I Saw it in the Movies, But Does That Matter? Product Placement in a Cross Cultural Study Between Brazil and the USA

Abstract
The broader objective of this study was to measure the attitudes of consumers regarding the brand displayed by this strategy as well as to highlight recall, recognition and purchase intentions generated by product placement on consumers from both Brazil and the USA. It can be concluded that product placement varies markedly in the U.S. from Brazil based on the influence of a range of factors. In order for product placement to become more competitive in the promotional marketing, there will be the need for researchers to extend focus from the traditional variables and add knowledge on the conventional marketplace.

Keywords: Product Placement, Cross Cultural Study, Mere exposure effect.

1. Introduction
Marketers have required finding alternate devices to communicate more competently with consumers, as they got tired of common advertisements. Product placement came to the attention of marketers and advertising agencies as an alternate scheme to traditional marketing communications. It is currently everywhere over the media as well as the world. It is really frequent to see brands or products in movies, television shows, music videos, video games, and even novels all over the globe. In Brazil, the term is often called commercial merchandising.

However, for purposes of this research, I will apply the term used in the international literature. Some researchers (DeLorme and Reid 1999; Hudson and Hudson 2006; Karrh 1998; Matthes, Schemer, and Wirth 2007; Nelson and Devanathan 2006; Yang et al. 2006) argue that brand placement is a more appropriate term to capture the scope of activities of placement, although product placement remains the most common term.

Historically, the marketers’ approach of using the entertainment context to promote their product is not unfamiliar (Hackley and Tiwsakul 2006; Russell and Belch 2005), with records from 1890 indicating that Lever Brothers promoted their soap brand in some of the first films ever made (Hudson and Hudson 2006; Nelson and Devanathan 2006). According to Brett (1995) product placements have been in existence as early as 1920s and 1930s, but their depiction was intermittent and erratic and did not yield successful results, due to adverse economic conditions and lack of acceptance of such promotional means by the audiences.

Prior research suggests that audiences sometimes notice the product placements in movies and TV shows. However, there is insufficient data to verify that such product placements have the ability of influence the brand attitudes of the audiences. Moreover, there is lack of empirical evidence about the factors that produce such effects. There are also questions regarding the types of placements that are more persuasive compared to the others. The results of this study will provide insights on the value of the product placement technique for marketers and help them ascertain whether they can depend on mere exposure effect and repeated product exposure in order to increase the effectiveness of the product placements.

Secondly, there are numerous cross-cultural studies based on comparing and analyzing the perceptions and brand attitudes of consumers towards promotions and advertising. However, there is a dearth of studies, which explore and analyze the brand attitude of consumers from different cultures with regards to their perception of product placements in movies. According to
Lee, et al. (2010) marketers should ensure that decisions regarding product placement are based on exhaustive research of cultural characteristics, consumers’ beliefs and attitudes.

To further explore and address this issue, the current study is based on comparing the behavior patterns of young adult audiences from USA and Brazil towards product placements appearing in movies. Reports suggest that Brazil is the second largest and fastest growing market for product placement after USA (PQ Media, 2007). Moreover, in spite of being one of the largest markets for product placements, there is a dearth of research regarding the brand attitude and purchase intentions of young adult audiences exposed to the product placements in Brazil. The current study makes an endeavor to comprehend the conspicuous cultural-differences and similarities between American and Brazilian young adult audiences (Hofstede and Hofstede 1984) in order to aid marketers in serving these markets and targeting the consumers more effectively.

The following research question was designed following thorough discussion in the previous sections of the research. What are the differences and similarities in the Brazilian and American consumers’ behavior, based on the influence of the product placement strategy?

The study sought to investigate product placement in movies in a cross cultural study between Brazil and the USA by looking at the behavior of consumers following influence of the product placement strategy. Product placement may generate certain behaviours among consumers making it instrumental to analyze the consumer perceived value of movies in relation to product placement.

2. Literature Review

Karrh (1998) propounds that brands and products are an inseparable part of mass media programs. According to Turner (2004) and Lehu (2007), marketing and entertainment have always been allies. Currently, the strategy of product placement in movies is a staggering multibillion-dollar business. Its costs vary with the duration, interaction between the product and the characters, as well as the prominence of placement (Avery and Ferraro 2000; Russell 2002). Despite the strategy being in existence for over a century, the literature on product placement is quite recent and came into existence primarily in the last decade (Russell and Stern 2006) and has not been given its due importance (Babin and Carder 1996; DeLorme and Reid 1999; Hudson and Hudson 2006; Karrh 1998; Russell 1998). Karrh (1998) and Russell (1998) were the first authors to formulate theoretical reviews on the subject in an attempt to deal with the lack of a theoretical framework to support a product placement strategy to implement.

One of the most critical advantages of the product placement strategy for the filmmakers is the ability of this strategy to significantly offset the film production and rental costs (Govani, 1999; Gunther, 2000; Gupta, et al., 2000). In addition to the above, the product placement strategy enables filmmakers to depict the contemporary and realistic world in the story, hence adding a touch of realism to the film (Brennan, et al., 1999; Gunn 2001). Due to the worldwide distribution of most American films, the marketers stand to gain tremendously from placing the products in the films and resultantly reaching out to a global audience at a significantly lower cost (Marshall & Ayers, 1998; Curtis, 1999; Gould, et al., 2000).

However, the product placement strategy has some disadvantages to consider. Although the strategy is an effective cost saving promotional tool for marketers, the eventual inclusion or deletion of the placement is contingent on the filmmaker and script, thus making the practice rather unpredictable (Bamrud, 2001). The depiction of the product placement may eventually prove to be unflattering and displeasing within the context of the film, thus resulting in the loss of the intended message (Cowlett, 2000). As Balasubramanian (1994) explained, the impact of the product placement in the films may not be as potent as traditional marketing and promotional
There is lack of empirical research exploring the effect of the product placement strategy and its influence on the audiences/consumers purchase intention and change in attitude. Very few studies have examined the effect of consumer attitudes and perceptions towards the product placement strategy (Lai-Man and Wai-Yee 2008; McKechnie and Thou 2003; Morton and Friedman 2002). Furthermore, as noted by Karrh (1998), the results of academic research on the influence of the brand placement strategy on brand memory are diverse. In order to increase the number of these studies, the three variables (attitudes towards brand, recall, and purchase intentions) are tested in the current study.

While analyzing the efficacy of product placements, it is imperative to study the effect of product placements on brand evaluation. According to Babin and Carder (1996a), there is an association between the product placements and their influence on brand evaluations or attitudes of the audience. However, research suggests that extant studies have only analyzed the explicit measures of brand evaluations and purchase intention. There is substantial research suggesting that the consumer’s attitudes can be conditioned without their explicit memory of exposure to the product (Olson & Fazio, 2001). Moreover, implicit memory may be a good determinant of analyzing the consumer’s attitudes (Fazio & Olson, 2003).

Gupta and Lord (1998) state that both mode and prominence are relevant in order to incorporate the brand into the programming and help the marketer to ascertain its cost. Also, different types of placements are expected to have various degrees of impact on consumers’ attitudes and memory. In order to comprehend the potential of brand placement and choose the most befitting placement strategy, it is imperative to conduct further studies on the effects of different types of placements. The three dimensions discussed by Russell (1998) exemplify the complexity of investigating how consumers may process product placements. The difference of each of these dimensions illustrates the multidimensional nature of product placements, suggesting that a variety of psychological processes are at work when a viewer comes across a brand in the context of a movie or TV show.

At the most basic level, when product placements are merely seen or mentioned in a story, the process may be as simple as mere exposure (McCarty 2004). Studies reveal that ‘mere exposure’ to a product or brand may prove effective in encouraging a consumer to develop a favorable attitude towards the product, in spite of the fact that the consumer may have no evident recollection of seeing the product (Janiszewski, 1993; Zajonc, 1968). The ‘Mere Exposure Theory’ has been defined as ‘the exposure of an individual to a stimulus is a sufficient condition for the enrichment of his attitude towards it’ (Zajonc, 1968). Janiszewski (1993) showed that mere exposure may result in more positive attitudes toward a brand, although the viewer may not necessarily recall the exposure to the brand. It would appear that mere exposure might help clarify some types of product placements particularly the ones involving brands presented as props in one or more scenes of a movie. To sum up, the most likely processing route for product placement messages is peripheral, wherein low-involvement learning continues to occur.

Product placement may affect viewers’ implicit attitudes, which can be influenced just by mere exposure to the brand name or because of associations created by the brand and the movie/show. Moreover, the mere exposure theory is believed to produce a positive affect towards the stimuli, which may be an indication that the stimuli may be a source of benefit to the individual, hence resulting in influencing the individuals purchase intention (Young and Claypool, 2010).

Most researchers and academicians who have conducted studies on the subject of product
placement have concurred that it is crucial to also investigate the acceptability of product placements across different cultures and analyze the manner in which individuals in different countries interpret them (Gould et al. 2000). Moreover, most studies indicate that globalization will eventually lead to cultures converging to create a world of one common culture (Tse et al. 1988).

However, fundamental elements underlying a culture are durable, resistant to change, and persist through generations. For this reason, despite changes driven by globalization, cultures will retain their fundamental values and identity over generations (Hofstede and Hofstede 1984). Therefore, the examination of cultural effects on consumer behavior is necessary to carefully understand international consumer behavior associated with product placements. In spite of the critical effects of cultural differences on consumer behavior, the question of how culture might moderate consumer behavior remains mostly unanswered because of the confounding culture meaning and its consequences.

According to Gould, et al. (2000) it is necessary for marketers to analyze and study the ramifications of product placement on a cross-cultural basis in order to comprehend the issues related to standardization vs. adaptation. Since it is not possible for a filmmaker to have different international versions based on the product placements offered by the marketer, hence the product placement strategy becomes a strategy of standardization.

Hypothesis Development

The hypotheses are formulated by analyzing the existing theoretical frameworks and previous research on brand placements in movies. Based on this, four categories of variables will be used to compare the behavior of consumers in Brazil and the United States under the influence of the product placement strategy: attitude towards the brand, recall, recognition and purchase intentions. With regards to the above-mentioned variables, it is expected that some aspects of these variables are convergent, and while others will diverge (Burton 2003; Malhotra and Agarwal 1996; Samiee and Athanassiou 1998).

According to studies by Karrh, et al. (2003) movies are an effective medium for marketers to include brand placements because films have the ability to influence mood, social judgments and have the benefits of having a longer shelf life and global distribution (Forgas and Moylan, 1987). The above is corroborated by Moster et al., (2002) who explained that movies enable marketers to expose and promote their products / brands to millions of customers, making product placements a rapidly growing marketing communication medium. Furthermore, studies by Keller (1999, p.102) suggest that consumers exposed to product placements through a stimulus like movie are more likely to later on recall an advertisement or commercial for the brand. There is academic evidence to suggest that the influence of product placement on a consumer’s memory is better in cases where the product is placed within a film, as opposed to the same brand that does not feature in a film (Karrh, 1998).

Considering the above, it can be surmised that product placements in movies could be used a strategic tool to increase a consumers brand knowledge, comprising of ‘brand awareness and brand image,’ (Keller, 1999, p. 102). However, there is conflicting research, which suggests that influence of product placements on the consumer’s brand / product related memory is divergent and not always positive (Babin & Carder, 1996a, 1996b; Ong & Meri, 1994 cited in Yang & Roskos-Ewoldsen, 2007).

Moreover, it is difficult to comprehend and establish the effectiveness of product placements despite its escalated use to target audiences, since most of the extant data on the effectiveness of product placements is patented (Karrh, 1998; Yang, Roskos-Ewoldsen, & Roskos- Ewoldsen, 2004). Furthermore, it is difficult to ascertain the effect of product
placements due to its dynamic nature (Babin & Carder, 1996a; Bhatnagar, Aksoy, & Malkoc, 2004; d’Astous & Chartier, 2000; Gupta, Balasubramanian, & Klassen, 2000). The inconsistent results of extant studies prompt the development of the hypothesis as proposed below;

H1: Consumers / Participants who viewed the brands / products in the movie have a higher brand / product recall compared to the consumers / participants who did not view the brands / products in the movie.

Russell (2002) explains that the different levels of product placement could result in varied reactions from the audience. A study conducted by Russell (2002) investigated the consequences of varying levels of two types of plot connection on product placements. Firstly, high plot placements wherein the products / brands feature prominently in a storyline (Russell, 1998, p. 357). Secondly, the low plot placement where the product / brand appears in the background (Russell, 1998, 2002).

The results of the above-mentioned research suggested that the product / brand recognition rate was higher for products of high plot visual placement than the low plot visual placement. Thus implying, that a low plot placement (a brand in the background) may not be as effective as a high plot placement (Russell 2002). However, the background placement is the cheapest option among the product placement strategies (McCarty 2004) and the easiest to be included in the movie, since it is not involved in the script and has no audio mention, it is one of the cheapest marketing and promotional tools for practitioners and the inclusion of brands / product placements in movies is relatively undemanding because it is least likely to encounter on the spot counter argumentation.

Lastly, previous studies have revealed that the mere exposure effect impacts consumers’ attitude towards the brand placed. The mere exposure (ME) induces positive reaction to familiar stimuli as compared to their novel counterparts (Zajonc, 1968). According to Young and Claypool (2009), previous mere exposure to stimuli can provide valuable information regarding the most vital stimuli in the current environment. Researchers have suggested that an individual’s memory may work tacitly or implicitly without awareness. Furthermore, the implicit memory may influence the interpretation of future events (Jacoby & Witherspoon, 1982) and behavior related to choice (Law & Braun, 2000).

With regards to background placements, since they are not in the foreground, they do not receive the same amount of processing as the prominently appearing brands. However, the mere exposure or implicit memory of the consumer may enable the consumer to recall the brand for a longer time (Graf & Mandler, 1984; Graf et al., 1982; Jacoby & Dallas, 1981; Tulving et al., 1982). Furthermore, with regards to the cross-cultural effect of product placement, several studies have raised questions about apprehending the similarities and differences in the acceptance of product placement across consumers from different nations (Gupta and Gould, 1997).

Gould et al. (2000) and Brennan et al. (2004) demonstrated significant differences between gender and movie watching frequency among Americans, Austrians, French and Australians. Previously conducted cross-cultural studies (Gould et al. 2000; McKechnie and Thou 2003) revealed that U.S. consumers have a tendency to accept product placement more than the French, Austrian and Chinese consumers. In a study conducted by Tiwsakul, et al. (2005) in USA, it was observed that most respondents in the survey were not affected by the appearance of brands on television programs. Moreover, researchers have observed that the decisions made by consumers belonging to individualistic cultures like US are contingent on accurate facts and driven by a need of the consumers to derive their own conclusions. However, in collectivistic cultures consumers base their decisions on emotional appeals rather than rational appeals (Han and Shavitt, 1994; Taylor et al., 1997).
Thus, it can be concluded that there is basis for assuming that there is a discernible difference between consumers in different countries with regards to their attitude towards product placement. Most of the extant research has focused on the effectiveness of product placement as a promotional strategy. However, since most of the studies are based in US, there is a dearth of research on how the product placement strategy is perceived by consumers in different countries (Gould, et al., 2000). A study by Gould, et al. (2000) comprising 1012 US, 204 French and 240 Austrian college students explains that the country of origin and subjective differences of the individuals belonging to those countries, may affect not only their acceptance levels of the product placements but also affect the purchase intention.

Furthermore, the results indicate that the standardized strategy of product placement across different countries and cultures can exist despite the subjective differences and interactions. To investigate the above mentioned issues discussed here, the following 3 hypotheses were proposed with regards to cross-cultural analysis of product placements between participants from USA and Brazil:

$H_2$: US Consumers / Participants are able to recognize and recall brands / products which appear in the background of the movie than Brazil.

$H_3$: Consumers / participants from USA are more accepting of product placements compared to their counterparts in Brazil.

$H_4$: There are discernible similarities in consumer / participant brand attitudes and purchase intentions in consumers / participants from USA and Brazil in spite of the fact that their country of origin is different.

3. Method

The study is an investigation of the use of implicit and explicit measures on product placement in a cross-cultural research. Brazilian and American consumers were investigated, and the perceptions of viewers who are exposed to product placement and those who are not are examined, as shown in figure 1:

<table>
<thead>
<tr>
<th>Control Group</th>
<th>Experimental group</th>
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</thead>
<tbody>
<tr>
<td>No exposure to stimulus (brand edited out of the movie clips)</td>
<td>Exposure to stimulus (brands placed in the movie clips)</td>
</tr>
</tbody>
</table>

Figure 1: Design of study

Construct equivalence means that the constructs in the original and translated versions of an instrument have the same meaning (Malhotra, Agarwal, and Peterson 1996). To get construct equivalence in both the English and the Portuguese versions, one of the Brazilian researchers and I assessed content validity of the instruments after backward and forward translations were done through Confirmatory Factor Analysis (CFA), in order to check if the constructs from both the original and translated instruments were correlated, was performed after data collection.

Based on the literature review, this study used an existing measurement scale, which was created by Gupta and Gould(1997) and replicated by Gould, Gupta, and Grabner-Kräuter(2000) in their cross-cultural study among Austrian, French and American consumers related to attitudes towards product placement. Two backward and forward translations were conducted by the two Brazilian researchers for each measurement item to ensure instrument equivalence between the two countries. All measurement items had good construct validity assessed in previous research (Brennan et al. 2004; Gould et al. 2000; Karrh et al. 2001) and the instruments also generated good construct validity and reliability in the pre-testing.
Besides that, other items were created to measure the constructs in the present research. By semi-structured interviews, six graduate students in Brazil and nine graduate students in the U.S, talked about specific information concerning their perceptions on Product Placement and, therefore, more items for the quantitative inquiry were created. The interviews last from 20 to 25 minutes each. In order to accomplish the objectives of this research, the model was tested with respondents representing consumers in the two studied countries, Brazil and the United States of America. Each group of respondents saw the stimuli and responded to the questionnaire afterwards.

The questionnaire was pre-tested in Brazil and in the United States. The first section was designed for assessing attributes of the sample population. On the other hand, the second section of the questionnaire was designed to assess various variables about product placement in movies in across cultural study between Brazil and the USA using five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Various approached were used to administer questionnaires to the targeted respondents. A total of 800 questionnaires were prepared and sent to respondents in different geographical locations. Out of 800 questionnaires 651 questionnaires were successfully filled and the responses thereof subjected to statistical analysis.

The pre-test was used to identify items that could be unclear and to enhance the conceptual equivalence for the Portuguese and English versions of the instrument. Pre-tests were conducted with service marketing students at Itajai Valley University for the Brazilian pre-test sample (n=34) and market research students at the University of Nebraska-Lincoln for the American pre-test sample (n=38). They all got class credit for participating in the pre-test.

The reliability of each construct was established using Cronbach (Cronbach 1951) alpha coefficient with a cut-off value of .70 to proceed in further analysis. Each construct showed good reliability for the Brazilian and American pre-test data. Confirmatory Factor Analysis was conducted to identify whether the measurement items measured the construct interest. To confirm the degree of construct equivalence, measurement equivalence in the pre-test was checked using simultaneous multi-group factor analysis (Mullen 1995; Steenkamp and Baumgartner 1998). No items were dropped based on the pre-test results since the size of the sample was somewhat small for using a Confirmatory Factor Analysis (CFA) model.

Since this study investigates the effects within the context of Product Placement, great care was taken to select the scenes from the movies for the video clip that was made. Excerpts from popular movies were used as stimulus for this study. The movies were selected based on the list available on the Brand Cameo website, which provides information about product placements in movies. The films were chosen based on three criteria: Released within the last five years (current and realistic brands and brand association); brands placed in the background of the scene; and similar level of brand familiarity among respondents.

To guarantee the comparability of results among all used brands, a pre-test was conducted to ensure that they possessed equivalent levels of familiarity within the population of interest, both in Brazil (n= 39) and in the U.S (n=42). A total of 25 brands were tested and the ones that got similar levels of familiarity in both countries were chosen to be used in the stimulus. Two movies were chosen to be part of the clips: Hitch, released in 2005, and Funny People, which came out in 2009. Two clips were edited; one with all the brands in the background and the other one had them all erased, in order to check the differences between the groups.

The selected brands in the movie “Hitch” were Sony, Google and Honda Civic. The first scene, which lasts two minutes and 11 seconds, shows the main couple having a conversation over a walkie-talkie and the brands that appear are Sony and Google on the computer of the female
character. The second scene lasts two minutes and 11 seconds and it shows again the main couple talking outside a building. The brand here is a Honda Civic parked on the street.

The movie “Funny People” has also two scenes. The first one shows two male characters having a conversation and Apple is in the background. That scene lasts one minute and one second. The second scene, which lasts 27 seconds, shows three people watching TV and the brand Sharp also appears as a low plot connection.

As said earlier, background placement (a low plot) was chosen to be used in this study for some reasons, as follows: (1) Erdelyi and Zizak(2004) affirm that if the message-by-association is too explicit, the subject might critically reject it, since too much awareness can initiate critical or defensive evaluations of the message and may well lead to its rejection; (2) Cowley and Barron (2008a) comment that a prominent placement may activate persuasion knowledge (Friestad and Wright 1994), which may be interpreted as an attempt to influence the viewer and could guide to negative shift in brand attitude.

Furthermore, the motivation for this selection was that respondents were thought to be an appropriate sample since young adults (18 to 24 years of age) are avid film attendees and product placement in films is therefore an effective way to target young, affluent, and well-educated consumers (Van der Waldt, Du Toit, and Redelinghuys 2007). According to Dortch(1996), the 18-24 year old is the primary audience for film makers and many television producers, which justifies the use of the sample.

Irrespective of whether the researcher has used qualitative or quantitative research design, data analysis is important. The research used both quantitative and qualitative methods to analyze the data that was collected. Qualitative data analysis was used to analyze the qualitative data collected from the interview conducted by the researcher. Concerning the quantitative data collected using closed ended questionnaires, Structural Equation Modeling (SEM) was employed where factor analysis and regression was conducted accordingly. Other methods that were used in analysis of different variables include Confirmatory Factor Analysis, ANOVA, Regression and model-fit indices, such as the Chi-square statistic, Degrees of Freedom (DF), Chi-square statistic (CMIN)/DF, CFI, and RMSEA. AMOS was used to run SEM, since SPSS cannot do the same.

4. Results

The hypotheses of the research model set in the earlier sections were tested using SEM. The results of the hypotheses tested, based on the research model and their comparative analysis for the hypothesized path, is provided below.

While testing the research model, the error variance for product placement attitudes was negative for both the groups. The Heywood Case was used to fix the negative value by using very small positive value (0.005) (Bentler & Chu, 1987; Dillon, Humar, & Mulani, 1987). Thus, the error variance was set in both the groups. After changing the error variance, the model-fit indices were obtained as reported in the following Table. The hypotheses proposed were tested using the final model.

The first hypothesis examined the difference between the consumers who were exposed and those who were not exposed to the different brands in the movie and their abilities to recall those brands. The exposed group showed a regression weight of 0.221 and the unexposed group showed a regression weight of 0.108 in the SEM. The estimates within the groups were significant at 0.05 levels in the SEM. The hypothesis supported both the groups with exposed consumers having higher regression estimates compared to the unexposed consumers, which indicated that the hypothesis could be accepted given there was a significant difference as indicated by the Chi-square test in SEM.
Table 1. Regression estimates and t test results of Hypothesis 1

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Estimates (Exposed)</th>
<th>Estimates (Unexposed)</th>
<th>( \chi^2 ) test</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>0.221***</td>
<td>0.108***</td>
<td>0.0001</td>
</tr>
</tbody>
</table>

***Significant at 0.0001 levels

Assuming model Unconstrained to be correct:

<table>
<thead>
<tr>
<th>Model</th>
<th>D</th>
<th>CMI</th>
<th>P</th>
<th>NFI Delta-1</th>
<th>IFI Delta-2</th>
<th>RFI rho-1</th>
<th>TL I rho2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hypothesis 1</td>
<td>1</td>
<td>12.62</td>
<td>.00</td>
<td>.001</td>
<td>.001</td>
<td>0</td>
<td>.00</td>
</tr>
</tbody>
</table>

Hypotheses 2

**H2: The US Consumers / Participants are able to recognize and recall brands / products, which appear in the background of the movie when compared to the Brazilian Consumers / Participants.**

The second hypothesis examined whether there was a significant difference between the consumers of the USA and Brazil regarding recognizing and recalling the brands that appeared in the background of the movie. The American consumers had a regression estimate of 0.251, while the Brazilian consumers showed an estimate of 0.164. The estimates within the group were significant at 0.05 levels in SEM. The hypothesis was supported in both the countries with American consumers having higher regression estimates and mean values as compared to the Brazilian consumers, which indicated that the hypothesis could be accepted since there was a significant difference, which was also indicated by the Chi-square test in SEM.

Table 2. Regression estimates of Hypothesis 2

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Estimates (USA)</th>
<th>Estimates (Brazil)</th>
<th>( \chi^2 ) test</th>
</tr>
</thead>
<tbody>
<tr>
<td>H2</td>
<td>0.251***</td>
<td>0.164***</td>
<td>0.0001</td>
</tr>
</tbody>
</table>

***Significant at 0.0001 levels

Assuming model Unconstrained to be correct:

<table>
<thead>
<tr>
<th>Model</th>
<th>D</th>
<th>CMI</th>
<th>P</th>
<th>NFI Delta-1</th>
<th>IFI Delta-2</th>
<th>RFI rho-1</th>
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<tr>
<td>Hypothesis 2</td>
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<td>.00</td>
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<td>.003</td>
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<td>.00</td>
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<tr>
<td>Hypothesis 3</td>
<td>1</td>
<td>.039</td>
<td>.84</td>
<td>.000</td>
<td>.000</td>
<td>.00</td>
<td>.00</td>
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<tr>
<td>Hypothesis 4</td>
<td>1</td>
<td>77.19</td>
<td>.00</td>
<td>.003</td>
<td>.004</td>
<td>.00</td>
<td>.00</td>
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Hypotheses 3

**H3: Consumers / participants from the USA are more accepting of product placements compared to their counterparts in Brazil.**

The third hypothesis examined the product placements between the countries. The regression estimate for American consumers was 0.072, while that for the Brazilian consumers was 0.070. The estimates of SEM within the group were significant at 0.05 levels for both the groups. The
mean values for product placements were also higher for the Brazilian consumers than the Americans. So we can conclude that the consumers from both countries were accepting product placements with greater acceptance on the part of American consumers and this hypothesis was rejected as chi-square is SEM showing a p value of 0.843>0.05.

**Table 3. Regression estimates Hypothesis 3**

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Estimates (USA)</th>
<th>Estimates (Brazil)</th>
<th>(\chi^2) test</th>
</tr>
</thead>
<tbody>
<tr>
<td>H3</td>
<td>0.072***</td>
<td>0.070***</td>
<td>0.843</td>
</tr>
</tbody>
</table>

***Significant at 0.0001 levels

**Hypotheses 4**

**H4: There are discernible similarities in consumers’/participants’ brand attitudes and purchase intentions among the consumers/participants from the USA and Brazil in spite of the fact that their countries of origins are different.**

The fourth hypothesis stated that the American consumers had discernible similarities in terms of brand attitudes and purchase intentions with consumers from Brazil in spite of the fact that their countries of origins were different. The regression estimate for brand attitudes for the US consumers was 0.348 and Brazil’s consumers was 0.201. Brazil’s consumers also had higher mean value for brand attitude than the US consumers. The regression estimates for purchase intentions in the US sample was 0.308, while that for Brazil was 0.218. The American consumers also had higher mean value for purchase intentions compared to Brazilian consumers. The estimates within the group in the SEM model were significant at 0.05 levels. Since the estimates were different for both the countries, there were no similarities between them.

**Table 4. Regression estimates of Hypothesis 4**

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Estimates (USA)</th>
<th>Estimates (Brazil)</th>
<th>(\chi^2) test</th>
</tr>
</thead>
<tbody>
<tr>
<td>H4 Brand attitude</td>
<td>0.078***</td>
<td>0.418***</td>
<td>0.0001</td>
</tr>
<tr>
<td>H4 Purchase intention</td>
<td>0.453***</td>
<td>0.453**</td>
<td></td>
</tr>
</tbody>
</table>

***Significant at 0.0001 levels

**Significant at 0.05 levels

**Table 5: Summary of the Hypothesis testing**

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Brazil</th>
<th>USA</th>
<th>(\chi^2) test</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1:</td>
<td>0.221*** (Exposed)</td>
<td>0.108*** (Unexposed)</td>
<td>0.0001</td>
<td>Accepted</td>
</tr>
<tr>
<td>H2:</td>
<td>0.251***</td>
<td>0.164***</td>
<td>0.0001</td>
<td>Accepted</td>
</tr>
<tr>
<td>H3:</td>
<td>0.072***</td>
<td>0.070***</td>
<td>0.843</td>
<td>Rejected</td>
</tr>
<tr>
<td>H4:</td>
<td>0.078***</td>
<td>0.418***</td>
<td></td>
<td>Accepted</td>
</tr>
</tbody>
</table>

In particular, the overall reliability index for the section on the implicit memory of the consumer was at 0.90. This implies the near effectiveness of this as an instrument. The t test statistic of implicit memory between consumers of Brazil and U.S. show that there is a significant difference between the two. Yang and Roskos-Ewoldsen (2007) have provided an interpretation of consumer implicit memory and in particular in relation to brand placement. Other scholarly

The overall reliability index for the second section on unaided recall of different brands was 0.81. The same criterion for the award of the respondent ability was applied just as in the first section. The parameter on recall and recognition abilities of the respondents is a common feature in most studies in the field consumer behavior as well as in the product placement. The t test statistic of unaided recall between consumers of Brazil and U.S. show that there is a significant difference between the two. Andriasova (2006) views that research has substantiated recall abilities of the audience as being positively related to prominent product placement.

The overall reliability index for the aided recall, which formed the third section of the questions, was 0.94. The product placement embedded on a movie, which was viewed by the target audience. The results for this index indicated a robust consistency trend with the aided recall for the product placement. Zanjoc (1968) describes the aided recall as a simple exposure impact of an individual causing a stimulus that is enough for the enrichment of the audience attitude towards the product. Bornstein and D’Agostino (1992) emphasize that the simplified exposure impacts are higher when the stimuli are felt without consciousness better than when consciously perceived.

The overall reliability index for attitude towards the brand, which formed the fourth section of questions, was 0.77. This was well above the recommended threshold. Past studies have revealed that the mere exposure effect impacts consumers’ attitude towards the brand placed. Ramaprasad (2001) found out that consumers in different countries hold divergent attitudes towards promotional messages and advertisements. The correlation result patterns for brand attitude showed that Honda and Google featured in the extreme ends of the highest and lowest in correlation with other brands, respectively. Arguably, Honda brand is a distinctively oversea brand in either Brazil or the U.S. thus, a probability that a common product placement strategy applied in either countries leading to a closely similar impact since it is an introduced rather than native brand in either. Google is natively U.S. brand, introduced in Brazil thus this could form the bases of the differences in promotional activities by country marketers resulting to differences in the correlation within the brand as well as with other brands. This aligns with the views by ChangHyun and Villegas (2007); Gould et al. (2000); Hudson and Hudson (2006); McKechnie and Thou (2003) as well as Nelson and Devanathan (2006) that there are high chances that end users in different countries have varying attitudes towards brand such that they are customized to fit in that particular taste.

The overall reliability index for purchase intentions, which formed the fifth section of the questions, was 0.89. The t test statistic of purchase intention between consumers of Brazil and U.S. show that there is a significant difference between the two. ChangHyun and Villegas (2007) view that there has been dismal research focus on the effect of the strategy of product placement on consumer purchase intentions. Based on the mere exposure theory is perceived to generate a positive impact towards a stimuli that shows that the stimuli is the source of benefit to the individual hence leading to an influence on the individual purchase intentions (Young and Claypool, 2010; Segrave, 2004 pp.185). The correlation results pattern for purchase intentions showed that Sharp and Yahoo were the highest and lowest.

The overall reliability index for product placement attitude, which formed the sixth section of questions, was 0.81. The reliability index reported was substantially well above the required threshold. The t test statistic of Brand attitude between consumers of Brazil and USA show that there is a significant difference between the two. Based on Lee et al. (2010) intensive research revealed that attitude is a core factors influencing the decisions on perception towards product
placement more so in movies. Other lead factors are cultural characteristics as well as consumer beliefs. According to Babin and Carder (1996a), there is an association between the product placements and their influence on brand evaluations or attitudes of the audience. Based on Avery and Ferraro (2000), there is increasing realization on the use of product placement as a promotional tool by marketers; this is in relation to its influence on the brand attitudes on the consumers.

5. Conclusions

The reliability index for the overall questionnaire instrument gave a sound indication that it had met satisfactorily the overall consistency threshold. The finding on the significant differences on implicit memory between consumers of Brazil and U.S. augured well with the findings by Yang and Roskos-Ewoldsen (2007). Actually, the audience behavioral and judgmental tendencies implied that product placement has significant impact; however this will vary markedly between the Americans and the Brazilians. Implicit memory measures provide the status of a non-conscious effect on the brand placement. This finding has provided an important insight into the alternative measures that are not consciousness accessible as well as provided bases on making inferences on the less understood elements along these tendencies.

6.1 Theoretical Implication

The ties between the prominent product placement and recall abilities could best explain why there are significant differences in unaided recall between consumers of Brazil and U.S. this is also captured in the works of Andriasova (2006). The overlap in the comprehending the marketers’ strategies and consumer behavioral tendencies on products and their placement could alienate the potential impacts of the cross-cultural influences if research findings show that marketers’ strategy are primary and the end user behavioral tendencies act as the compounding factors.

The fact there is a significant difference in the attitude towards product placement as well as brand between consumers of Brazil and USA implies its essential role influencing marketers aiming at maximizing promotional impacts on end users with varied background and regional isolation. Anecdotally, the factor of attitude is compounded by other factors as captured by Lee et al. (2010). Thus, it difficult to find that attitude has individually led to divergent impacts on the product placement. Babin and Carder (1996a) found out that a positive relationship existed between the product placements and their influence on brand evaluations or attitudes of the audience. According to Avery and Ferraro (2000), there is increasing realization on the use of product placement as a promotional tool by marketers; this is in relation to its influence on the brand attitudes on the consumers.

According to the mere exposure theory, there is perceived generation of a stimuli that lead to a positive impact by the product placement on the consumer purchase intentions. This shows that the stimulus is the source of benefit to the individual hence leading to an influence on the individual purchase intentions (Young and Claypool, 2010; Aldridge, 2003 pp.253). According to ChangHyun and Villegas (2007) there is insufficient in the area on the effect of the strategy of product placement on consumer purchase intentions.

The Chi Square statistical test results indicate that actually there are discernible semblance in consumer / participant brand attitudes and purchase intentions in consumers / participants from the U.S. and Brazil in spite of the fact that their country of origin is different. These interpreted to imply that there are relational overlaps, where the Americans consumer purchase intentions can recognize themselves with the Brazilians.
Finally based on the overall findings of this study, there are existing differences from one country to another on the consumer attitude, thus the impact of a common marketing may yield divergent effects across the cultures due to response on the aided, unaided as well as differences in implicit memory of both. Brennan et al. (2004) have also viewed this in their study. The nationality aspects are increasingly gaining popularity in the product placement as vital variables the significantly influence the marketer strategy.

5.2 Managerial Implications

Mere exposure effect falls under the product placement strategy. This study has given focus to mere exposure effect concept and its effectiveness in delivering product placement. Based on the revelation of this study and previous ones, as part of product placement mere exposure effect can play an imperative role delivering promotional services for marketers, more so due to its cost effective nature. Moreover, the mere exposure effect leads to an adequate stimulus condition that imparts positive influence on the audience towards the brand, particularly on their attitude. Mere exposure effect clarifies particular product placement types with increased impact on the individual brands presented. On that sense, the marketers will have to lay effective strategy through mere exposure effect positions the target product within at the advantage of the product placement platform.

In order for marketers to achieve maximum impact on the target, end user audience through product placement may require input from different arms of the firm; this can be concluded from this study. The research and development arm of the firm can come in handy in exploring particulate nature of the target audience since it has been revealed that there are more than one underlying factors and each has distinct influence on how the consumer will perceive the promotional activity. Considering the massive intrusion into the market of similar product with same functional use, there is need special focus on each market segment for the product or else application of a common promotional strategy in varied segment may yield disappointing results.

As the management of the firm intends to invest in new consumer segments, there are multiple factors that it has put into consideration when designing the promotional activity for maximum impact. In other words, there is no single panacea among the product placement can serve every end user segment throughout the globe.

5.3 Limitations

The overall study interest that formed the impetus of the quest can conclusively be considered as satisfactorily and exhaustively been met. However, the study faced some challenges that were potential or outright limitations. The research interest of this study involved field visits in both Brazil and the U.S. The researcher had to prior acquaint and familiarize with more unique aspects of the respondents considering the study had to deal with attitude as well as cultural backgrounds.

Indifferences among some of the respondents in understanding the outcome benefits of the research slowed the speed of the study and caused the researcher to dedicate more time in the field at the expense of other study activities within the time schedule. Moreover, statistical modeling and testing for this study was a herculean task that required endurance and rigorous and repeated recasting in a bid to produce the finest analysis and findings. The researcher spent many man-hours in conducting the statistical methods and models trials to researcher successful analysis and conclusions. Analyses are also tied with some assumptions.

5.4 Future Researches

The main focus of the study zoomed in on product placement as a promotional strategy. Much as the study focused on the psychosocial and economics dynamics influencing the end user
towards the product placement in contrasting geographies; there is need for research to shift focus towards sell-ability aspects of product placement strategy (The Atlantic, 2011). This will effectively fuse with the findings of this study since it has created a head start from the end user perspective. The sell-ability perspectives will provide the market place understanding (SAM, 2008; MPG, 2011).

The merge of the two will fast track for robust strategies that can provide anticipative capabilities on the market place impact and outcomes, regardless of the product placement platform used (Aarronrobb, 2010). This will result in great pay offs in the movie industry (Epstein, 2006; Wordpress, 2011). Take for instance, the Individual Detection Scores and Proprietary Formulas models for measuring marketplace product placement value worth. Moderators will involve continuous fine-tune formulas to deliver an accurate measurement as possible (PMA, 2006).


Andriasova, Anna Valerii (2006), "They Placed, I Saw, I Was Conquered: Evaluating the Effects of Persuasion Knowledge and Prominence of Brand Placement on Viewers’ Attitudes and Behavior," The University of Texas at Austin, Texas.


Gould, Stephen J. (1998), "Deconstructing and Inscribing Cross-Cultural Consumption through Drinking Tahitian Tikis Tea: Is It Too Late or Never Too Late to Experience the Authentic Culture of Polynesia?," *Advances in Consumer Research*, 25 (1), 31-36.


