould and Gupta 2006; Hirschman and Thompson 1997; Stern and Russell 2004) suggest both affective (attitudinal) and conative (acquisitive) overtones. Hirschman and Thompson (1997, p. 53) characterize identification as a way for consumers to negotiate “their self-perceptions and personal goals in relation to the idealized images presented in the mass media.”

To the extent that brand identification is modeled by actors/characters in placement contexts, it can be learned. Bandura’s (1977) social learning theory posits that individuals acquire new response tendencies through modeling and imitative behaviors. Media programs may encourage such behaviors when program attributes are positive and simple, and when they help viewers achieve relevant goals (Tan 1986). Brands fill the bill, as they are socially visible, accessible, and easily understood in our consumer society. Audiences may respond to media characters with a desire to behave like the character (Hoffstter and Cantor 1991). This desire is fulfilled in part by using the brand(s) that the character uses. However, full imitative behavior (usage of placed brand) requires this brand to be visible during the placement episode, and accessible to viewers after that.

A related effect is the use of placed brands to present specific and desirable images to others. According to Schlenker (1980), people shape self-relevant information through an “association principle,” linking themselves with desirable images and symbols and avoiding associations with undesirable ones. In such a case, the desire is not to completely imitate a program character, but rather to appropriate a limited set of traits from the character. For example, a viewer who believed Tom Cruise’s character in Top Gun was “cool,” and that the Ray-Ban sunglasses he used in the movie exemplified this characteristic, might desire those sunglasses. By appropriating the brand, the viewer establishes an association with the desired trait without having to adopt other aspects of the Tom Cruise persona. Such a result is more likely when the viewer processes the brand information consciously, and elaborates about that brand’s utility in self-presentation.

Brand Attitudes

Empirical results are somewhat mixed with regard to the effect of placements on brand attitudes. As one example, Karth (1994) found no changes in evaluations of placed brands, even when those brands were made more memorable. Conversely, Russell (2002) found positive attitude change even when recognition of a placed brand was low.

Low to moderate levels of conscious processing may produce the greatest impact of a placement on brand attitudes. At very high levels of processing, consumers may embellish the brand information presented with idiosyncratic interpretations about how the brand satisfies their own identity-expressive needs (MacInnis and Jaworski 1989), or they may mentally construct benefits or uses not shown in the placement (Alba and Hutchinson 1987). The latter generates a rich and personalized context for processing placements, but sponsors do not control this context because viewers combine the placement with personal information and goals.

Conative Outcomes

Purchase Intention

Few studies have found a significant effect on purchase intentions from placement exposure. In a study of 43 college-aged
participants who viewed *Wayne's World* in its entirety, reported purchase intention for placed brands was 16% higher than for brands previously identified as "favorites" by participants (Baker and Crawford 1995). While marketers claim that some placements increased sales significantly, more sensitive measures might shed light on the rationales underlying this performance.

**Brand Choice**

As discussed earlier, the factors most likely to influence choice are independent from those that are especially effective in the explicit memory domain. Incidental advertising exposures, even in the absence of explicit memory for those exposures, can increase the likelihood that the brand in question is included in consideration sets (Shapiro, MacInnis, and Heckler 1997). Nedungadi (1990) demonstrated that the likelihood of choosing a given brand may increase following recent exposure to that brand, even when affective outcomes such as brand preference remain unchanged. For these reasons, choice appears to be an appropriate and desirable dependent measure for a wide range of placements.

**Brand Usage Behavior**

Morton and Friedman (2002) break new ground by extending research focus to viewers' usage behavior with respect to placed products. In their study, a set of beliefs about movie placements (especially those linked to the portrayal of the placed product in a movie) emerged as useful predictors of product usage behavior.

**DISCUSSION, KEY ISSUES, AND FUTURE RESEARCH AGENDA**

This study offers a comprehensive model framework to plan, predict, and evaluate the impact of product placements. We sought to integrate and build on the extant product placement literature, despite its sparseness and other challenges. We also drew on allied research areas such as advertising and psychology to identify factors that contribute to placement effectiveness, and to explain disparities among published studies. Finally, we summarize the research propositions that benchmark and consolidate what we know about placements, and offer broad directions for future research.

**Benchmarking and Consolidating What We Know**

Marketers have successfully shaped the images presented through popular cultural vehicles, often by using those vehicles as sales tools (Solomon and Englis 1994). Consumers appear more willing to accept brand images in media that were once deemed "commercial-free." Surveys of young Americans consistently show that product placement is acceptable to them (Gould, Gupta, and Grabner-Kräuter 2000). Historical evidence of such acceptance stems from the increasing use of brand names in popular writing such as plays, songs, newspapers, and magazines since World War II (Friedman 1991). More important, such acceptance will likely continue into the future as emergent digital communication technologies present new opportunities to tailor or customize placements. Recently, Sheehan and Guo (2005) investigated the unique effects of product assimilation (when placed brands actually become the star of the show). This trend toward greater brand integration within programming appears inevitable as technology empowers viewers with options (e.g., TiVo) to avoid ads.

Our model's four components (as shown in Figure 1) provide a simple basis to organize the body of knowledge in the placement literature. It is clear that this young field has accumulated much knowledge in the form of main effects (see Table 1) and a few interaction effects (see Table 2).

**Focus on Dissociations**

A key contribution of Table 4 is to benchmark and consolidate the existing body of knowledge about the psychological/communicational processes that explain how placements work. It is a formidable challenge for sponsors to design and execute successful placement campaigns. Typically, placement campaigns seek multiple desirable outcomes (e.g., prespecified cognitive, affective, and conative outcomes in terms of the HoE model framework), but it is a challenge to accomplish those outcomes with certain strategies. In other words, research has often showcased instances of "dissociation" whereby a given communication process or strategy may yield stellar results on one outcome variable while underperforming on other HoE outcome classes. In developing Propositions 14a and 14b, for example, we reviewed research findings to highlight the dissociation between recall and attitudinal outcomes on the one hand, and choice effects on the other. This imbalance stems from different mechanisms that govern the explicit versus implicit memory dichotomy.

Each row of Table 4 summarizes a different dissociation and its related propositions, processes, and impact on each of the three HoE performance outcome classes. This table offers valuable guidance to sponsors and researchers by alerting them to placement strategies that may not yield desirable results on all three HoE outcome classes. In a nutshell, it delineates the outcome trade-offs associated with pursuing different placement campaign strategies and reinforces the value of developing specific goals around each placement campaign. Greater understanding and knowledge of dissociations and related processes is likely to empower sponsors to develop or structure placement stimuli to achieve specific outcomes.
Overall, the purpose of Table 4 is to emphasize that the psychological processes underlying placements are fundamentally complex, and that they may influence variables in different HoE outcome classes in different ways. This serves to sensitize researchers and placement sponsors against unrealistic assumptions that a given placement strategy (and its underlying processes) will deliver desirable results on all three HoE outcome classes. Any such assumption is incorrect for all the dissociations listed in Table 4.

Typical Versus “Home-Run” Placements

As discussed next, our model is appropriate for both “typical” placements and “home-run” placements (i.e., placements that yield spectacular performance results).

Our framework accommodates typical product placements that are relatively brief, visual in character (visual placements constitute the majority according to Avery and Ferraro 2000), involve familiar brands, and are crafted to fit with the story (thereby channeling viewers’ attention in a direction that a writer or director would prefer). In such cases, given earlier discussions regarding implicit versus explicit memory, we predict that low levels of viewer processing may yield mild and short-term effects on cognitive outcomes, and strong/long-lasting effects on affective and conative outcomes. For sponsors, conative effects are clearly more important.

The preceding points are significant because they differ sharply from practitioners’ bias toward measures of explicit memory for evaluating placement performance (Law and Braun 2000; Law and Braun–La Tour 2004). Perhaps because of this bias, the industry’s conception of what constitutes value in placements is somewhat skewed. That is, the pricing structure for placements disproportionately emphasizes performance on measures of explicit memory. For example, Walt Disney Company, which considered visual (or on-screen) placements less valuable than other types, priced a placement episode with visual, visual + brand-name mention, and actual product use content at $20,000, $40,000, and $60,000, respectively (Magiera 1990).

Therefore, recent research findings (e.g., Law and Braun 2000; Nedungadi 1990; Shapiro 1999; Shapiro, MacInnis, and Heckler 1997) that link incidental/unconscious stimuli exposure to desirable affective and conative outcomes should prompt placement practitioners to reassess how they value visual placements. This is a very significant issue for movie studios/producers because the bulk of placements are visual in character (with obvious revenue implications) and work well in incidental- or unconscious-exposure environments.

While the preceding discussion is oriented around “typical” placements, our framework also helps clarify factors that must be in place for the relatively rare “home-run” placements that marketers can and do accomplish. For example, in one well-reported case, BMW generated great sales success from placing its Z3 Roadster in the James Bond film GoldenEye (Fournier and Dolan 1997). This placement met the criteria for extensive processing presented in our model: The car appeared in both verbal and visual modes for relatively long periods; the car was woven into the program plot; the car’s appearance in the film (as the “new” James Bond vehicle) was widely publicized and advertised prior to the film’s release; the car was paired with the lead character; there was a high degree of audience connectedness to the James Bond film series; the car related well with the James Bond character. While acknowledging the potential negative fallout from the use of commercially primed placements in this example (i.e., BMW launched an IMC campaign that primed the placement via traditional ads), we note that the deleterious effects of commercial priming were likely mitigated by media priming because of widespread media coverage devoted to this placement (our proposition predicts that media-primed placements produce beneficial affective outcomes as compared with commercially primed placements). The media attention/priming of this placement was motivated by the momentous scale of this placement (according to Stewart-Allen, it generated over $100 million worth of audience exposure). Finally, we note that other blockbuster placements (such as the appearance of the then-new brand Reese’s Pieces in E.T.) also satisfy many of the preceding criteria.

Directions for Future Research

Tables 1 through 4 highlight an elaborate research agenda on placements that is directly related to our model framework. Several additional issues for future research that are indirectly related to our model framework are discussed next, and are summarized in Tables 5 and 6.

Economic Worth of Placements

The following fundamental question faces placement practitioners, suppliers (i.e., media, including movie studios/producers), and sponsors: What is the economic worth of specific placements? Roberts (2004) summarized recent efforts at three independent firms to assess the economic value of placements to potential sponsors. Nielsen’s Place*Views software tracks descriptive variables about audiovisual placements: the number of episodes, the shows involved, whether the brand appeared in the background or foreground, brand exposure duration, the story character in the placement, and placement content (valence, etc.). Using such information, iTVX helps potential sponsors assess the value of a placement. Finally, IAG’s service focuses on the audience’s ability to recall placed brands in specific shows. Efforts to value placement episodes should be informed by rationales advanced in our model.
TABLE 5
Key Similarities and Differences Between Ads and Placements

<table>
<thead>
<tr>
<th>Ads</th>
<th>Placements</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Similarities</strong></td>
<td><strong>Placements</strong></td>
</tr>
<tr>
<td>Ads are paid for.</td>
<td>Placements are paid for.</td>
</tr>
<tr>
<td>Skepticism toward ads adversely affects processing of ads.</td>
<td>Skepticism toward ads adversely affects processing of placements.</td>
</tr>
<tr>
<td>$A_{ad}$ is positively related to $A_{placement}$.</td>
<td>$A_{placement}$ is positively related to $A_{ad}$.</td>
</tr>
<tr>
<td><strong>Differences</strong></td>
<td><strong>Differences</strong></td>
</tr>
<tr>
<td>Message accompanies, and is therefore distinct from, editorial content.</td>
<td>Message is embedded in, and is therefore not distinct from, editorial content.</td>
</tr>
<tr>
<td>Ads accommodate mood spillover effects from program to message.</td>
<td>Placements facilitate mood spillover effects better than ads.</td>
</tr>
<tr>
<td>Ads can range over the informational/transformational continuum.</td>
<td>Placements are more transformational than informational.</td>
</tr>
<tr>
<td>Ads can range over the argument/drama continuum.</td>
<td>Placements are closer to drama than to arguments.</td>
</tr>
<tr>
<td>Informational/argument ads are processed evaluatively.</td>
<td>Placements are more likely to be processed empathetically.</td>
</tr>
<tr>
<td>Ads are characterized by low levels of disguise and obtrusiveness.</td>
<td>Placements have high levels of disguise and obtrusiveness.</td>
</tr>
<tr>
<td>Ads identify the sponsor.</td>
<td>Placements do not identify the sponsor.</td>
</tr>
<tr>
<td>Ad-specific regulations exist.</td>
<td>Placement-specific regulations do not exist.</td>
</tr>
</tbody>
</table>

*Note: $A_{ad}$ = attitude toward the ad; $A_{placement}$ = attitude toward the placement.*

Research That Extends Operationalizations and Contexts

Table 1 highlights research opportunities to extend operationalizations of specific constructs in previous empirical work. For example, researchers have studied the opportunity-to-process-placement construct in our model with proxy variables such as placement prominence or exposure duration. Other operationalizations worthy of research include repetition frequency for placement episodes within a movie, and the pace at which the brand message is disseminated therein.

Because most placement studies are highly context-driven (e.g., they focus on a single stimulus or a specific audience type), there is a need to extend them to newer contexts/cultures/nations. Also, most placement studies focus on the individual as the unit of analysis for exposure, processing, and outcomes. Unfortunately, this precludes assessment of the role of coviewing behaviors in shaping placement outcomes (such behaviors are those that are exhibited during shared viewing experiences). For example, does a given placement generate a different impact on an individual depending on where the exposure occurs (e.g., at home or in a theater)?

Finally, the bulk of our model development work depended on the advertising literature to advance propositions. Future research needs to delineate the boundary conditions that limit/preclude the extension of advertising-based insights into product placement contexts. With respect to our model framework, several interactions featured in Table 2 have not been empirically tested in placement contexts (e.g., Chang 2002 investigates some of our model factors in advertising contexts), so they present new research opportunities. This table focuses only on published work; many interactions among our model variables await research.

Comparative Studies

First, researchers should compare placements with other types of messages. For example, Table 5 is a by-product of the model development process that delineates the similarities and differences between ads and placements. Empirical comparisons of ads and placements, along the lines of studies that compare ads with other message types (e.g., Singh, Balasubramanian, and Chakraborty 2000) are needed. Recently, Roehm, Roehm, and Boone (2004) compared placements with plugs (both are hybrid messages).

Second, research could compare specific types of placements. For example, Tiwakul and Hackley (2005) investigated nonintegrated product placements (i.e., brands presented in the beginning or end of a program without any integration into its content). After controlling for information content, it may be useful to compare nonintegrated versus integrated placements on several performance measures. Given the growing array of placement types, other comparisons that await research inquiry include virtual versus retrospective versus on-line placements; primed versus nonprimed placements; informational versus transformational placements; and ordinary versus customized, collaborative, blatant, fake, and exclusive placements (see Table 6 for definitions).

Finally, future studies might compare the performance of identical placements across program genres (e.g., game shows...
### Table 6
Additional Topics for Future Research

<table>
<thead>
<tr>
<th>Key topics</th>
<th>Research questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic worth of placements</td>
<td>What is the economic worth of a placement?</td>
</tr>
<tr>
<td>Research that extends operationalizations/contexts</td>
<td>What are the implications of new operationalizations for old constructs?</td>
</tr>
<tr>
<td></td>
<td>Does the impact of placements change depending on whether the exposure occurs in individual (home/video iPod) or group (theater) settings?</td>
</tr>
<tr>
<td></td>
<td>What boundary conditions limit extension of advertising insights to placements?</td>
</tr>
<tr>
<td>Comparative studies</td>
<td>Compare placements with other types of messages (e.g., ads).</td>
</tr>
<tr>
<td></td>
<td>Compare various types of placements after controlling for information content: nonintegrated versus integrated placements, ordinary placements versus customized, collaborative, blatant, fake, and exclusive placements. (By way of definition, ordinary placements feature real brands, but these brands are imposed on audience members in a way similar to mass advertising; customized placements rely on technology and a participant’s input to adapt or tailor the message to his or her context; collaborative placements are analogous to mass customization, where a firm and its customer collaborate to design and produce a customized product [e.g., an auto racing on-line game may allow individuals to choose both a brand-name race car and the logos displayed on its exterior during the game]; blatant placements involve excessive prominence or exposure duration, which irritates audiences; fake placements involve fictitious brand names that present a research opportunity to assess the added-value and realism that actual brands contribute to a movie. Finally, exclusive placements go significantly beyond integrating brands into a script; examples include movies such as Harold and Kumar Go to White Castle, which feature the brand name in the title, thereby elevating it to a vital story element.)</td>
</tr>
<tr>
<td>Placement saturation studies</td>
<td>Compare the impact of identical placements embedded in different program genres, media types, and media vehicles.</td>
</tr>
<tr>
<td></td>
<td>What is the saturation point for product placements (in terms of the number of episodes, product categories, or brands included) in, say, a movie?</td>
</tr>
<tr>
<td></td>
<td>What is the optimal number of repetitive placements within a movie that avoids audience perceptions of saturation for a specific brand?</td>
</tr>
<tr>
<td></td>
<td>Does category exclusivity (the absence of competing brands) increase the economic worth of a placement?</td>
</tr>
<tr>
<td></td>
<td>Do exclusive placements (no other placed brand from any category) increase such worth?</td>
</tr>
<tr>
<td>Supply-side perspective</td>
<td>What levels of exposure time and prominence render a placement blatant (i.e., likely to irritate audiences)?</td>
</tr>
<tr>
<td></td>
<td>What processes, assumptions, and goals do creative personnel use to combine brands with actors, characters, and story lines in placement contexts?</td>
</tr>
</tbody>
</table>

versus reality shows versus sitcoms), media types (e.g., movie versus television versus radio versus on-line; see Nelson and McLeod 2005), and media vehicles (e.g., The Price Is Right versus Wheel of Fortune; see Gould and Gupta 2006).

**Placement Saturation Studies**

Despite their obvious importance to practitioners and sponsors, researchers have not explored questions such as: What is the saturation point for product placements (in terms of the number of episodes, product categories, or brands included) in, say, a movie? What is the optimal number of repetitive placements within a movie that avoids audience perceptions of saturation for a specific brand? Does category exclusivity (the absence of competing brands) increase the economic worth of a placement? Do exclusive placements (no other placed brand from any category) increase such worth? What levels of exposure time and prominence would cause a placement to be perceived as blatant, with the concomitant prospect of irritating the target audience?
Supply-Side Perspective on Placements

Another element missing in placement research is a formal analysis of the goals/assumptions of program creators about human nature as portrayed through novels, plays, programs, and cinema (Turow 1978; Wells and Anderson 1996). Future research should examine the processes that creative professionals use to combine brands with actors, characters, and story lines.

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In conclusion, we reiterate the growing significance of placements in terms of both marketing budgets and audience impact. We also emphasize the desirability of future research on long-term effects of placements, because extant work is focused around their short-term effects (McCarty 2004).

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