

## **A STUDY OF CONSUMER BEHAVIOR AND PRODUCT PLACEMENT IN INDIAN CINEMA**

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### **ABSTRACT**

*Instances of product placement can be found in a variety of media entertainment offerings including television shows, videos and popular movies, with this form of advertising considered by many as representing the "new genre of marketing tools". This study discusses the evolution and growth of in-film placements in India, which has grabbed the attention of corporate, advertisers and film producers in the country. It examines the effectiveness of product placement and advertising on viewer's recognition and recall. In addition, this study also explored how the combination of product placement and advertising may affect recall and recognition. The research is meaningful in understanding the consumer buying behavior.*

*Keywords: Indian cinema, product placement, consumer behavior*

### **INTRODUCTION**

The phenomenon of advertising a product in a movie is popularly known as product placement in movies. Wikipedia defines product placement in movies as, promotional tactic used by marketers in which characters in a fictional play, feature film, television series, music video, videogame use a real commercial product. Typically either the product or logo or both are shown or favorable qualities of the product mentioned, in such cases either the product logo or the product itself is flashed and some features of the brand may be highlighted. The price of the product and its comparison with other brands are not mentioned.

Films are a prominent medium of entertainment in India. Impact of films is evident from the fact that film stars have iconic status in India. In search of newer avenues of reaching the audience, the marketers have discovered a new avenue in Hindi movies. The marketers have been able to display their brands successfully in various movies

both in context and out of context. A movie Rang De Basanti, starring Aamir Khan, had a joint branding program with Coke, where Coke launched a limited edition of Rang De Basanti bottles. Besides this, the Piyo Sir Uthake campaign was amalgamated with movie clips from Rang De Basanti. Another hit, Namaste London featured at least five prominent brands including Streak, Western Union, Bharat Matrimony, and Spykar Jeans. (see more in Appendix, Table B)

A Tactical Joint Venture: In- film advertising evolves from the joint venture effort of film producers, advertising agency and corporate. In India Leo Burnets Leo entertainment was first to initiate this innovative advertising technique. The film producers and advertising agency work together from the inception stage till the release of the film. These advertising agencies conduct research on the story line of the film; song and suitability of the actors for each role based on the research results modification in the script are made to make it suitable for viewers. These advertising agencies later strategies on defining the viewers market for the film, its unique selling proposition(USP),brand name of the film, timing of the release, type of release and checking on the transfer of television rights finally marketing and promoting the film. In -film advertising is a win- win situation for film producers, advertisers and marketers. Advertising agencies revenue varies from each in- film advertisement deal. The modes of payment are commissioned based budget, one time fees or monthly fee based module. This also depends upon relationship between client advertising agencies. For corporate it is a medium for reaching the right type of consumers without any extra cost. In- film advertising has thus become an important part of the marketing budget of the corporate.

### **HISTORY IN BRIEF**

Product placement in Indian movies is not something new. Emami was able to successfully undertake product placement in 1970s. The famous product placement was of the yellow Rajdoot motorcycle in Raj Kapoor film Bobby starring Rishi Kapoor and Dimple Kapadia in the year 1975.This motorcycle made its maiden appearance along with actress Dimple Kapadia and it was famously known as the Bobby motorcycle among the consumers. The first recognized product placement in Hindi film is Coke in Subhash Ghai's Taal. The product if properly entrenched in the story line or script of the scene can go a long way in building an emotional connection with the consumer because awareness factor is greater for placements than commercials. Amitabh Bachchan telling how to use ICICI ATM's in Baghban is more convincing than him doing the same in a 30 second TV commercial.

### **PRODUCT PLACEMENT BEYOND BRAND ASSOCIATION**

Placement can be categorized in following heads:

1. Active placement- means the product is actually used and talked about by the film stars in the movie. In the movie Chalet Chalthe actor Shahrukh Khan acts as a truck driver, he uses Castrol CRB engine oil for his trucks and also

recommends it to other truck users'. This is a kind of celebrity endorsement tool. Active placements along with other medium of advertising lead to an increase in brand awareness.

2. Passive placement- means the product or signage is visually placed in the background in some scenes or song sequence of the movies. ICICI bank is featured in the movie Baghban. Amitabh Bachchan acts as an employee of this bank this in-film placement was an added advantage because Amitabh is already its brand ambassador. Passive placement along with additional triggers like contests, sample testing etc within the theatre environment can boost the brand awareness too.

The advertising agency has an opportunity to promote film and the brands associated with the film simultaneously, during the pre and post release of the movie. The benefit of having association beyond in film placement is to bring credibility to the story of the movie, bringing in the emotional value and transferring the image of the end user.

## **LITERATURE REVIEW**

Scholarly definitions of product placement primarily focus on placing products in the broadcast media for money. Balasubramanian (1994) referred to it as a hybrid message – a paid message aimed at influencing movie (or television) audiences via the planned and unobtrusive entry of a branded product into a movie. Maynard and Scala (2006) described product placement as a strategic marketing tactic, the process through which an advertiser pays to place a product in a movie. They called product placement an alternative route for traditional overt advertising. Karrh (1998) defined brand placement as a paid inclusion of branded products or brand identifiers through audio and visual means within mass media programming, noting that the term product placement is used interchangeably with brand placement. Product placement refers to a product placed in a movie, when it is actually a brand that is placed in a movie. A company is usually interested in featuring its brand and not just any product. The Coca-Cola Company features Coca-Cola and not just any soft drink. For the purpose of this review, however, product placement and brand placement are indistinguishable.

In Hollywood, by the late 1960s it had become quite a routine affair for producers to contact advertisers regarding placing their products in films. Companies such as Columbia Pictures maintained a contact list for the tie-up merchandise that included the products, company names, and addresses (Newell, Salmon, & Chang, 2006). Newell, Salmon, and Chang (2006) provided evidence that the first product placement actually took place in 1896 in the movie *Washing Day* in Switzerland. Numerous advertisers see James Bond films as a perfect opportunity to showcase their products. *Golden Eye* (1995) featured the BMW Z3 Roadster. The placement helped BMW earn \$240 million in advanced car sales (Maynard & Scala, 2006). However, the recently released *Wall-E* (2008) has shown that there is more to it. This Disney Pixar movie is full of product placements, but what catches the attention of the audience is that Apple has achieved more than just placing a single product into a movie. With its shiny and

all white robot female heroin, Eva, the movie emphasizes Apple's entire design approach.

According to Rajadhyksha (2004), Hindi film industry is a reflection of the culture of India and the products and practices endorsed by Bollywood have a significant impact on the movie goers. With the growth of urban middle class many multiplexes have also come up. So the number of captive audiences watching a movie has increased significantly. Brand managers have to use this information in a significant manner. The best possible tool available to them is product placements or more precisely. Balasubramanian (1994) considered the success of product placement in a movie to be dependent on the relationship between a filmmaker, a specialized firm and a product sponsor. The filmmaker controls opportunities for product appearances in his movie while the sponsor seeks such value creating opportunities and the specialized firm makes significant changes in the script to fit the product and the brand in the film. Since Bollywood or Hollywood movies mostly remain unchanged across countries, international brands even if placed in local media through cablecast or broadcast, may serve as global marketing strategy (Gould et al., 2000). McCarty (2004) view that high involvement of the audience in the movie would positively enhance processing of brands related to the plot but negatively impact those not linked to the plot. Lord and Gupta (2002) also supported this view and said that recall will be more in case of audience with high involvement. Gupta and Lord (1998) even found out that more recall was elicited for properly placed brands in movies than traditional advertisements.

One of the first studies made on the consumers' view of product placement was by Nebenzahl and Secunda (1993). This study, which was carried out in the US, found that the participants, aged 18-34, were fairly positive toward placements, and preferred such placements to other types of on-the-screen advertisement because these were seen as more annoying. Moreover, Nebenzahl and Secunda (1993) found that those who were against product placement were so for ethical reasons, an observation that Gupta and Gould (1997) studied in more detail. Gupta and Gould (1997) applied the ethical aspects to product groups, and found that controversial products such as alcohol, cigarettes and guns were considered to be less acceptable to place in movies. Gupta and Gould (1997) also found that women were more negative toward placements of such controversial products than men.

## **RESEARCH METHODOLOGY**

The research methodology broadly undertakes an extensive literature reviews which included the scholarly observations and analysis of other information collected from reliable secondary sources of data. Primary data is collected from the survey of 150 respondents through questionnaire, selected from convenience sampling.

Respondent distribution are given in Table 1 and Table 2 in appendix

Respondents had a good recall of the brands advertised in the movies this shows that in film advertising has gain acceptance among Indian people. They get noticed and

people remember these brands too. This form of advertising is growing very rapidly as it is altogether a new mode and a reactive way to advertise any brand

## **DATA ANALYSIS**

The Belief constructs and Behavior construct are given in Table 3 and Table 4

## **MAJOR FINDINGS**

- With analysis of covariance, it was found that all the surveyed people has almost same perception towards the statements. In gender wise table (appendix Table 5), male and female's perception is almost the same, on each statement, they have the same opinion about the effectiveness of in film advertising.
- In education wise segregation (appendix Table 5), graduates and other which includes students of under graduates or less than that, their perception toward the statements are nearly the same and post graduates and professionals attitude are almost the same. Altogether very less variation in the mean is there otherwise almost everyone's attitude towards the product placement is same
- In the segregation of household income(appendix Table 5), the mean of last statement " price of the ticket" vary from below 10,000 to 31,000 and above, in below 10,000 only 2.4 is the mean but on the other side 31,000 and above 3.08 is the mean ,so almost the difference of 0.7 is there. Other than this everyone's belief is almost the same.
- According to the age wise segregation(appendix Table 5), there is little difference in mean in all the age groups, thus their perception is different on each variable. From the occupation wise segregation(appendix), there is very less variation in the thinking of the service class (S.C.) and professional class (P.C.), their attitude towards this sort of advertising is almost same. Except the last statement "price of the ticket" the business class (B.C.) and the housewife differ otherwise their perception is the same. The perception of service class and others differ minutely but overall everyone is alike in their thinking
- The more positive the brand image, more positive is the consumer brand evaluation towards the product placement advertising. The brand's image has no significant impact on consumer evaluation and ethical judgment. Any brand properly placed can attract the attention of the customers
- People have good brand recall of products/brands seen in movies, thus this form of advertising creates awareness amongst the people. When the brand/product looks out of context and forced upon the plot, then it leads to irritation in the mind of people.
- People feel good when they see their favorite artist using the same brand/product as used by them. People find product placement as a good alternative of advertising as compared to traditional forms of advertising.

People get influenced by the way the product is used in the movies the study reveals that people have searched for the product in stores after seeing it in movies

- People have not stopped using a brand/product after seeing it in a movie. Many people want to try out the brand/product after seeing it in a movie

## **CONCLUSION**

As limitation of current research the monetary terms of product placements have not been studied, as data on this was not considered credible. Payments for product placements need to be linked with effectiveness. This research talks about the trend and the possible advantages and disadvantages of the concept of in-film advertising in Indian movies. Corporate and advertisers get the opportunity to reach the right consumer segment or the masses based on their type of product through diverse genre of films in India this enables them to leverage on clutter free nature, emotional quotient and psychological impact of the films. So we can summarise the above discussion by concluding that product placements are emerging as useful additional form of marketing communication.

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### **Appendix A**

Movies	Products
Guru	Hero Cycles
Don	Motorola, Garnier, Citibank, Oakley, Louis Philippe
Dhoom:2	Coke, Pennzoil, Pepe, Sony, Disney channel, Sugar Free, McDonald
Lage Raho Munnabhai	IOCL, Go Air, MSN, Reliance Communications
Krrish	Singapore Tourism Board, Sony, John Players, Bournvita, Tide, Hero Honda, Boro Plus, Lifebuoy, HP Power, Lays
Welcome	IDBI Bank, Sun City (South Africa), Nokia, Parle G (Biscuit), Surf, Rin, Nirma
Namaste London	Spykar Jeans, Western Union Money Transfer, MTV, Kingfisher, Bharatmatrimony.com, HP (laptop), Ford (Tractor), Sony Camcorder
Historical examples of product placements: Bobby (Rajdoot Motorcycle), Hero (Yamaha 350), Yaadein (Pass Pass, Hero Cycles, Coke)	



Figure 1



Figure 2



Figure 3

Figure 1. Bodygaurd, 2011, promoting VAIO

Figure 2. Singham, 2011, promoting Scorpio

Figure 3. Eve (Wall-E, 2008) shiny and white as reference to iPod or MacBook.

Table 1: Gender Distribution

Gender	Resp.	%
Male	97	64.66
Female	53	35.34
Total	150	100

Table 2: Age group & Education

Age group	Resp.	%	Education	Resp.	%
Below 20 yrs	12	8.00	Graduation	39	26.00
21-25yrs	54	36.00	Post graduation	47	31.33
26-30yrs	44	29.33	Professional	51	34.00
31-35yrs	20	13.33	Others	13	8.67
35yrs- above	20	13.34	Total	150	100
Total	150	100			

**Table 3: Belief Constructs**

Name	Item Statements	Item mean
Alternative	Product placements in movies are a good alternative to traditional form of advertising	3.67
Ticket	Product placement in movies are a good alternative for keeping the price of admission tickets low	3.18
Belief	Real products should be used in movies to make a scene more believable	3.79
Feel	The way a product is used in the movies can affect my feelings about the product	3.62
Recall	When a character I like uses the product I am more likely to remember it	3.77
Ethics	The idea of placing products in the movie is not ethical because the moviegoer doesn't want to watch paid advertising	2.63
Bann	Product placements in movies should be banned because it is not good to advertise beer, liquor, cigarettes etc.	2.31
Pay more	Product placements in movies can keep the price of a ticket low but I would pay more to see a movie without them	2.62

**Table 4: Behavior Construct**

Name	Item Statements	Out of 150	
		YES	NO
Search	I have looked for the product after seeing it in the movie	69	26
Start use	I have started using a product after seeing it in the movie	81	124
Stop use	I have stopped using a product after seeing it in the movie	61	114
Trial	I wanted to try a brand after seeing it in the movie	89	36

Table 5

Statements	Gender wise			Education wise					Household income				
	Mean	Male	Female	Mean	Grad	PG	Prof	Others	Mean	Below 10,000	10,000-20,000	21,000-30,000	31,000-above
Brands like tobacco, liquor should only be used in A-rated movies as kids don't watch such movies	4.34	4.22	4.26	4.34	4.35	4.22	4.35	4.38	4.34	4.39	4.32	4.43	4.20
Real products should be used in movies to make a scene more believable	3.75	3.78	3.38	3.75	3.65	3.98	3.52	4.32	3.75	3.72	3.74	4.60	3.84
Product placements in movies are a good alternative to traditional form of advertising	3.67	3.17	3.58	3.67	3.77	3.52	3.56	3.53	3.67	3.72	3.68	3.73	3.65
The way a product is used in the movies can affect my feelings about the product	3.61	3.66	3.64	3.61	3.25	3.54	3.90	3.85	3.61	3.23	3.13	3.63	3.52
When a character I like uses the product I am more likely to remember it	3.78	3.88	3.62	3.78	3.38	3.50	4.27	4.00	3.78	3.56	3.63	4.00	3.92
Product placement in movies are a good alternative for keeping the price of admission tickets low	3.17	3.78	3.17	3.17	3.05	3.26	3.27	3.00	3.17	2.40	3.21	3.03	3.08

Statements	Age wise						Occupation Wise					
	Mean	Below-20 yrs	21-25	26-30	31-35	>36	Mean	S.C.	B.C.	P.C.	Housewife	Others
Brands like tobacco, liquor should only be used in A-rated movies as kids don't watch such movies	4.34	4.33	4.44	4.47	4.25	3.95	4.34	4.35	4.24	4.26	4.40	4.50
Real products should be used in movies to make a scene more believable	3.75	4.08	3.53	3.65	4.00	4.10	3.75	3.67	3.48	3.67	3.67	4.08
Product placements in movies are a good alternative to traditional form of advertising	3.67	3.83	3.71	3.53	3.75	3.65	3.67	3.81	3.72	3.56	3.50	3.62
The way a product is used in the movies can affect my feelings about the product	3.61	3.92	3.25	3.67	3.75	4.15	3.61	3.67	3.28	4.00	4.00	3.42
When a character I like uses the product I am more likely to remember it	3.78	3.58	3.95	3.67	3.55	3.90	3.78	3.65	3.88	4.19	4.19	3.81
Product placement in movies are a good alternative for keeping the price of admission tickets low	3.17	3.42	2.89	3.53	3.05	3.15	3.17	3.31	2.88	3.15	3.35	3.11