

PRODUCT PLACEMENT: ALTERNATIVE STRATEGY INTO INTERNATIONAL MARKETS

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ABSTRACT

The pandemic has ended up causing more individuals to resort to "Over-The-Top" (OTT) platforms, attempting to make digital platforms like Netflix, Amazon Prime, and Disney Hotstar one of the most extensively used sources of entertainment for consumers. This has helped Southeast Asian dramas garner attention nationally and internationally, leading to an increase in the number of product placement commercials that are depicted in these dramas. This also helped the business houses to reach out to their target audience. Product placement is the latest tactic that business houses have adopted as marketing communication as traditional advertisements and promotional strategy loses their persuasive power during the pandemic. It is notably popular in South East Asia's Entertainment industry as a mass medium. This does not mean that traditional advertisement and promotional techniques have lost their convincing power. Today also television commercials play an important role to attract consumers. This paper aims to analyze how consumer demand for South East Asian products has changed before and after the pandemic or before and after the rise (Global popularity) of the South East Asian Entertainment industry. To know how product placement and digital platforms have impacted brand awareness and consumer buying patterns and attracted consumers to these products.

Keywords: Marketing Mix, Marketing Communication, Brand Awareness, Branding, Advertisements, Product Placement, Digital Content, Consumer Behavior.

1. INTRODUCTION

We need a variety of marketing tools, or what is known as the "Marketing Mix," to help the business to be well known. James Culliton, a professor of marketing at Harvard University, created the marketing mix in 1948.

The Marketing Mix includes several areas of focus that can be combined to create a comprehensive plan. In addition to being a scientific theory, the marketing mix is a theoretical framework that explains how managers should structure their business to best suit their target market's needs.

It includes the four fundamental pillars of any marketing plan are condensed into a notion known as the "4 Ps of marketing." Product, Price, Placement, and Promotion are integrated into a marketing theory that has influenced the sector for many years.

1.1 THE FOUR Ps OF MARKETING

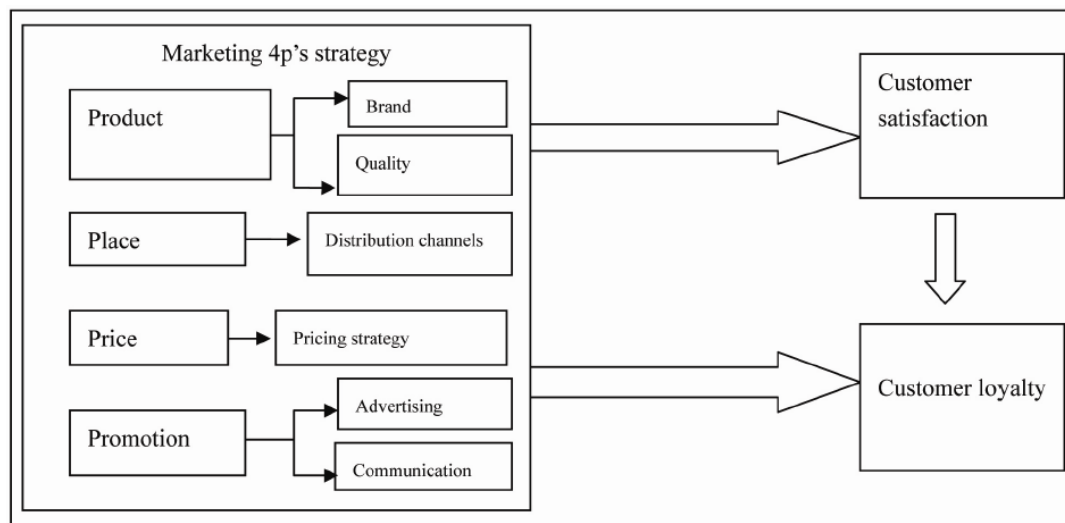


Figure: 1

Source: A Conceptual Model of The Marketing Mix; Adapted From 4ps: A Strategy To Secure Customers' Loyalty Via Customer Satisfaction By Mohammed T. Nuseir, Hilda Madanat.

1.2 EFFECTS OF DIGITAL MEDIA ON THE MARKETING MIX

Digital media is shaping the marketing mix and are replacing old marketing strategies. Can take an example of the “streaming services industry”. In this industry the four Ps can be utilized in this way:

- *Product:* Real entertainment that is simple to obtain.
- *Price:* Free trial offer, premium packages, and commercial trial membership level.
- *Place:* The location is the subscriber's digital system and internet services.
- *Promotion:* Tremendous media advertising, including high-end billboards in significant cities, magazines, and newspapers, and word-of-mouth.

Here, the emphasis is on offering users comfortable and convenient viewing of interesting, prolonged video content, primarily in the form of popular TV shows, visual media, dramas, and other forms of entertainment. This has also helped brands to incorporate their products into those digital content. People get convinced into purchasing those products that are used by artists and influencers.

There are mainly two types of Marketing strategies that are used by businesses, which are as follows:

1. Push Marketing
2. Pull Marketing

Push marketing is a marketing tactic that brings the product to the consumer. Push marketing is an example of when product placement is done in the form of interstitial advertisements on YouTube and other digital platforms. The push promotional marketing approach is another name for push marketing. It describes a tactic in which a company pushes its products toward consumers using a variety of marketing techniques.

On the other hand, pull marketing draws the consumer to the product. The product is noticed by the consumers. When a product needs to be exposed, this approach is employed. In addition to raising consumer awareness,

this aids in generating market demand for the product. Pull Marketing is alternatively referred to as a pull promotional strategy.

1.3 PRODUCT PLACEMENT: Entrants of Southeast Asian Industries in the Indian Market

In digital content that is intended for a large audience, branded goods and services are promoted through a promotional strategy known as "product placement." In cinema, dramas, television shows, and web series, product placement also known as "brand placement" "embedded marketing" or "embedded advertising" are extensively used. Businesses may offer a production company or studio cash, goods, or services for the right to use their products.

For the past 20 years, South East Asian countries have managed to enter the Indian market whether it be for business, cost-effective vacations, food, fashion, technology, and much more. They have successfully gained the trust of their Indian Consumers.

If we go back in time before the world was not exposed to digital platforms such as YouTube, Netflix, Amazon Prime, and Disney Hotstar for watching movies and web series, but amid the pandemic things have changed the whole world has gone more digital, and has been introduced to many things digitally and people got a chance to explore more at that time and during the exploration phase many people discovered the Southeast Asian Industry which is currently ruling the whole world.

The craze among people is this high especially the younger generation that people started consuming stuff here in their native country which is popular there in South Korea, Japan, and Thailand just because they saw their favorite artist using that in their dramas or maybe saw their favorite band doing the advertisement of that brand.

One might have heard about the products KOPIKO, Yakult, Mogu Mogu, Samyang, and Lotte Choco Pie, but before the hype, these products were known by a very small number of people here in India only a few people knew specifically only the Northeastern region of India because they were more exposed to South East Asian countries culture, their contents, and products. South Korean Television Channels like "KBS" (Korean Broadcasting System) "Arirang" was there in cable tv subscription. That way they got to know about the brands

even if there were not many commercials on Indian television about it, but some of those products like “Haitai Gums” and “KOPIKO” were available in the departmental stores and local shops of this region.

1.4 ROLE OF PRODUCT PLACEMENT IN THE EXPANSION OF SOUTHEAST ASIAN INDUSTRIES.

Product placements in South East Asian dramas are a brilliant way for many South East Asian organizations to expand internationally since many of these shows are now accessible on various digital platforms notably Amazon Prime, Netflix, Disney Hotstar, VIKI, and Voot. as a result of the sudden growth of Southeast Asian dramas.

They have even started showcasing assets from brands outside of Southeast Asia which gave Multinational firms chance to take part in product placements in South East Asian reality television as well.

According to the “New York Times” reports that Subway has made appearances in over 17 K-Dramas. Given that the CEO of Subway in Korea had intended to open 300 additional locations between 2014 and 2017, this statistic is not shocking.

"Descendants of the Sun," a record-breaking South Korean drama that debuted in 2016, brought in 2.6 million dollars just through product placements. The 16-episode *"Descendants of the Sun"* series featured many instances of Subway. The final episode alone received 2.3 billion views on a Chinese video site, setting a record viewership rating of 38.8%. Subway was certain to get a lot of exposure with this impressive viewership rating. More recently, the K-Drama "Crash Landing on You," which was shown during quarantine, used Subway.

Pizza Hut only paid to have their brand included in the anime "Code Geass" 3 to 4 times, according to an interview with "Continue Magazine." However, the animators chose to use them in each episode, resulting in a running joke that served as free Pizza Hut advertising. The program soared to the top of the ratings, dominated sales, and cemented its place as one of the most popular anime ever produced.

Even the primary character, Lelouch, rose to become a global favorite among fans. The need for more Lelouch grew as character merchandise did. Pizza Hut quickly saw the trend and started placing Lelouch on all of its boxes. Now, Pizza Hut is associated with this history.

2. LITERATURE REVIEW

Kramolis Jan, and Kopeckova Martina in their paper titled ***“Product Placement: A Smart Marketing Tool Shifting a Company to the Next Competitive Level”*** mentioned the origin of product placement as a marketing tool as an edge in the competitiveness of the organization. Pivotal key areas include the “central” to the strategic marketing tools and enlargement of marketing competencies. Some of the major approaches required while planning out product placement are as follows:

- Revised and Modified marketing mix according to the target market segmentation
- Choosing and deciding on the correct market segment
- Decision on the effective and influential advertising and promotion channel for the target market
- Drafting the finalized marketing mix and predicting the available best possibilities of the 4Ps

The study also looks into the relationship between product placement and the competitiveness of the business. Below facts should be apprehended purely in the marketing factor considering higher competitiveness given maximized efforts.

- Long-Term Marketing comprises Product placement.
- One of the above-the-line marketing strategies is Product placement
- Product placement plays an important role in Brand development

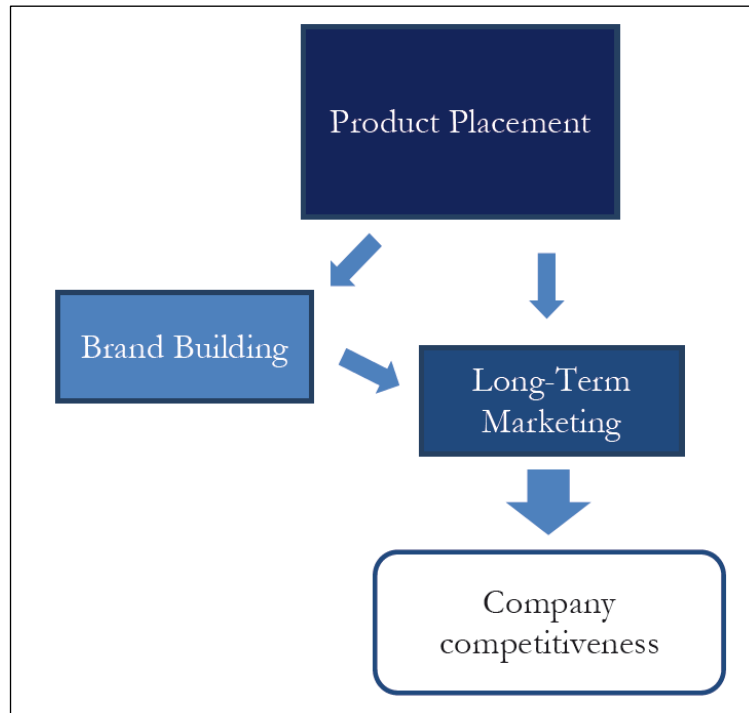


Figure: 2

Source: *Product Placement influence on company competitiveness;*

Adapted from the mentioned paper of Kramoliš Jan, Kopečková Martina

In another article titled ***“Influence of Product Placements in Films and Television on Consumer Brand Awareness”*** by Sunita Kumar, the study examines the target consequences of product placements on consumer brand awareness. Product placement is gradually gaining more popularity among marketers for the following reasons:

- Product placements do not distract the viewers’ substantial attention due to their ingenious nature.
- Product placements increase the credibility of the placement and the products which influence the audience's minds.
- The amalgamation of the internet and entertainment programming has influenced the buyer to the marketed product when they see it incorporated into the digital media.
- The targeted audience can simply purchase the onscreen brand placement product from the comfort of their home which will help increase the product placements and also brand awareness among the audience.

Variables for Placement Value Assessment	Role in Marketing/ Communications Mix	Measures of Effectiveness
<u>Placement Characteristics:</u> Amount of time on screen Size and visibility (foreground or background) Modality of presentation (visual versus audio) Level of plot connection: Interaction between product and actors Product usage by character/star Implied or direct endorsement Creative quality	<u>Stand Alone Placement:</u> Brand exposure Source association Branding/brand image Stimulating interest Bypassing regulations	<u>Stand Alone Placement:</u> Memory (explicit or implicit) Perception of fit Attitude toward brand
<u>Context Characteristics:</u> Competitive images on screen Distraction/lack of distraction factors Match with entertainment image	<u>Integrated Placement:</u> Publicity Public Relations (Internal or External) Cross-Promotions Sales Promotions Interactive Television New-Product Launch	<u>Integrated Placement:</u> Publicity generated Standard PR measures (internal and external) Positioning studies Sales Promotion redemption Trial measures Number of consumers who purchased or showed interest (on internet or at point of purchase) Tracking studies (internal and external)
<u>Audience Characteristics:</u> Demographic profile of the viewing audience Audience size (potential exposures) Rating for exact minute of placement occurrence Audience size based on syndication and reruns Media equivalencies CPM Sponsorship equivalencies		

Figure: 2

Source: Assessing Product Placement Efforts; Assessment model for Product Placement Adapted from the mentioned paper of Cristel Antonio Russell and Michael Belch.

A study produced by Cristel Antonia Russell and Michael Belch, in their article titled “*A Managerial Investigation into the Product Placement Industry*” has distinctly described the findings of a managerial investigation of key players in the product placement industry, including placement agents, clients, studios, production houses, and research organizations. The paper describes the growth of the product placement industry. It is helping marketers, and business houses, to cut costs and expose their products to a more sophisticated audience. Their study also mentioned that traditional advertising agencies have started incorporating product placement in their services.

They have also proposed an assessment model for product placement efforts. According to them, there are mainly three variables for the Placement Value of Assessment which is as follows:

- Placement Characteristics
- Context Characteristics
- Audience Characteristics

3. RESEARCH METHODOLOGY

For our study, we used a quantitative method to collect data from the consumers to obtain information related to consumer buying patterns, the influence of Entertainment media in purchasing decisions towards international brands or commodities, and their interest in global or international brands.

We surveyed to collect data predominantly across India, wherein the majority of the people are from Northeastern India who took part in the survey. The questionnaire was distributed online through social media platforms to the respondents via Google Forms.

The data collected from the survey is laid out graphically for easier understanding and analysis accordingly.

3.1 EVALUATION OF THE COLLECTED DATA

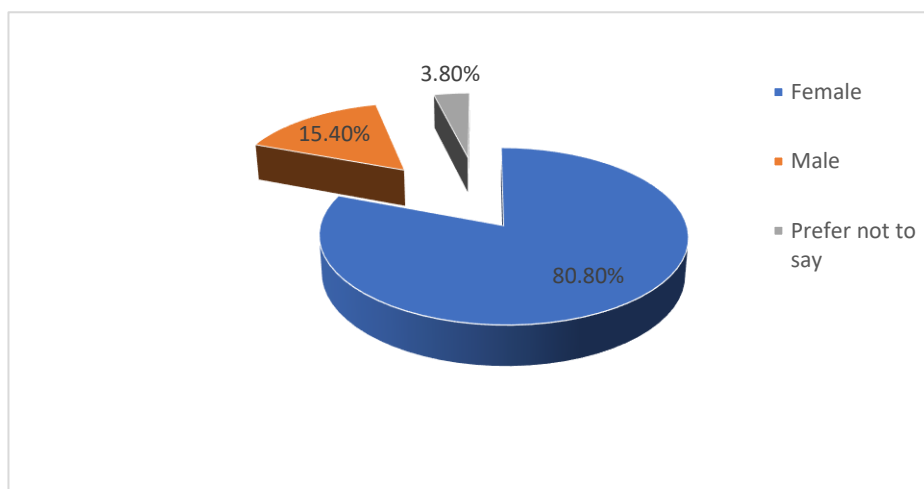


Figure 4: Gender

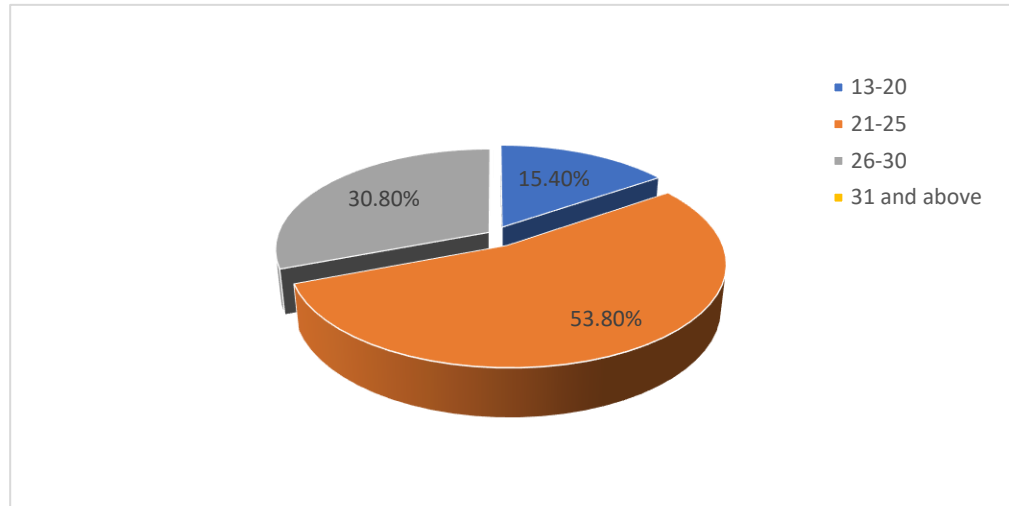


Figure 5: Age

- Among the sample size of 83, 80.80% consists of female respondents followed by 15.40% Males and 3.80% comprises of Prefer not to say, the maximum number of respondents are in the age range of 21-25.

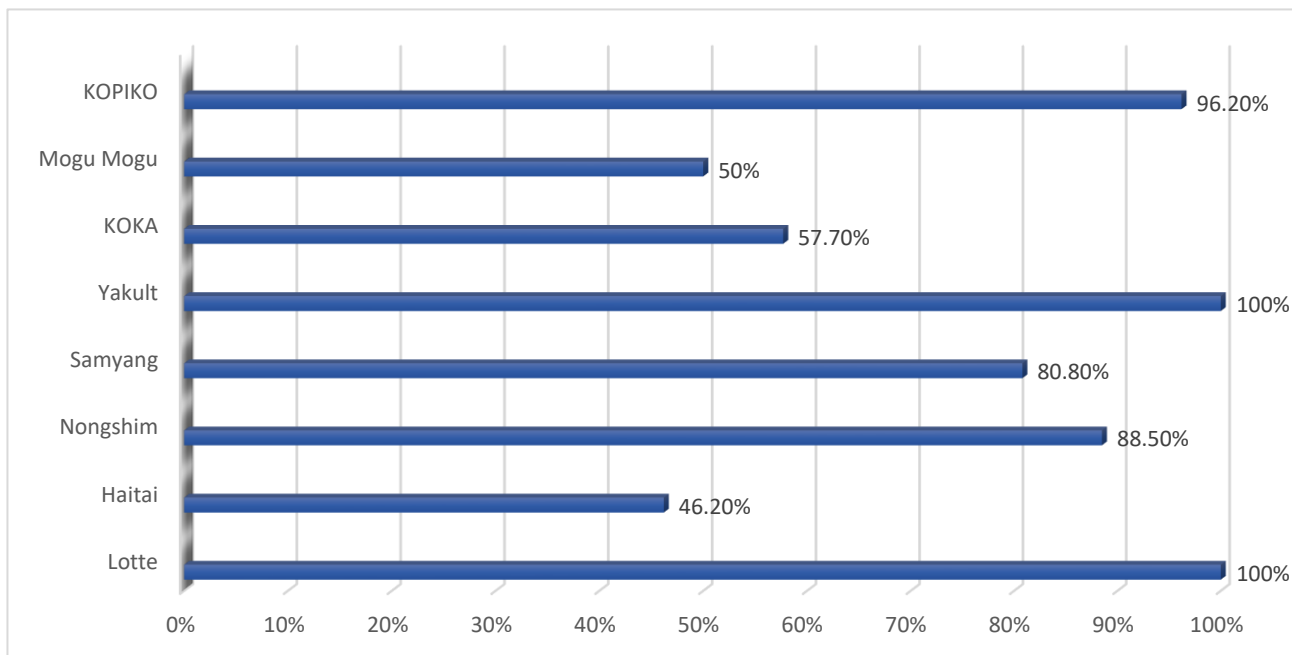


Figure 6: Brand Awareness of these International Brands.

- The above graphical representation depicts brand awareness among consumers. Even though there are not as many advertisements and commercials in India for these global brands except a few like Lotte, and Yakult, people still know about them and have consumed them.

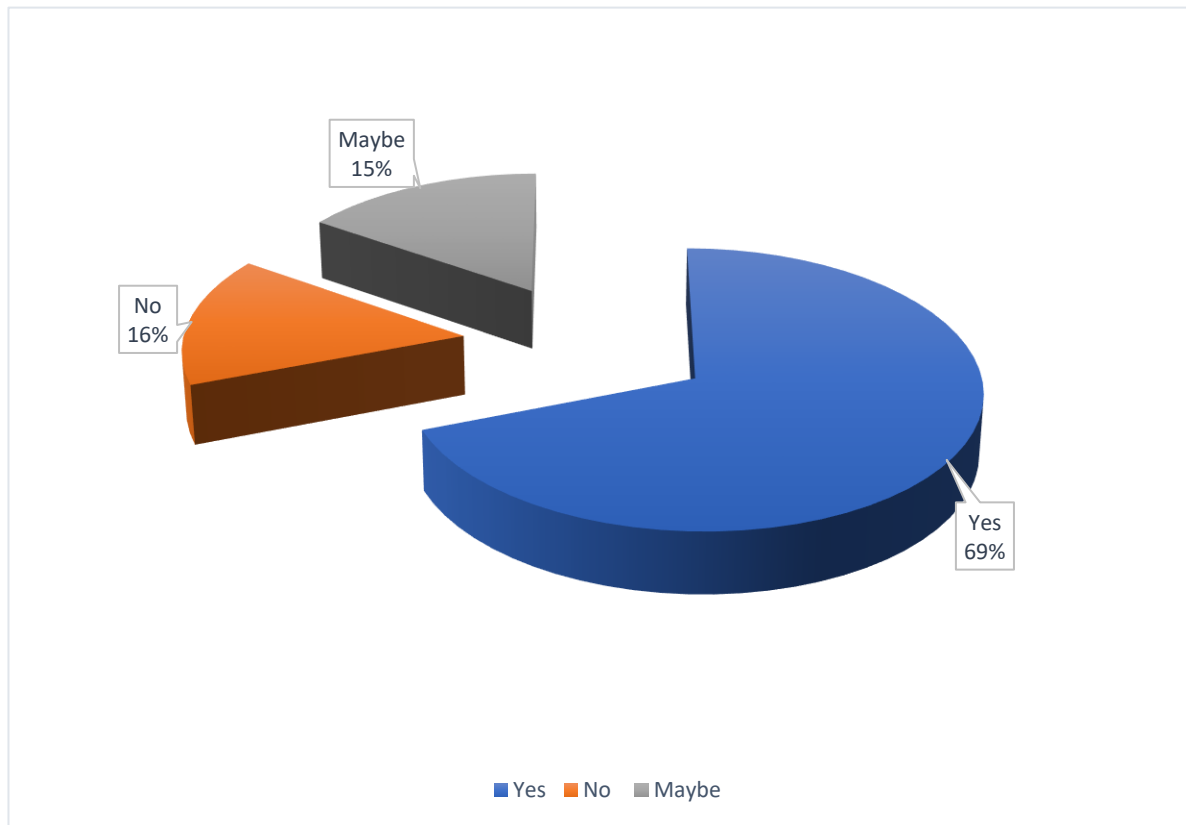


Figure 7: Influence of Entertainment Media on consumers purchasing decisions.

- Consumer buying behavior has been influenced by the entertainment media (web series, movies, television shows). Celebrity and influencer endorsements have a strong impact compared to commercials.

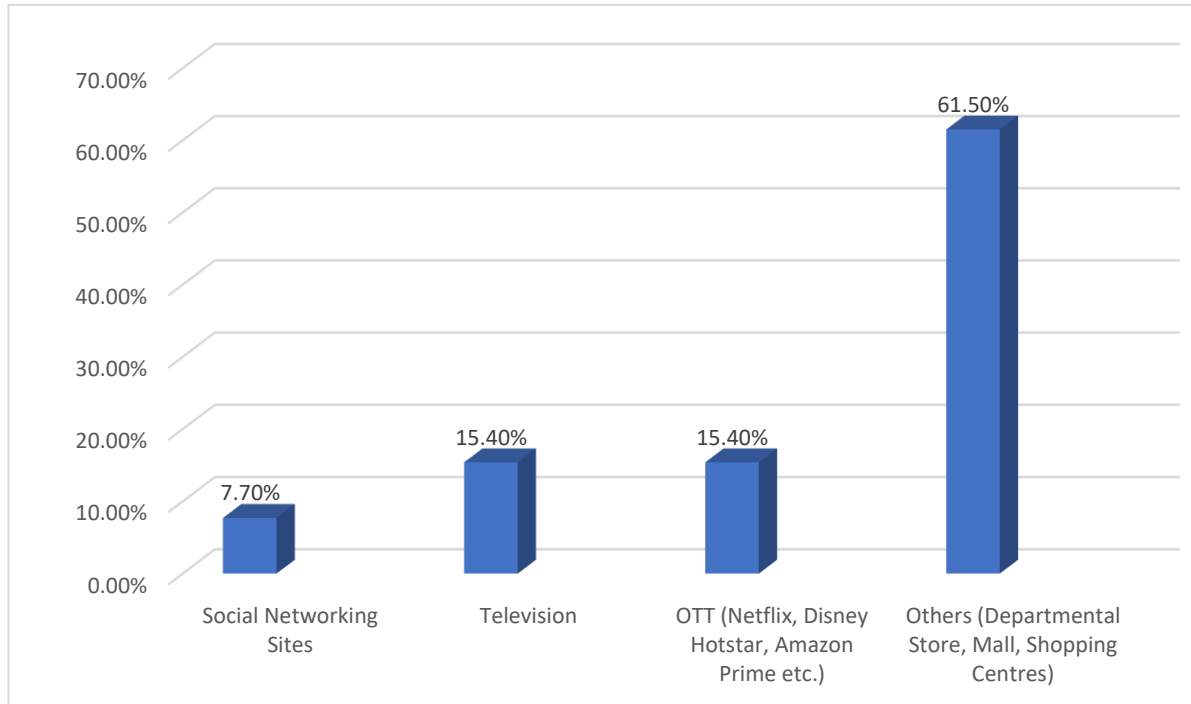


Figure 8: Channel of Interface with consumers

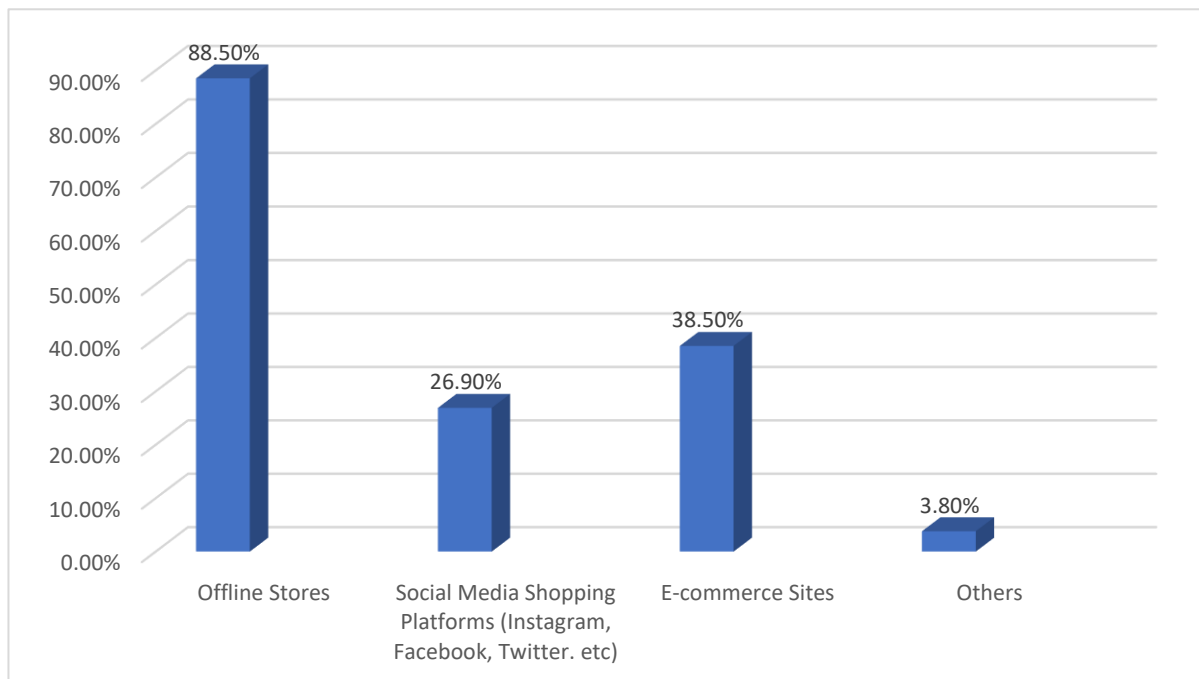


Figure 9: Distribution Channel of the International products.

- Majority of our respondents first came across these brands through offline platforms like departmental stores, malls, and shopping centers, followed by OTT platforms and television. The most favored channel of distribution to consumers is offline stores.

4. CONCLUSION

Companies that have the resources to strategically place their items where they will garner the greatest attention will continue to benefit from product placement. After doing this research paper we have found that, even though there were fewer ads and commercials in India for these brands mentioned in our survey, they were consumed by many people, and a large group of people purchased these products from offline stores than e-commerce websites which can have its reasons like earlier at that time world was not exposed to digital platforms like how it is used to it now because again according to our survey, the same amount of audience first encountered these brands in offline stores, markets, etc. The entertainment industry has an impact on consumer buying behavior through web series, movies, and television shows. It is also observed that if the product placement is related to any of the specific scenes or plots of the dramas, anime, and movies the viewers will be more drawn towards that specific brand mentioned there, Digital platforms have played a bigger role in the brand awareness among the targeted audience. Due to the positive return on investment and a huge rise in brand awareness, Product Placement is also growing in popularity as a form of advertising. The pandemic has surely changed the endorsement strategy in the entertainment industry now the brand knows how to attract the targeted audience which includes not only their home audience but also the international audiences

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