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Consumer Attitude Towards Brand Placement: An Exploratory Study of Chinese Millennial Generation

Abstract:

Brand placement as a concept has recently received much attention in the literature and is widely adopted as an effective approach to promotion. This study aims to explore the perception that Chinese millennial have towards brand placement and identify the effective placement modality using three measures of brand recall, brand attitude and purchase intention. Three Chinese TV shows that feature brand placement were used to measure the effectiveness from consumer perspective. Data was collected from 220 young Chinese respondents and it was tested for reliability using Cronbach Alpha. Other techniques used in the analysis include t-test, ANOVA and Nonparametric tests. The results found that Chinese millennial tend to generally accept brand placement with a slight positive attitude. Prominent plot placement was the most effective placement compared to other prominent modalities. The gender and consumer's frequency of watching TV programs seemed to have no impact on the Chinese millennial's attitude towards brand placement.

Keywords: Brand Placement, Consumer Attitude, Chinese Millennial

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Introduction

Brand placement as a concept has recently received much attention in the marketing literature and is widely adopted as an effective approach to promotion. The recent advancement in digital technology and the changing patterns of media consumption have empowered consumers with new tools and affected their interest in the conventional way of advertising and made it less attractive to them (O'Brien, 2011; Begy and Talwar, 2015). With such a decline in the effectiveness of traditional promotional activities, brand placement has become more popular and attracted many companies' interest as an alternative approach to advertising that could enhance brand awareness and perception (Pak, 2009). Brand placement also offers higher flexibility and can be used not only in traditional media such as TV shows and movies but also on social media, online games and other platforms (Kerr, et al., 2015).

Literature

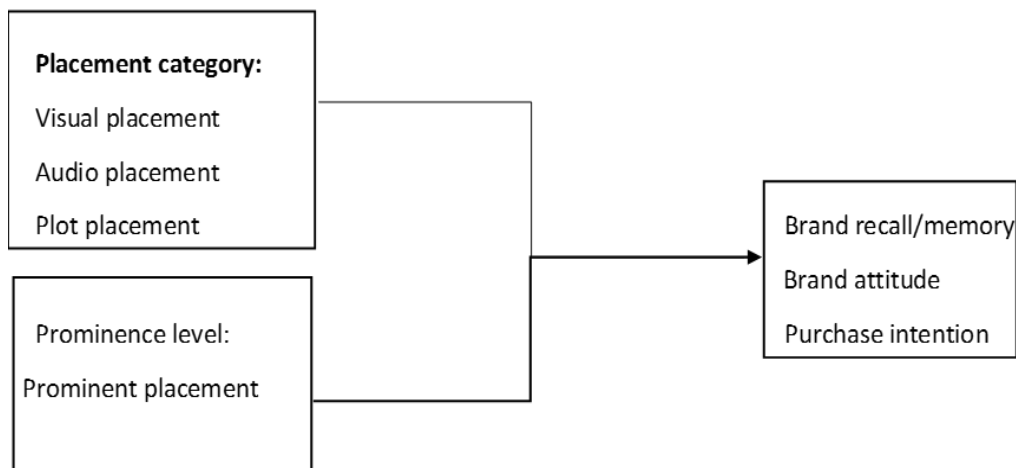
The concept of brand placement has recently received considerable attention in the marketing literature. Many academic research, surveys and experiments have been undertaken to examine the acceptance and effectiveness of this promotional tool from various directions such as the different categories of presence (Karrh, 1998), audiences' acceptance (Gupta and Gould, 1997) and the effectiveness of using it (Balasubramanian, et al, 2006). However, some recent studies tend to assimilate the embedded context and the individual factors of audiences regardless of the fact that culture can influence consumers' perception and behaviours (Solomon, 2014). Therefore, measuring consumers' attitude towards and the effectiveness of brand placement can vary considerably from one culture to another.

Brand placement was introduced in China in 1992 which was considerably late compared to the proliferation of brand placement in Europe and North America (Meng, 2009). However, since then it has developed very rapidly and become more popular among the Chinese millennials who tend to possess different characteristics of adopting new concepts and views (Liu and Huang, 2015). According to Warc (2015) millennials are digital natives and are willing to embrace new technology. A survey by Liu and Huang (2015) found that brand placement in China is more favourable to young generation than other customer groups. This suggests the importance of conducting more research studies to examine Chinese millennials' attitudes and views towards brand placement and identify the most effective brand placement modality that can attract Chinese millennials' interest.

Due to the development of technology, e.g., the digital video recorder DVR (Wilbur, 2008) and channel switching habit (Tse and Lee, 2001), audiences nowadays can easily skip traditional advertisement by taking advantage of technical innovation or simply zapping during advertisements broadcasting period (Tse and Lee, 2001). As a result, the effectiveness of traditional advertising in attracting audience' attention and interest has been significantly affected (Chowdhury, et al., 2007), and other new approaches such as brand placement has become more popular and increasingly adopted by marketers (Dudovskiy, 2012; Lehu and Bressoud, 2008). However, the

effectiveness of brand placement and its influence on consumers' perception are not easily predictable because of the large number of factors that could affect the use of such a tool (Chowdhury, et al, 2007; Brennan, et al, 1999; Yang and Roskos-Ewoldsen, 2007). For example, Lehu and Bressoud (2009) note that the effectiveness of brand placement can be examined using various measures such as interest creation, audiences' attitude, brand awareness and/or sales. Begy and Talwar (2015) believe that brand placement enhances awareness and therefore they suggest using the awareness factor as a valuable measure of the effectiveness of brand placement. In the present study, we aim to measure the effectiveness of brand placement using three factors from consumer perspective; namely brand recall, consumer's attitude towards brand, and purchase intention. Figure 1 below shows our conceptual model that we plan to test in this study.

Figure 1: Conceptual Model of Measuring the Effectiveness of Brand Placement



The research objectives of this study are twofold. First is to explore the attitude that Chinese millennials have towards brand placement and the impact of gender and consumer's frequency of watching TV shows on shaping their attitudes. The second objective is to identify the most effective placement modality for Chinese millennials using the above mentioned three measures of brand recall, attitude and purchase intention.

Research Methods

An online survey was used to collect primary data. The survey was divided into two sections. The first section measures Chinese millennials' attitude and acceptance of brand placement advertised on Chinese TV shows. The second part uses three popular Chinese TV shows (Running Man, Daddy is back, Qipa Talk) that feature different prominent modality of brand placement to measure the effectiveness of each modality from consumers' views. The target audience of the survey was Chinese Millennials in the age group of 18-25. We approached 300 potential Chinese consumers online and sent them a link to the survey and asked them to complete it. While 269 respondents attempted the questionnaire, only 220 completed surveys were used in the analysis. Table 1 below presents a brief a descriptive analysis of the respondents' profile.

Table 1: Respondents' profile

Category		Frequency	Percent
Gender	Male	68	30.9%
	Female	152	69.1%
Age group	18-21	20	9.1%
	22-25	200	90.9%
Education Background	High School	11	5.0%
	Bachelor	137	62.3%
	Master and above	72	32.7%
Disposable Income (Yuan)	Less than 2000	69	31.4%
	2001-4000	66	30.0%
	4001-6000	43	19.5%
	More than 6000	42	19.1%

Results and Discussion

Data collected from the 220 respondents were tested for reliability using Alpha Cronbach. The coefficient of the three categories of (1) brand attitude of prominent audio placement, (2) brand attitude of prominent visual placement and (3) brand attitude of prominent plot placement were $\alpha_1=0.931$, $\alpha_2=0.845$, $\alpha_3=0.803$ respectively.

The influence of gender on consumers' attitude was examined using t-test and the result indicated that no significant difference between the male and female respondents. Thus gender of the Chinese millennials seems to have no impact on the brand attitude. The frequency of watching TV programs by the study participants was also examined as a possible factors that may influence audiences' attitude towards brand placement (Gupta and Gould 1997). One way ANOVA was used to examine this factor and the significant level was only found to be 0.572 which indicated that no significant difference between groups as shown in Table 2. Therefore, we can suggest in this study that the frequency of watching TV programs did not influence Chinese millennials' attitude towards brand placement.

Table 2: Relationship between frequency of watching TV programs and attitude towards brands placement

ANOVA					
General attitude					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.152	2	.576	.559	.572
Within Groups	223.557	217	1.030		
Total	224.709	219			

To measure the effectiveness of brand placement, the mean value and frequencies of each of the three placement modalities were calculated across the three Chinese TV programs we used in this study. A nonparametric test was also used to examine the distribution of samples (Bryman and Bell, 2011). Table 3 shows brand recall of the three TV programs used in the present study.

Table 3: Brand recall based on the three selected TV programs

Running Man (1) (Prominent audio placement)			Daddy is back (2) (Prominent visual placement)			Qipa Talk (3) (Prominent plot placement)		
Valid	Frequency	%	Valid	Frequency	%	Valid	Frequency	%
Rio	17	18.7%	Xiaoyan g Yogurt	35	47.3%	Metersbonwe	43	33%
Anmux i Yogurt	15	16.5%	Luomanshi Cosmetic	5	6.8%	Guliduo Milk	38	29.2%
Oppo	18	19.8%	Luolai	4	5.4%	M&M	26	20%
Das Auto	10	10.9%				Yaha Coffee	3	2.3%
						Dofeng Motor	2	1.5%
No impression	31	34%	No impression	30	40.5%	No impression	18	13.8%

From the above table, prominent plot placement seems to be the most effective placement modality since the majority of the respondents seemed to recall this. To evaluate the effectiveness on brand attitude, the mean values of attitude indicators were compared and a nonparametric test was conducted to evaluate it. The result is shown in Table 4 below. The mean rank of the three brands indicated that there is a significant difference in the attitude towards brands in these sample groups.

Table 4: Nonparametric test result of brand attitude

Ranks		Test Statistics	
TV program	Mean Rank		
Running Man	1.75	Kendall's Wa	.167
Daddy is back	1.80	Chi-Square	22.992
Qipa Talk	2.46	df	2
		Asymp. Sig.	.000
		a. Kendall's Coefficient of Concordance	

To measure the effectiveness of brand placement on purchase intention, a nonparametric test was used to identify the correlation of the sample groups (Baumgartner, et al, 1998). Table 5 shows the result of Fridman test, which indicates a significant difference in the three samples. Comparing the mean values of the purchase intention, ‘Daddy is back’ seems to be the TV program that most effectively provokes respondents’ purchase intention.

Table 5: Nonparametric test result of general purchase intention

Ranks				Test Statistics	
	group	N	Mean Rank		
Purchase behavior	Running Man	69	2.21	Kendall's W ^a	.059
	Daddy is back	69	1.76	Chi-Square	8.108
	Qipa Talk	82	2.03	df	2
Total 220				Asymp. Sig.	.017
				a. Kendall's Coefficient of Concordance	

Conclusions

The results of this study indicate that generally Chinese millennials could accept a new advertising model with a slightly positive attitude. However, unlike placement in movies, there is no significant difference was found here in terms of gender and frequency of watching TV programs. Thus, gender and frequency are not influential factors for Chinese millennials. Three representative programs were used as examples to gauge the effectiveness of the three prominent brand placement modality (prominent visual placement, prominent audio placement and prominent plot placement). In terms of brand recall, attitude and purchase intention, prominent plot placement seems to be the most effective placement modality since it outperforms than other prominent modalities among all the three aspects. Meanwhile, prominent audio and prominent visual placements have considerable influence among Chinese millennials. Based on the findings, marketers who intent to impress Chinese millennials through brand placement, the modality of prominent plot placement could be an appropriate strategy since it can achieve a satisfying and balanced impression in terms of brand recall, attitude and purchase intention.

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