Product placement and activation –

Recommendations for Danish brand holding companies

Cand.merc.IMM master thesis by:
Andreas R. Glud 200582-XXXX
Christopher W. Franck 190983-XXXX

Advisor:
Arne Lycke
Department of Management, Politics and Philosophy

Hand-in-date: November 26th 2009

Characters with spaces: 253,285 equivalent to 111.5 pages
Executive summary
The placing of products in different media has been around as an alternative and subtle marketing tool for many years. In Denmark, however, the use of product placements by brand holding companies has been rather limited due to both legal and moral restrictions. Though, in recent years this has changed and de-regulation from the EU and a more nuanced position on product placement is gaining support.

Considering this recent interest in product placement and many Danish brand holders’ lack of experience with it, this thesis seeks to give these brand holders an overview of how product placements work, how the industry works and how they can maximise their benefits from using placements and activation. Such an overview has the potential to help brand holders decide whether or not product placement and activation is something they will profit from utilizing. The thesis ends up bringing forth a number of recommendations for Danish brand holders considering using product placement and activation.

The thesis covers both the theoretical and the empirical research done on product placement and activation. Furthermore, the authors have conducted a significant amount of research themselves through interviews with industry stakeholders and questionnaires.

After having analysed both the theoretical aspects of product placement and activation, and the results from the interviews and questionnaires the authors conclude that there is a great potential in product placement and activation for Danish brand holders. If the brand holders want to go into the world of product placements they should first of all realise that a product placement standing alone will at best lead to increased brand awareness and image. If the brand holders’ objective is to increase sales, they should focus their attention on using the placement as a platform for a broader promotional campaign that can serve as activation of that placement. They should further seek to integrate their activation efforts in this campaign in order to obtain a number of advantages such as improved efficiency, network development, less brand image confusion and a higher level of consistency.

Brand holders should also collaborate with agencies throughout the process since they are the ones with the greatest amount of knowledge and experience. The agencies typically also have the best relations and connections within the industry giving brand holders easier access to the rights placement opportunities.
Content
List of figures ................................................................. 9

1.0 Introduction .................................................................................................................. 11

2.0 Problem identification ................................................................................................. 12
  2.1 Problem formulation ................................................................................................. 14
  2.2 Delimitations ............................................................................................................. 15
  2.3 Structure of thesis ..................................................................................................... 17

3.0 Methodology .............................................................................................................. 18
  3.1 Primary data .............................................................................................................. 18
  3.3 Choice of theory ...................................................................................................... 19
  3.4 Data collection and validation issues ......................................................................... 21
  3.5 Interview design ..................................................................................................... 22

4.0 Introduction to product placement ............................................................................... 23
  4.1 Insight into the world of product placement definitions ................................................. 24
    4.1.1 Different views on product placement .................................................................. 24
    4.1.2 Chosen definition of product placement .............................................................. 25
    4.1.3 Definition of product placement: ......................................................................... 25
  4.2 Product placement history in brief ............................................................................ 26

4.3 Legislative issues of product placement ..................................................................... 27
  4.4 The product placement industry structure .................................................................. 29
    4.4.1 The production companies .................................................................................. 29
    4.4.2 The brand holders .............................................................................................. 29
    4.4.3 The agencies .................................................................................................... 29
    4.4.4 The consumers ................................................................................................ 30
    4.4.5 The product placement industry illustrated ....................................................... 30
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.5 Industry characteristics</td>
<td>31</td>
</tr>
<tr>
<td>4.6 Product placement typology</td>
<td>32</td>
</tr>
<tr>
<td>4.6.1 Typology</td>
<td>33</td>
</tr>
<tr>
<td>4.6.1.1 Prominence</td>
<td>33</td>
</tr>
<tr>
<td>4.6.1.2 Modality</td>
<td>35</td>
</tr>
<tr>
<td>4.6.2 Branding terminology description</td>
<td>36</td>
</tr>
<tr>
<td>4.6.3 Research on product placement effectiveness</td>
<td>37</td>
</tr>
<tr>
<td>4.6.4 Necessary considerations before engaging in product placement</td>
<td>39</td>
</tr>
<tr>
<td>4.6.4.1 Brand match</td>
<td>39</td>
</tr>
<tr>
<td>4.6.4.2 Target audience fit</td>
<td>39</td>
</tr>
<tr>
<td>4.6.4.3 Coverage</td>
<td>40</td>
</tr>
<tr>
<td>4.6.4.4 Setting</td>
<td>40</td>
</tr>
<tr>
<td>4.6.4.5 Celebrity endorsement factor</td>
<td>40</td>
</tr>
<tr>
<td>4.7 How can product placement affect viewers</td>
<td>41</td>
</tr>
<tr>
<td>4.7.1 The Consumer Decision Process</td>
<td>41</td>
</tr>
<tr>
<td>4.7.2 The Hierarchy of Effects Model</td>
<td>42</td>
</tr>
<tr>
<td>4.7.3 The Elaboration Likelihood Model</td>
<td>44</td>
</tr>
<tr>
<td>4.8 Audiences’ attitudes toward product placement</td>
<td>45</td>
</tr>
<tr>
<td>4.9 Partial conclusion of product placement theory</td>
<td>47</td>
</tr>
<tr>
<td>5.0 Introduction to activation</td>
<td>48</td>
</tr>
<tr>
<td>5.1 Definition of product placement activation</td>
<td>49</td>
</tr>
<tr>
<td>5.2 Role of activation in the product placement industry</td>
<td>49</td>
</tr>
<tr>
<td>5.3 Activation typology</td>
<td>50</td>
</tr>
<tr>
<td>5.3.1 Analogue</td>
<td>52</td>
</tr>
<tr>
<td>5.3.2 Digital</td>
<td>54</td>
</tr>
<tr>
<td>Section</td>
<td>Page</td>
</tr>
<tr>
<td>------------------------------------------------------------------------</td>
<td>------</td>
</tr>
<tr>
<td>5.4 Research on the effectiveness of activation</td>
<td>56</td>
</tr>
<tr>
<td>5.5 The activation process</td>
<td>57</td>
</tr>
<tr>
<td>5.5.1 The Activation process model – Introduction</td>
<td>57</td>
</tr>
<tr>
<td>5.5.1.1 The Activation Process Model – The activation context</td>
<td>58</td>
</tr>
<tr>
<td>5.5.1.2 The Activation Process Model – Receiver response and increased sales</td>
<td>59</td>
</tr>
<tr>
<td>5.5.2 The Activation Process Model – Summing up</td>
<td>59</td>
</tr>
<tr>
<td>5.6 Partial conclusion activation</td>
<td>60</td>
</tr>
<tr>
<td>6.0 Interview process</td>
<td>60</td>
</tr>
<tr>
<td>6.1 Interviews</td>
<td>61</td>
</tr>
<tr>
<td>6.2 Description of the interview guide</td>
<td>61</td>
</tr>
<tr>
<td>6.3 Activation interview guide</td>
<td>62</td>
</tr>
<tr>
<td>6.4 Questionnaires</td>
<td>63</td>
</tr>
<tr>
<td>6.5 Selected interviewees</td>
<td>63</td>
</tr>
<tr>
<td>7.0 Interview and questionnaire Analysis</td>
<td>65</td>
</tr>
<tr>
<td>7.1 General thoughts on product placement</td>
<td>66</td>
</tr>
<tr>
<td>7.1.1 Resources spent on product placement</td>
<td>66</td>
</tr>
<tr>
<td>7.1.2 Opinions on product placement effectiveness</td>
<td>67</td>
</tr>
<tr>
<td>7.1.3 The primary outcomes from product placement</td>
<td>69</td>
</tr>
<tr>
<td>7.2 Thoughts on the product placement process</td>
<td>72</td>
</tr>
<tr>
<td>7.2.1 The usage of agencies to facilitate the product placement process</td>
<td>72</td>
</tr>
<tr>
<td>7.2.2 The product placement process from start to finish</td>
<td>73</td>
</tr>
<tr>
<td>7.2.3 Bottlenecks in the product placement process</td>
<td>74</td>
</tr>
<tr>
<td>7.2.4 Summing up</td>
<td>77</td>
</tr>
<tr>
<td>7.3 Thoughts on product placement control issues</td>
<td>77</td>
</tr>
<tr>
<td>7.3.1 Control issues</td>
<td>77</td>
</tr>
<tr>
<td>Section</td>
<td>Page</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>------</td>
</tr>
<tr>
<td>8.5 Part conclusion on activation analysis</td>
<td>106</td>
</tr>
<tr>
<td>9.0 Integrated Activation – A strategic approach to activation</td>
<td>106</td>
</tr>
<tr>
<td>9.2 IA Background</td>
<td>108</td>
</tr>
<tr>
<td>9.4 IA implications for Danish brand holding companies</td>
<td>111</td>
</tr>
<tr>
<td>9.5 IA criticism</td>
<td>112</td>
</tr>
<tr>
<td>9.6 IA and Danish brand holding companies</td>
<td>112</td>
</tr>
<tr>
<td>10 Recommendations on product placement for Danish brand holding companies</td>
<td>113</td>
</tr>
<tr>
<td>11 Discussion</td>
<td>122</td>
</tr>
<tr>
<td>12. Conclusion</td>
<td>123</td>
</tr>
<tr>
<td>13. Perspectives</td>
<td>127</td>
</tr>
<tr>
<td>References</td>
<td>128</td>
</tr>
<tr>
<td>Books</td>
<td>128</td>
</tr>
<tr>
<td>Surveys</td>
<td>129</td>
</tr>
<tr>
<td>Websites</td>
<td>129</td>
</tr>
<tr>
<td>Articles</td>
<td>130</td>
</tr>
<tr>
<td>Appendix</td>
<td>131</td>
</tr>
<tr>
<td>Appendix A: Interview guide for Product placement</td>
<td>132</td>
</tr>
<tr>
<td>Screening questions</td>
<td>132</td>
</tr>
<tr>
<td>Product placement (PPL) questions</td>
<td>133</td>
</tr>
<tr>
<td>Activation of product placements</td>
<td>134</td>
</tr>
<tr>
<td>Advice</td>
<td>134</td>
</tr>
<tr>
<td>Appendix A: Interview guide for Product placement – Media Agencies</td>
<td>135</td>
</tr>
<tr>
<td>Screening questions</td>
<td>135</td>
</tr>
<tr>
<td>Product placement (PPL) questions</td>
<td>135</td>
</tr>
<tr>
<td>Activation of product placements</td>
<td>136</td>
</tr>
</tbody>
</table>
Advice ........................................................................................................................................................ 136
Appendix B .................................................................................................................................................. 138
Appendix D .................................................................................................................................................. 142
Appendix E: Quantitative questionnaire for Product Placement and Activation ................................. 151
Appendix F: Quantitative questionnaire results .................................................................................... 153
Appendix G: Summary of interview with Camilla Olsen from Tuborg ................................................. 178
    General ................................................................................................................................................ 178
    Product placement process ............................................................................................................... 178
    Control .............................................................................................................................................. 178
    Measurement ................................................................................................................................... 178
    Product placement vs. Traditional marketing ................................................................................. 179
Appendix G: Summary of Ole E. Andersen interview ............................................................................ 179
List of figures

Figure 0: Structure of thesis
Figure 1: Overview of product placement characteristics (own production)
Figure 2: Aspects of prominence
Figure 3: Possible PPL modalities:
Figure 4: Product placement findings
Figure 5. Consumer decision process (Arens, 2006)
Figure 6: Combination of HoE model and the Consumer decision process.
Figure 7: Elaboration Likelihood Model (Arens, 2006)
Figure 8: Results derived from Andersen (2006), Tiwsakul (2005), Stipp (2004), and Nielsen (2008)
Figure 9: Role of Activation
Figure 10: Activation elements (Own production based on Andersen (2006))
Figure 11: Activation process model (own production based on Pickton & Broderick (2005))
Figure 12: Results based on how interviewees rate PPL as a marketing tool.
Figure 13: Most important outcomes of PPL
Figure 14: Interviewees thoughts on bottleneck issues
Figure 15: Results based on how interviewees rate the PPL process.
Figure 16: Shows the results when asked if the interviewees felt they had enough control.
Figure 17: PREVA product placement measurement system, developed by Propaganda GEM
Figure 18: Results based on how interviewees rate the ability to measure the effects of PPLs.
Figure 19: Shows the results of how beneficial product placement is believed to be compared to traditional marketing.
Figure 20: Statements on future perspectives for PPL collected from interviews.
Figure 21: Interviewees perception of when product placement is most effective, when activated or when not activated.
Figure 22: Shows examples of how the interviewees have used activation of PPL.
Figure 23: Shows the interviewees’ attitude towards the level of brand holder control PPL activation allows for.
Figure 24: Drivers for IA

Figure 25: Organizational implications for IA

Figure 26: Measurement suggestions for product placement
1.0 Introduction
Marketing tools have become increasingly plentiful and sophisticated over the years, and a significant change in how consumers are exposed to and process marketing messages from brand holding companies requires these companies to think in terms of alternative ways of reaching potential consumers. In order for their brands and products not to end up being perceived as just another drop in the ocean Danish brand holders need to figure out ways to make their brand and products stand out and differentiate them from their competitors.

In this thesis the authors suggest product placement as a means for Danish brand holders to achieve this objective. Product placement, which can be seen as a subtle form of advertising, has been the focal point of a lot of controversy over the years, especially in Europe where the attitude towards subtle or hidden advertisement has been very negative. It seems that in Denmark it has especially been the production side of the media, that is movie directors, producers, writers etc. that have been cautious in approaching and opening up for the use of product placements due to their approach to movies, books etc as art and not, as it is often the case in for example the US, as entertainment.

This cautiousness has had the effect that Danish brand holding companies have not until very recently began to consider the deliberate placing of brands and products in media as a legitimate way of marketing. As a consequence many Danish brand holders do not have a sufficient basis of knowledge on product placement and the industry structures and processes that lead to a successful product placement.

For years, Northern American brand holders have used product placements and the activation of these placements through highly integrated and coordinated campaigns as a natural part of their marketing strategy. In Europe, however, and very noticeably in Denmark, this has not been the case and it seems obvious to the authors that Danish brand holders need a source to obtain knowledge and inspiration on the subject. It is the aim of this thesis to serve as such a source.

Through thorough theoretical and empirical research and analysis this thesis seeks to establish an overview of the product placement industry and to develop a set of recommendations especially for brand holding companies in Denmark on how to deal with this type of subtle advertising and the activation of it.
2.0 Problem identification

Marketers constantly try to target consumers in the most effective ways, in order to increase product awareness leading to sales. Targeting consumers is increasingly getting more and more difficult, due to the overexposure that consumers experience every day. It is estimated that the average consumer is being exposed to more than 3000 ads everyday and this number is increasing (Lindstrøm, 2008). This means that the consumer has unconsciously developed a filter that enables him to shut out the many messages that is being sent his way (Lindstrøm, 2008). Making them more unable to remember and process the advertising that they are exposed to.

Many ads and messages are therefore inevitably forgotten in the large stream that is advertising and marketing; because of the consumer’s ability to critically select, and deselect what to remember.

Working in such a scenario, it is evident that marketers need to do things differently and be more creative to reach the consumers.

Reaching consumers in new ways is about creativity to avoid being just another message missed in the advertising stream. Therefore lots of companies, mainly in North America, have incorporated product placement into their marketing campaign due to its subtle nature, and ability to show the product/brand in a context where it is used and not only written in an advertisement (Arden Doss, 2009). The average Hollywood produced film has an average of 98 product placements, which illustrates that a large number of brand holding companies believe in product placement as an alternative marketing tool.

Placed products and brands have the distinct advantage that they do not appear as direct advertisement messages from brand holders, but are subtle and if well integrated in the media they are also able to create a more realistic environment. Furthermore, placements have the potential to exploit positive connections to celebrity actors, directors, musicians etc. that indirectly can perform an approval-giving function, meaning that consumers are more likely to think positively about a brand or product if it is already endorsed by their favourite celebrity.

The advantages of product placements are many, but it is obvious that there are also implications for Danish brand holding companies wanting to use them.
Product placement can be used as a subtle way for brand holders to strengthen consumers’ awareness of their brand or products, but one of the biggest risks is that the placements are carelessly done and may appear too obvious in the given media. Furthermore, all companies of course look for marketing to ultimately increase their profits, habitually through increased sales, and this is a task that product placement most often cannot solve. As we argue later on in the thesis product placements standing alone cannot be proven to have an effect on sales, only brand awareness and image. This means, and we argue this throughout the thesis as well, that product placements have to be activated, supported, by a broader campaign around the placement.

In regards to difficulties on integrating a product in a movie, the Danish brand holders’ lack of experience is a factor that can play a role in how successful these brand holders are in using product placements. Often firms will have a hard time navigating in the business, since it is dominated by close ties and relationships. Therefore, Danish brand holders may have difficulties in attracting the right product placement deals, in media that corresponds to their expectations and objectives.

Another issue on product placement is that there have been legislative obstacles for integrating brands and products in different media in Europe, as opposed to North America where such legislative obstacles have been virtually non-existing. This is likely to change soon due to EU deregulation, facilitating the process of placing a product in a media across Europe.

With all of the above-mentioned advantages and implications of product placement in mind, the authors have chosen to write this thesis in order for it to help Danish brand holding companies navigate the world of product placement and product placement activation.
2.1 Problem formulation
Product placement as a marketing tool has not received the same amount of research attention in Denmark as in countries such as the US. However, Danish brand holders are gradually becoming more and more interested in the use of product placement as an alternative and more subtle way of reaching their target audiences, and as a tool in connecting their brands and products to a certain media and atmosphere. Having joined the product placement fad quite late in the game, the Danish brand holders seem to have the need for insider knowledge and advice based on practical experiences in order to fully benefit from the use of product placement and activation.

Therefore, the authors of this thesis believe it to be of great relevance to create a platform for Danish brand holding companies contemplating about getting involved with product placement and the activation of such placements through broader campaigns.

With this in mind, this thesis will seek to solve the below written overall problem:

| How can Danish brand holding companies increase their benefits from using product placements and product placement activation? |

In order to answer the overall problem of this thesis, the authors have chosen to derive three sub-problems, that will serve collectively both as tools with which to solve the overall problem and as guidelines for the structural framework of the thesis.

1) How can product placement and product placement activation be defined and employed as a part of a Danish brand holding company’s marketing mix?

In this section of the thesis the authors will describe and discuss the theoretical aspects of product placements and the activation of product placements. The legal and consumer behavioural aspects of the matter will also be touched upon.
2) How is product placement and product placement activation used and perceived today by industry stakeholders?

A thorough analysis will be conducted, in order to bring forth a set of general recommendations for Danish brand holding companies on how the product placement industry works and how best to use product placement and activation. The analysis will be based on data collected through qualitative interviews with industry stakeholders and quantitative questionnaires.

3) How can a set of general recommendations on how to use product placement and the activation hereof be developed for Danish brand holding companies?

The final part of the thesis concerns the development of a number of recommendations for Danish brand holders on how to engage themselves in product placement and product placement activation. The recommendations will be based on all theoretical and empirical research and analysis conducted throughout the entire thesis.

2.2 Delimitations

The purpose of this thesis is to aid Danish medium sized brand holding companies acting in international markets, but with limited marketing resources, in deciding whether or not product placement as a marketing tool is right for them. Through both theoretical and empirical research the authors will analyse and clarify the subject of product placement and product placement activation. The ultimate objective of this thesis is to develop a set of recommendations that can assist brand holders through the product placement and activation process. The point of view of the thesis is therefore two consultants (the authors) advising brand holders on the subject of product placements and their activation.

For primary sources this thesis uses interviews with players from the product placement industry and also quantitative results from questionnaires answered by these stakeholders. It has proven to be very difficult to gain access to parts of the industry, especially the production companies (but also brand holders and agencies), due to some stakeholders’ lack of openness towards their work.
and in the case of the production side of the industry it seems that they aren’t willing to discuss product placements because of its taboo-like status. The thesis therefore does not include the production side of the product placement industry. Regarding the consumer side of the industry, the receivers of the product placement messages, the authors of this thesis have chosen only to clarify the most relevant theoretical and practical issues on the subject of consumer behaviour. The reasons for this are that a more thorough empirical analysis on the matter has been conducted several times before, and since the thesis takes the brand holders’ point of view we do not find it appropriate to allocate more resources to this approach.

Looking at the financial side, the authors have not been able to obtain much information on resources spent and prices set by stakeholders regarding product placement. In regards to the legislative aspects of dealing with product placement, the authors have chosen to describe the current tendencies that the basis for brand holders’ opportunity to do product placement.

The term “product placement” (PPL) is for good reasons a central term throughout the thesis. However, the authors have discovered that the different actors in the PPL industry and the academic researchers whose work we also draw upon often do not have the same perception of what the term comprises. For this thesis the authors have chosen the broadest definition possible of the term, which means that we will delimit ourselves from thinking about product placements as only relevant for movies, which is probably the most commonly used media for PPLs, but also include in our definition all other types of media such as TV-shows, music videos, computer games and books. The various media will, however, not be sketched out in detail, but will be included in the description of PPL and activation typologies.

The authors introduce branding terms briefly, for the reader to get a better understanding of how the terms are used throughout the thesis. It is important to stress that the scope of the assignment is not to focus on brand strategy or identity hence the branding terminology will only serve as a helping hand to understanding terms used later in the analysis.
2.3 Structure of thesis
An overview of the structure of the thesis can be found below.

Figure 0: Structure of thesis
3.0 Methodology

The thesis will utilize a combination of qualitative and quantitative research when collecting primary data. The advantage of the qualitative technique when interviewing is its exploratory nature. It will emphasize on obtaining the perspectives, attitudes, and experiences of the interviewees (Andersen, 2005). Utilizing this technique will facilitate the process of attaining information regarding product placement in general, and provide the thesis with practical examples and experiences.

Most of the primary data have been collected through interviews based on the interrogation/communication study (Blumberg, Cooper & Schindler, 2005). They will be done through face-to-face interviews, and telephone interviews in case where it is not possible for the researchers to meet the interviewee in person.

These interviews have been conducted using stimuli, in order to control the interview and gain the answers needed by the researchers. To obtain the answers needed, the interviews were also inspired by the semi-structured interview setup (Andersen, 2005). This setup holds two main objectives, one helping the researchers to obtain perspectives of the interviewee, two, confirming information already held by the researchers (Blumberg, Cooper, Schindler, 2005).

The authors have also included a quantitative study through a questionnaire. The quantitative technique is done to create exact measurable quantifiable data, which can be precisely compared between interviewees. This was important for the thesis, because of the difficulties that can occur in interviews. These difficulties include misunderstandings of concepts, and differences of perception of terminology used in the thesis.

3.1 Primary data

The primary data has been collected through 15 interviews with companies, media agencies, and scholars. The interviews were conducted to obtain a broader knowledge on product placement.

Furthermore a questionnaire was distributed to all the interviewees however the response rate was only 50%. This was because the interviewees said they would answer these at another time or send them back to the authors, but never did.

Since the literature on the activation of product placement is scarce (Andersen, 2009), it was
imperative to the thesis to investigate how brand holders use PPL activation in practice. The chosen individuals, who provide the authors with knowledge, are employees within the designated companies (see section 6.0) who have some experience with product placement and activation strategies attached to this phenomenon. It is important to incorporate international brands, because they have more experience with product placement compared to Danish brands. This will contribute to overall result of the thesis, enabling the researchers to identify differences and commonalities within the use of PPL and activation. A more thorough description of the interviewees will take place in section 6.0.

3.2 Secondary data
The secondary data consists of both qualitative and quantitative data. The quantitative data consists of a study by Ole E. Andersen and Børsen to supply the theory with existing valid data. This will contribute to the theoretical part and also the analysis, since it confirms the beliefs of the end users towards product placement. Both qualitative and quantitative data has been gathered from articles, books and surveys published in international media and academic journals (e.g. Journal of Advertising, Journal of marketing, etc.) in order to derive commonalities and differences within product placement and activation.

3.3 Choice of theory
In order to answer the overall problem and sub-problems on which this thesis is based on, the authors have made use of a variety of theoretical works from recognised researchers and sources with relevance to the subject matter. An attempt has been made to identify and apply as current and up to date theoretical material as possible. Since such a vast array of theoretical aspects is treated in the thesis, the authors have found it appropriate to moderate certain parts of these, in order to serve the overall purpose of obtaining a proper level of theoretical understanding to reach practical recommendations. In accordance with the structure of the thesis the material can be divided into four major categories. These are product placement, consumer behaviour, activation and integrated activation theory.

Product placement theory
The theoretical works employed on product placement have the purpose of exploring different
researchers’ definitions of PPL and thereby enabling us to form our own definition for the thesis. Another major motive is to thoroughly describe and illustrate the specifics of PPL, especially topics such as prominence and modality, and the PPL industry in general in order to reach satisfying recommendations for Danish companies considering engagement in product placements. The important role of the agencies is also included here. This category of theory furthermore comprises a brief history of PPL and the most important legislative aspects of PPL.

**Consumer Behaviour theory**
Knowing how consumers think about and interpret any advertising is important for all marketers. Companies thinking about doing PPLs and activation campaigns have an apparent interest in knowing how their consumers may react on a product placement by the company and this is the main reason to include consumer behaviour theory in this thesis. Understanding the processes that takes place when consumers judge a brand or product is also of significance.

**Activation theory**
As we argue in this thesis it is most often the case that a product placement needs a certain amount of activation efforts following the placement itself in order to create the desired increase in brand awareness, image etc. In accordance we make use of theory to define and clarify the subject of PPL activation, and the process that each activation activity goes through from the time a company chooses to engage it till it is picked up and processed by the receiving audience. All this is included in the thesis with the purpose of making the potential PPL using company able to handle the activation process most efficiently.

**Integrated Activation theory**
The concept of integrated activation, based on the concept of integrated marketing communications theory, is incorporated in the thesis as a strategic way of thinking about activation that has the potential to lead to general synergies and optimization of activation efforts. The theoretical sections on integrated activation present the concept and should give the reader an insight into the opportunities and the implications of employing an integrated activation strategy.
3.4 Data collection and validation issues

When doing research, the data collected needs to be analyzed. In order to use data collected for this thesis, the gathered data needs to be validated to ensure its reliability and appropriateness. The validation process is crucial for this thesis, because the problem formulation will be answered in light of this data.

Since the data collected for this thesis consists of lots of qualitative information, it is important to take into account, the problems or fallacies that can occur in the interview process.

First of all, it is important to acknowledge that when doing qualitative interviews, the authors only obtain a fraction of the truth and a limited view of the process of product placement within the designated industry stakeholders. This problem can occur, because some companies might use product placement by coincidence if they are approached by a production company, whereas others have planned PPL as a part of their marketing campaign. It may also be in the interest of some companies to withhold information for them to stay ahead of competition. Therefore there will be different ways in which the companies have used product placement, hence activation may not always be utilized to support product placement.

In writing the thesis, resource limitations and difficulties in reaching relevant industry sources meant that the authors were not able to conduct a very large amount of interviews. In general it has not been possible for the authors to simply pick and choose all the interviewees we found relevant due to the apparently closed nature of the PPL industry. When choosing only 15 interviews, the authors risk that the collected information is not representative for the majority of companies using product placement and activation. This obviously will weaken the analysis and the results compared to a large scale study, but by choosing different Danish and international companies and then look for similarities and differences, patterns will occur that will enable the authors to derive some general conclusions.

Furthermore, when interviewing the media agencies, problems can appear in the same respect as the aforementioned. Since the media companies are highly specialized, they may not want to give knowledge away freely to support the thesis, since it is specialized knowledge which they can sell. This issue may be resolvable, since they will be offered a copy of the thesis, so they will be able to disseminate the knowledge internally from the findings of this thesis. Additionally media
agencies have an apparent interest in defending their own business model, and may therefore not be objective in their opinions toward product placement and activation.

In regards to validation of secondary data, the researchers find that these are of high reliability. This is because they are published in international journals, used as course material, in international news media etc. Having such data published in high reliable sources, enables the researchers to validate some of the primary data, since the secondary data will be used as inspiration for the interviews and the theory section.

Last, due to technical failure, 2 recorded interviews were lost, forcing the authors to immediately transcribe the overall views and points of the interviews. This is an issue because opinions can have been lost, since none of the authors were taking exact notes. However, this was solved best possible, by writing down everything that the authors recalled.

3.5 Interview design
Since research regarding product placement has been done many times before, it was important for us to take a different approach and obtain valuable information which has previously not been collected. Therefore we decided to collect knowledge from companies that has used product placement, to gain insights to their practices, instead of investigating the effect it has on the viewer since this has already been done several times.

A thorough structure of the interview process was also needed, since we would be interviewing different companies with different backgrounds and approaches to product placement. When utilizing interviews in field research, it is essential to maintain a certain structure and design, to ensure the quality and also the comparability. Hence the design of the interview and the process of analyzing the emerging data have been completed with inspiration from Kvale (1997). From Kvale (1997) we have employed the structured research route’s 7 stages consisting of theme, design, interview, transcribe, analysis, verify, report. This is done to structure the thinking of the researchers through goal oriented thinking, in order to have a more transparent interview process where the goals are constantly reached.

The number of interviews was agreed upon with the advisor and the authors, and was decided to be 15 interviews to ensure high amount of reliability and validation. Furthermore, having a high
number of interviews would enable us to find valid commonalities since these wouldn’t be outliers that could happen due to low respond rates.

After these choices were made, the interview guide (Appendix A) was designed for structural purposes. These guides certainly helped the authors in structuring the analysis interview, but also the interviewee to prepare him/herself to the interview. It was experienced that the interviewee often had questions regarding the interview questions, which gave us the opportunity to clarify these due to the strengths of the semi-structured interview.

When the interview was finished, the interviewees were given a chance to add anything else that they may have felt was not stressed enough.

4.0 Introduction to product placement

The concept of product placement (PPL), or brand placement, these expressions will be used interchangeably throughout the thesis, will be introduced in this part of the thesis, and the aim will be to establish a theoretical foundation for the analysis and the recommendations later on.

Based on the definitions by respected theorists on the matter, the authors will firstly define PPL as they see it and as it will be used throughout. Having done this, a brief presentation of PPL history and legislation will be given. PPL history and legislation will not be central issues in the thesis but the authors believe a short introduction is of importance in order to understand under what conditions PPL has developed and exists today.

Next to the authors’ definition of PPL the most central theoretical issues will be a description of the different PPL typologies that treats the issue of how PPL can be and has been applied by marketers. This will be followed by a section on consumer theory to determine how PPL and advertising affects viewers. Finally the audiences’ view on PPL will be looked upon, followed by PPL effectiveness to determine how well PPL works and the attitude towards it.
4.1 Insight into the world of product placement definitions

Product placement has been described and defined in several ways by theorists throughout the years. The differences have been with regards to the way PPL can be used, in which mediums etc. Another factor is time, by which is meant that the more research done on PPL over time the general definitions of it will change.

In order to reach this thesis’ definition of PPL it is necessary to take a look at these different approaches towards the subject. Commentaries will follow each of the definitions taken from the works of PPL scholars.

4.1.1 Different views on product placement

"The purposeful incorporation of a brand into an entertainment vehicle."

(Russell & Belch, 2005)

According to this definition the use of PPL is not strictly limited to medias such as film and TV, other mediums such as music videos, novels and computer games are also possible PPL channels. It also takes into account the different levels of integration and modality available in these medias, and the fact that it is not all PPL efforts that are paid for.

‘‘The paid inclusion of branded products or brand identifiers, through audio and/or visual means, within mass media programming’’

(Karrh, 1998)

Here Karrh excludes PPLs that are not paid for by the brand holding company. By this definition a movie director’s, radio host’s, novelist’s etc. choice to incorporate a certain brand or product in production, can’t be categorized as PPL. Karrh also does not allow for different levels of integration and modality in this definition.

“The practice of placing brand name products in movies as props is called product placement”

(Gupta & Gould, 1997)

This somewhat simplified definition only considers PPL in movies, and only as props. It doesn’t
take into consideration the multitude of available mediums for PPLs, it doesn’t acknowledge the different possible levels of integration and since the definition requires the PPL to be in the form of a physical “prop” it also leaves out the possibility of a audio product placements.

“Product Placement is a paid product message aimed at influencing movie (or television) audiences via the planned and unobtrusive entry of a branded product into a movie (or television program)”

(Balasubramanian, 1994)

By this definition Balasubramanian includes both movies and TV-shows as possible mediums for product placements. This may be explained by the fact that, these are by far the most popular mediums for PPL marketers. Balasubramanian doesn’t include unpaid and unplanned product placements, and finally the definition categorizes PPLs as unobtrusive (low profiled, not showy), which is not always so when you take into consideration the different levels of PPL integration.

4.1.2 Chosen definition of product placement
As illustrated above the definitions of product placements are plentiful and diverse. Each definition is adapted to fit into a certain context and to assist in achieving specific results. We believe it to be important to recognize other researchers’ thoughts on what the notion of product placements comprises, however it is necessary to develop a specialized definition for the purpose of this thesis. This is due to the fact that the definition of PPL must be in coherence with the overall problem identification and previously mentioned delimitations.

With this in mind the chosen definition reflects that this thesis allows placements in all kinds of medias, and that the authors accept both paid and unpaid for PPLs, different types of modality and levels of integration.

4.1.3 Definition of product placement:
Product placement is the paid and/or unpaid, verbal and/or physical incorporation of a brand or product in any given media

Since the thesis also revolves around the activation of product placements, we will identify the characteristics of activation and our definition of it in a later section. However, this definition of product placement as a whole is of crucial importance, and serves as a foundation for the rest of the thesis.

4.2 Product placement history in brief
One of the first cases of product placement is reported to be in a novel about two centuries ago (Lehu & Bressoud, 2007), however it wasn’t until the invention of the radio, moving pictures and then television that a more systematic use of placed brands began to take hold. In the early days of both radio and television, many programs were courtesy of brand holding companies, such as automobile and cigarette manufactures (Galician et al, 2004), and to some degree resembled modern day TV-commercials. However, this way of making programs was unacceptable for the networks, because of the high level of uncertainty and the high level of reliance on a single sponsor, and was more or less put a stop to.

The first example of a movie star using a placed product in a major Hollywood movie production was Joan Crawford’s use of Jack Daniels liquor in a movie called “Mildred Pierce” in 1945 (Galician et al, 2004). During the 1960’s certain Hollywood directors sought to make their movies as realistic as possible, and consequently started to used “real-life” products as props on their movie sets. It is not hard to imagine that this new “trend” was greeted by the movie studio bosses as they saw it as a potential cash cow. During the somewhat unstable economic environment of the 1970s the use of PPL only intensified in order to keep the movie studios afloat. As an effect of decreasing ticket sales and previously unheard of enormous film budgets, the movie studio executives had no choice but to rely more and more on PPL as a revenue maker (Galician et al, 2004).

It was, however, the 1982 Steven Spielberg movie “ET” that more than any other movie before it opened marketers eyes for the full potential of actively
seeking out movies in which to place their products. This particular movie, featured a placement of a candy product called Reese’s Pieces, and this placement was said to have increased the sales of this product by no less than 65% in three months.

After this apparently certain proof of the effect of product placements in movies, the PPL business began its ascent towards its current multi-billion dollar revenues. Today placements occur in many types of media such as books, music videos and TV-programs and it seems that the number of placements in each media increases all the time.

In recent days, successful Danish programs like “TAXA”, “Nikolaj og Julie” and “Ørmen” have used PPLs to promote Toyota and Opel cars and “3” mobile phones (Andersen, 2006). However the use of PPL in these programs are nothing in comparison to the product placement heavyweights such as the American talent show “American Idol” in which no less than 3,291 could be found in the first quarter of 2008 (Media Post, 2008). According to the American Federal Communications Commission product placements on TV were up 40% during the same quarter (Media Post, 2008).

### 4.3 Legislative issues of product placement

Due to the progressive development of product placements, there are different perceptions of how product placements should be allowed to function. These views are not only shared by the industry stakeholders, but also by legislatures throughout the world. Therefore it is important to understand how companies are allowed to use product placement.

North America is more liberal compared to Europe in regards to marketing and advertising. However restrictions on certain perceived unethical placements such as tobacco and pharmaceutical products do occur. In the USA product placement is not prohibited due to the lack of public service broadcasting. This means that there are no restrictions of how or where a company can place their products. However, since product placement is an ever evolving phenomenon in America, there are concerns that things are going too far. Therefore associations such as the Writers Guild Association are advocating for tighter regulations due to the overexposure of product placement in American TV and motion pictures (wga.org, 2005). They want, as it is the case in some European countries, that the given show or film needs to inform the
viewer of the hidden advertising, and that stricter regulation is needed in regards to children’s programs.

Thus, companies should be aware of these regulatory differences when using PPL in different countries. The biggest concern in regards to product placement is the issue of hidden advertising and the protection of children. Legislatures believe that the exposure to hidden advertising is ethically wrong because children have difficulties in coping with advertising at a young age. Also, PPL can for some be hard to recognize as advertising, because placements are often incorporated very well in the story line.

Product placement is not legal in Denmark when it is included in a transaction with payment. If PPL is to be used, the given product should be provided by the company free of charge (Forbrug.dk, 2009).

Product placements have been illegal throughout Europe, but has been under recent examination on EU level trying to deregulate this marketing discipline, in order to modernize legislation and media marketing (information.dk, 2009). Furthermore, by modernizing the audiovisual industry, it will enable the companies within the EU to increase their competitiveness.

The possibilities of product placement are presently looking positive since the EU will allow product placement to a certain extent. This initiative which has been accepted by the EU, supports product placement, and the EU member states are now to implement these new regulations primo 2010. Therefore, product placement will as of 2010 be legalized with a few exceptions (BBC, 2009). These exceptions are the use of product placement in the news, documentaries, and children’s programs. Furthermore, viewers need to be warned when product placement will occur (BBC, 2009). This means that declining advertisement revenues might be able to be saved, by giving companies an alternative way to market their products.

With such changes in legislation, product placement will probably occur more frequently in the future and most likely become an even greater alternative way of marketing one’s products. Although this initiative is to be implemented primo 2010, the individual member state is allowed to tighten legislation if they feel so. This means that companies still have to be aware of the differences in legislature among the different member states.

Interestingly enough, product placement in Europe and America can be considered as opposite
poles, one being extremely liberal, and the other very conservative. One can imagine that the model for how product placement should function will be more aligned in the future, since organizations in America advocates for a more controlled environment, and European organizations wants a more liberal regulation.

4.4 The product placement industry structure
Russel & Belch (2005) states 3 major stakeholders to the product placement industry, namely agencies, studios, and firms who use PPL in their marketing campaigns. The authors of this thesis agree with this statement, but argue that there is a fourth and equally important stakeholder and that is the consumer. For obvious reasons there would be no need to place products in any media if there were no potential consumers to see them. These four pillars make up the industry, where they serve different purposes and have different attributes. In this section we shall describe the pillars briefly, with the aim of giving the reader a better understanding of how the PPL industry is structured. An illustration of the industry stakeholders is shown in section 4.4.5. After, we present the typology of product placement in section 4.6.

4.4.1 The production companies
This pillar contains all the producers of media in which it is possible for a brand holder to place a product. The main players here are movie production companies, studios and directors, script writers, authors, TV-programmers etc. The main objectives for production companies are to obtain financing for their movies, books and so forth, but also to make them as realistic as possible. Letting the lead character of a movie drink a well-known soft drink such as Coca-Cola instead of a “no brand-” soft drink, is none the less more believable to the viewer who might find it a bit strange to see a “no brand” product in an overall realistic setting (Andersen, 2006).

4.4.2 The brand holders
The second pillar is the commercial side of the industry, in which we find the brand holders who wish to promote their brands and products through PPL, and thereby taking advantage of the border-area between art/entertainment on the one side and commerciality on the other. The main objective for the brand holders is to affect consumers of media through the use of subtle-analogue advertising.

4.4.3 The agencies
The third pillar regards the agencies. The agency serves as a facilitator, helping companies placing the brand in the given media, or the production company to establish contacts in order for them to receive financing and products needed for the given media. The agency usually earns its money from the brand holding companies, meaning that their agenda is to aid them in obtaining the best product placement possible, while creating/managing ties within the industry and production companies in order to continue receiving manuscripts and placement opportunities. Agencies create the link between the production pillar and the brand holders.

Bohn (1986) mentions that, the agencies usually functions as intermediaries and ultimately become agents for the production companies. However, from our knowledge, this is not entirely accurate, since agencies often facilitate placements for both sides, but is often paid by companies since they are the ones with the product. Agencies often receive manuscripts in advance in order to look for potential PPL opportunities (Russel & Belch, 2005). The agencies most often consist of people who have worked in the business and have created a network to serve both the studios and the brand holders.

4.4.4 The consumers
The fourth and final pillar are the consumers of media, which are also the target of both the production and the brand holding product placement stake holders. As mentioned above these will most often not be prepared for commercial exposure, due to the subtle nature of PPL, and might therefore be easier to impact.

4.4.5 The product placement industry illustrated
Figure 1 illustrates this four-legged stool approach to understanding how the PPL industry works and how the artistic and the commercial sides use each other to reach their objectives.
4.5 Industry characteristics

Having obtained knowledge about the major players in the PPL industry, brand holders should familiarize themselves with the characteristics of the PPL industry. This is because, when firms decide whether or not to incorporate PPL into their marketing campaign, there are aspects to be aware of that can influence the way the PPL will be carried out.

The industry is based on strong dyadic ties due to frequent repeated exchanges over time (Russel & Belch, 2005). The repeated exchanges are usually among the studios, clients, and agencies which repeatedly work together. Such industry characteristics result in an industry structure where power, trust, and commitment are of importance (Morgan & Hunt, 1994). Therefore it is important to develop strong relationships, and identify key players in the industry.

Power is important in any industry, and especially so in the PPL industry. Power refers to different attributes of firms such as company size, diversity of product portfolio, and market leadership (Russel & Belch, 2005). Being a large firm with great resources, it is easier to obtain power, because studios often seek to cut costs. Therefore, big companies have the advantage that they can pay large amounts of money for PPL out-competing the smaller companies (Russel &
Additionally brand image can be a great source of power in the PPL industry. This is because the industry often uses products with a certain image that appeals to the viewer. Such an image can result in greater power for the firms because of the popularity of the brand or product.

The issue of trust is the foundation of any business relationship. In PPL trust can easily affect the future outcome of collaboration. This is because companies will not always be able to ensure the setting of the PPL, and hence must trust that this will be done according to what has been agreed upon. Since it is crucial that the placement is done in the right setting, a misplaced PPL can result in loss of future income for the studio and a termination of the collaboration between the firm and the production company. A reason why it is difficult for companies to determine the right setting, is because they are usually contacted late in the process, where the manuscript has been written, and sometimes when filming is taking place, making it difficult for the companies to influence the surroundings of the PPL.

Commitment and relationships is as mentioned above, the keystone of the business. People collaborate over long periods of time, and often PPLs are done by using the same agencies (Russel & Belch, 2005). It is therefore important for marketers that they engage proactively, in order to identify key people and agencies that can help them conduct PPL successfully.

### 4.6 Product placement typology

As mentioned in section 4.1 there are numerous definitions of what PPL is and what the concept of PPL comprises. There are an equally high number of possible ways to describe how PPL can be used in practice. We will therefore first of all give our interpretation of what the characteristics of PPL are and what things all placements have in common. Then we will mention the overall types of PPL or categories the marketers can choose from and present a figure that will clarify the effectiveness of PPL, based on research by prominent scientists within the field of branding and product placement. Finally we will look at the considerations that should be made by the marketer before engaging in PPL efforts.

With this in mind this section will appear as follows:

1. Typology
2. Research on product placement effectiveness

3. Necessary Considerations Before Engaging in product placement

4.6.1. Typology
The placement of brands or products in media has been described as a subtle-analogue advertisement format (Andersen, 2006). By which is meant that it can be considered to be in the same category “analogue” as traditional mass-communication advertisement such as TV commercials (as opposed to the digital category, that includes web and mobile phone-based marketing, viral marketing and others). But where the more conventional forms of analogue advertisements are very obvious in their intentions towards the consumers the subtle-analogue category in which PPL is found the intentions are less noticeable to the consumers. PPL is a more implicit and indirect type of marketing, since the consumer is being exposed to the brand or product in a situation where the consumer is not prepared for it and therefore might not realize that he is actually exposed to a media that contains more or less carefully thought about product and brands. Of course this is also a potential down side to PPL, since if the viewer is not aware of the PPL how can the marketer be sure that it is affecting him?

After having established the characteristics of the PPL industry we will now look into what we believe to be the most prominent shapes and types of PPL. We believe that a very useful way of dividing PPLs is by looking at their prominence and modality respectively. As we shall see the prominence refers to the role of the placement in the media, and modality to the mode in which it is presented to the viewer.

4.6.1.1 Prominence
The prominence of a product placement refers to its position in the media in which it is placed. When talking about the prominence of a brand placement there are, in our opinion, especially three aspects that are highly relevant to present here. These are duration, importance and frequency.

*Duration* refers to how long the placed brand or product is in focus (Andersen, 2006). A practical example to this is how many seconds does Will Smith takes to put on his Converse All Stars
shoes in the Movie “I Robot”, while the camera is focusing on his feet.

*Importance* of a brand placement can be estimated by asking the question: How significant is the relevance of the placement to the given media? Ole E. Andersen (2006) describes three levels of importance that each says something about script-integration of a PPL. The lowest level of importance is named screenplacements, which refers to PPLs that are visible but hasn’t got any relevance to the script. These are typically props in the background that are meant to blend in with the natural environment of the media. The second level of importance is the script-placement, in which the brand is either mentioned or used as a part of the natural storyline. The highest level of importance is referred to as plotplacements and is characterized by having the brand play a role in the actual script.

The last prominence aspect is *frequency*, or how often the brand or product in question is being exposed throughout the given movie, show or the like. In the extremely popular TV talent contest “American Idol”, the three judges all have a large red cup, with “Coca-Cola” written on it, placed right in front of them (always with the logo facing the camera). This means that every time the camera films the judges the Coca-Cola brand is getting exposed to the viewers, resulting in a very high placement frequency.

Source: Own production based on Andersen (2006).

*Figure 2: Aspects of prominence*
It should be noted that all of the mentioned aspects of prominence could be misused. The viewer will probably be annoyed and frustrated if a particular brand is shown over and over again, without any obvious reason or purpose to the movie (Media Works, 2009). Consequently, the viewer’s attitude towards the brand might suffer. A second thing to note is that the marketers seeking to place their brands in a medium often do not have a very big saying in how these brands can be incorporated. These decisions are often up to the production companies. Figure 2 shows the different aspects of PPL prominence.

4.6.1.2 Modality
Gupta & Lord (1998) describe modality as “the mode of presentation (the senses activated by the stimulus)”, meaning the form in which the product placement is manifested in the media production. There are three different types of modality and these are Visual, Audio and Audio-Visual. The visual mode includes physical placements that aren’t mentioned by name or referred to in any other way, but are only visually exposed to the viewers. These could be logos, billboards or any kind of product that is present in the course of the production. Audio placements on the other hand involve the mentioning of a brand name during the production, without ever showing the actual product on screen. A placement can be said to be in the Audio category if for example a game show host mentions a brand in a question to the contestants or two movie characters discuss whether they should go to Burger King or McDonalds for lunch. The third kind of mode is a combination of an Audio and a Visual placement. If the two movie characters have their discussion just outside a Burger King restaurant and the fast-food giant’s logo is visible then this would be an Audio-Visual placement because the brand is not only mentioned it is also shown to the viewers. Figure 3 shows the different PPL modalities.
4.6.2 Branding terminology description
Since this thesis will not focus on branding, it is important to realize that this section is for clarification only, and not to focus on branding strategy etc.

Throughout this thesis, two major branding terms will be used. Therefore we find it important to identify these terms and discuss the meaning of these, especially for the analysis and where brand terms are expressed and used interchangeably by the interviewees.

This terminology discussion will be based on the article by Keller (1993), and the Hierarchy of Effects (Lavdige & Steiner, 1965) model, which clarifies different brand terms used in the thesis.

**Brand awareness**
According to Keller (1993), brand awareness is related to the strength of the brand node or trace in the memory, reflecting the ability of the consumer to identify the brand under different conditions. Furthermore, brand awareness can be divided into two subcategories, brand recognition and brand recall. Brand recognition is the consumer’s ability to remember seeing or hearing (being exposed to) about the brand, whereas brand recall is the consumer’s ability to remember the brand when the product category is mentioned.

It is important to understand these terms, since brand awareness can have an important effect on
brand choice.

*Brand image*

The other term, brand image, is another important term which will be used frequently in this thesis. When brand image is mentioned, it refers to the second stage in the Hierarchy of Effects model (will be elaborated on in section 4.7) where consumers is not just exposed to the brand but is learning about it and building associations and determining whether they like the brand or not.

### 4.6.3 Research on product placement effectiveness

As we have seen product placement has been employed by brand holding companies for quite a few years, and the scientific research on the subject has also been extensive. PPL is a subtle way of incorporating brands and products into medias such as movie and TV-shows with the intention of creating a connection between what happens on screen and the brand.

We have treated the issues of PPL typology, prominence and modality in section 4.6.1 above and based on these findings we now find it important and relevant to present some significant researchers’ own results from international studies on how effective product placement is. The studies all point out the impact on brand awareness and brand image as two noteworthy ways of measuring the effectiveness of PPL. This is also in coherence with our own empirical findings derived from the interview process described later on in the thesis. As a result figure 4 shows conclusions from the international studies on what kinds of PPLs are most likely to increase brand awareness and brand image.

<table>
<thead>
<tr>
<th>Brand awareness conclusions</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audio-Visual PPLs lead to higher recognition</td>
<td>Brennan &amp; Babin, 2004</td>
</tr>
<tr>
<td>PPLs combining the two modalities (audio and visual) have been noted to bring forth the highest level of recall and recognition</td>
<td>Karrh &amp; al., 2003</td>
</tr>
<tr>
<td>A high level of prominence leads to higher recall than subtle placements</td>
<td>Gupta and Lord, 1998</td>
</tr>
</tbody>
</table>
Well integrated placements are notably more likely to be perceived as acceptable | D’astous & Chartier, 2000

<table>
<thead>
<tr>
<th>Brand image conclusions</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer evaluation is positively affected when a principal actor is connected to a placement.</td>
<td>D’astous &amp; Chartier, 2000</td>
</tr>
<tr>
<td>Brand image is positively influenced when characters use the brands</td>
<td>Delorme &amp; Reid, 1999</td>
</tr>
<tr>
<td>Attitude change is not a given with all placements</td>
<td>Russell, 2002</td>
</tr>
</tbody>
</table>

*Figure 4: Product placement findings*

From the above figure that contains conclusions from research done on the matter of product placements and their effects on brand awareness and brand image we learn that a placement has the highest effect on consumers when it makes use of both the audio and visual modality. It seems that the combination increases the level of recognition of a brand or product after being exposed to it. It is furthermore clear that a placement with a high level of prominence is preferable to a understated one (Media Works and B&O, 2009). Again a prominent PPL seems to enhance both the recall and recognition factor of the consumers.

Interestingly the study by D’astous & Chartier (2000) tells us that a well-integrated placement is more likely to be perceived as acceptable by consumers than a placement that is more carelessly placed. This is supported by several of the interviewees with whom the authors of this thesis have spoken to. Media Works states that a brand holding company should never do a placement simply for the reason of doing it.

With regards to brand image it seems evident that getting a character from the movie, show, music video etc. in which the brand or product is placed connected to the placement has the potential to improve brand image. The more significant the role of the character the better for the brand image it seems. This is what might be called the celebrity endorsement factor and is described in further detail below in section 4.6.3.5
The last conclusion from the figure above is from Russell (2002) that states that it is not necessarily a given that a placement leads to changes in consumer attitudes towards a brand. From the empirical studies conducted by the authors this last conclusion is absolutely true, however it is also apparent that if the placement is done carefully and is well-planned the prospective effects on brand awareness and image can be positive.

4.6.4 Necessary considerations before engaging in product placement
In this part we have chosen to focus on the reflections all marketers must make when thinking about placing a brand or product. In our opinion the five key phrases here are brand match, target audience fit, coverage, setting and the celebrity endorsement factor. These will all be further described below.

4.6.4.1 Brand match
One of the most important considerations for a marketer wanting to conduct PPL is that of matching the brand with the media in which the brand is placed. It is crucial that the message or image the company is trying to communicate is in coherence with its role in the media. Stock & Tupot (2006) describe this process as “brand casting” and compare it to the process of casting the right actors to a movie script. According to Stock & Tupot (2006) it is important for the marketer to first find out was is “cool” about the brand or product and then map out the cultural opportunities to the brand’s equity (Stock & Tupot, 2006), that is to say where does the marketer want the brand to go and where has it been in the past. If the match between brand and media is not realistic or authentic it may cause more damage than good because viewers may be able to see through it as nothing more than another advertisement and not a genuine part of the media.

4.6.4.2 Target audience fit
Next the marketer needs to make sure that the target group of the media in question fits with the target group of the placed brand or product. Product placement can be the perfect opportunity for a company to aim its marketing efforts directly at their specific group of potential customers, but only if the marketer has extensive knowledge about the most likely to reach segments of the media.

Regarding this, it is important for the marketer to be aware that the target audience of a medium
is most often decided, or at least tried to be decided, by the production teams.

4.6.4.3 Coverage
When having to judge a media’s coverage the important questions to answer for a marketer are connected to issues such as the size of the expected audience, the number of times shown to an audience and how often. These are all well-known questions from a more general marketing theoretical point of view, but are none the less just as valid and important to consider when it comes to the placement of brands and products.

4.6.4.4 Setting
Just as modality and prominence affects the outcome of PPL, so does the setting. Brand holders seek to place products or brand shown in a positive setting. Such setting is where the positive features of the brand or product are shown and connected to the plot. However, as one can imagine, not all placements have positive outcomes. Interviewees will in the analysis explain how they are very involved in how the placement is carried out to make sure that there are no negative emotions associated with the placement. This is a good idea since negative settings can have a negative influence on the placement. Such settings includes violence, death etc. and is considered not to be beneficial to the placement. According to Bushmann (2005) viewers who are subjected to violence in a movie or TV-show react with hostility, aggression, and anger. This means that the feelings which are supposed to be positive and showing the placement, are absent. Doing such a placement, the brand holder will risk that the negative emotions and associations may be transferred to the product (McCracken, 1989).

4.6.4.5 Celebrity endorsement factor
When addressing the strength of product placement, it is often mentioned that connecting a product to a celebrity will affect the viewer positively. Having a celebrity connected to the placement will cause a higher credibility or liking towards the placement. This is because celebrities will function as a product endorser by being associated with the brand or product. The celebrity will therefore, compared to an unknown on-screen character, transfer his/hers symbolic meaning on to the product/brand by association (McCracken, 1989). Therefore, when a PPL is seen in a film, for instance, the consumer connects the film world to their own aspiration that will influence the attitudes and consumption norms (Delorme & Reid, 1999). Hence this influence will change the consumer’s brand awareness and attitude (D’astous & Chartier, 2000). As will be
mentioned later in the thesis, it is argued that having low preferences for a product, brand awareness often becomes the deciding factor when being in a purchase situation. Therefore, the endorsement factor is not to be underestimated, and a reason that makes product placement effective.

4.7 How can product placement affect viewers
In this section we will focus on how advertisement in general affects consumers. This will help the brand holding company to understand processes consumers go through in order to evaluate and purchase the given product.

We will start out by introducing the Consumer Decision Model to show how advertisement can influence consumer decisions, and to illustrate the shortcomings that PPL has in this perspective. This will be followed by the Hierarchy of Effect model, which shows how advertising will persuade the consumer. This will lead to The Elaboration likelihood model that takes consumer involvement into account.

4.7.1 The Consumer Decision Process
The consumer decision model illustrates how advertisement influences consumer choice and decision (Figure 5). Through advertisement, consumers may discover a need that is not being met/fulfilled and go through the information process to search for alternatives, which will lead to evaluation and selection, and ultimately purchase. Knowing this, brand holding companies must plan their marketing campaign to suit the objective of the campaign. Since the scope of the thesis is to utilize PPL and activation, we assume that the brand holding company’s objective is to increase brand awareness and try to increase sales.
However, using a tool like PPL will generally not make the consumer go through all the stages, because of the effects that PPL has. PPL is a tool to create brand awareness and image improvement, as seen in the analysis and PPL theory section, and will usually not lead to purchase. This is supported by Andersen’s (2006) study where only 13% of the respondents believe that PPL influences their choice, whereas 53% believes that it does not. Therefore, to generate sales and move the consumer to the “store choice and purchase” phase, activation needs to be implemented to ensure that the consumer reaches the end stages.

For a more thorough look on consumer behaviour and how consumers are affected by advertisement, the Hierarchy of Effects model (HoE) will be used.

This can be illustrated more directly by using the HoE model

**4.7.2 The Hierarchy of Effects Model**
The HoE model (Lavidge & Steiner, 1961) illustrates three stages that consumers go through when exposed to advertisement. These stages are the cognitive, affective, and conative stage (see figure 6). The purpose of the model is to illustrate how the consumer goes through all the stages in order to create a purchase.

The consumer begins at the cognitive stage where he/she is unaware about the brand of which he/she is exposed to. When the consumer is exposed to the advertising, the consumer will gain awareness and knowledge of the product.

After being in the cognitive stage, the consumer will move to the affective stage, where he/she will process the information exposed to him/her and form an attitude and associations toward the advertisement. This stage ends with the consumer having certain feelings towards the brand and company, which may lead to the conative stage. This last stage is where the consumer decides whether or not the product will be purchased.
We argue in section 4.6.2 that PPL creates brand awareness and brand image. Therefore, one can expect that a PPL will affect the consumer in the cognitive and affective stage of the HoE model creating awareness and perhaps a favorable attitude towards the product/brand.

Although the HoE model is applicable in traditional advertisement and marketing, it has its limitations in regards to PPL. The HoE model assumes the consumer is highly involved in the message that they are exposed to, and therefore processes the subjected message. However, when using PPL as a marketing tool the consumer is likely to be low involved, meaning that that the consumer may not process the message that is being delivered, because he/she is unaware/unprepared for noticing/processing advertising.

Furthermore, it does not take the emotional state of mind in to consideration, when experiencing the PPL. Therefore, as we mentioned in section 4.6.4.4, negative or violent settings can create an unexpected atmosphere.

To include the new dimension of involvement, the HoE will be supported by the Elaboration Likelihood Model (ELM), which takes high and low consumer involvement into consideration.

---

**Table: Related behavioral dimensions**

<table>
<thead>
<tr>
<th>Related behavioral dimensions</th>
<th>Hierarchy of effects</th>
<th>Consumer decision process</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conative</td>
<td>Purchase</td>
<td>Store choice and purchase</td>
</tr>
<tr>
<td></td>
<td>Conviction</td>
<td></td>
</tr>
<tr>
<td>Affective</td>
<td>Preference</td>
<td>Evaluation and Selection</td>
</tr>
<tr>
<td></td>
<td>Liking</td>
<td></td>
</tr>
<tr>
<td>Cognitive</td>
<td>Knowledge</td>
<td>Information search</td>
</tr>
<tr>
<td></td>
<td>Awareness</td>
<td>Problem recognition</td>
</tr>
</tbody>
</table>

*Figure 6: Combination of HoE model and the Consumer decision process.*
4.7.3 The Elaboration Likelihood Model

The ELM (Petty & Cacioppo, 1986) states that there are two different routes, central or peripheral routes, that a consumer can go through, when being exposed to advertisement.

Figure 7: Elaboration Likelihood Model (Arens, 2006)

In the central route, the consumer has a higher level of involvement with the product or message, meaning that he/she pays attention to the central, product related information. As seen in figure 7, the consumer pays careful attention to the delivered information and relates this to the existing previously stored knowledge that the consumer has. This means that the consumer is taking a logical approach, carefully assessing the message that is being provided. This route demands that the message has high relevance to the consumer, and should be constructed in such a way, that it contains persuasive arguments, because the consumer will have motivation and ability to process the information presented (Arens, 2006). An example hereof is, if a consumer is in the market for a certain product, or is very interested in a product, he/she will be more involved and look at the specifics and product attributes in the advertisement, and then process the information that may lead to persuasion and a sale.
The peripheral route is taken when the consumer is low involved. This could be when the consumer is not looking for a certain product, have a low interest in the product that is being advertised, or a low ability to understand the message that is being delivered. This means that there is paid little or no attention to the advertisement. However having a low interest or understanding of the product or message leaves the consumer to attend some peripheral aspects such as colours, settings, actor connection etc. This is because the context of the advertisement will be focused on the surroundings rather than on the product information and attributes.

Using the ELM in a PPL perspective, one can argue that PPL is generally perceived through the peripheral route, since consumers may not have the ability to process information as quickly as a PPL appears, or is not interested in the message that is being delivered. However, it can be argued that if a consumer watches a medium where he/she is involved with the content of the show, and is in the market for an item that appears as a placement, then he/she will process this placement through the central route.

### 4.8 Audiences’ attitudes toward product placement.

When determining whether or not to use a new marketing discipline, companies need to know how the acceptance from the target audiences of such a tool is compared to the more traditional marketing means. This is particularly important in the field of product placement, since it is a marketing discipline that is controversial to a certain extent. Analyzing the attitude that viewers have towards product placement, can help justify the usage of PPL.

Through four studies conducted in Denmark, the US and the UK, we will shed light on the acceptance that viewers have of PPL, and compare it to other traditional advertisement techniques. Below in figure 8 key findings are shown from four studies showing the audiences’ attitude towards product placement.

<table>
<thead>
<tr>
<th>Statements</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Respondents have noticed product placement</td>
<td>62%</td>
</tr>
<tr>
<td>Respondents believe that product placement is a normal part of life</td>
<td>51%</td>
</tr>
</tbody>
</table>
Respondents believe that product placement enhances realism 58%
Respondents believe that product placement shouldn’t be a part of a movie 31%
Respondents dislike product placement 22%
Respondents dislike TV commercials 46%
NBC viewers who have shopped products they saw in a TV show 23%
Respondents from Andersen (2006) who have shopped a product they saw in a TV show 14%
Product placement improves viewers’ general attitude toward a brand 60%

Figure 8: Results derived from Andersen (2006), Tiwsakul (2005), Stipp (2004), and Nielsen (2008)

Looking at Ole E Andersen’s research paper from 2006 concerning product placement, there are several things that stand out. The paper states that in 2006, 62% of the respondents knew about product placement, and in addition 51% of the respondents believed that this sort of advertising was a normal part of life. Comparing that number to the 31% that believes that product placement shouldn’t be a part of a film, it is clear that there is a favorable attitude towards product placement. These results are in line with Tiwsakul’s (2005) results from a survey done in the UK. Tiwsakul's (2005) results show, that 58% of the respondents believe that product placement actually enhances the realism of the film or series.

In addition Ole E. Andersen’s research paper shows that when asking what is disliked more, only 22% of the respondents are negative towards product placement, compared to 46% who are negative towards TV commercials. This tendency concerning TV commercials is already known, which is why it is interesting to see that product placement is not viewed nearly as negative compared to TV commercials.

Furthermore Ole E. Andersen’s results show that the negative tendency concerning product placement is predominantly from the viewers who know in which media product placement usually is involved in, but does not watch those programs themselves. Therefore, one could imagine that this view is based on general advertisement prejudice.
23% of the respondents in the NBC study have at some point purchased a product seen on TV. The Danish study shows that 13% have been interested in purchasing a product after seeing it on TV. The percentage of respondents not wanting to buy a product they have been exposed to is 53%. These numbers show that although product placement creates brand awareness and higher likeability, it is not always enough to stimulate the viewer into a purchase decision.

Last, the Nielsen Media Research study from 2008 shows that product placement generates a positive view towards the placed brand. 60% of the respondents had an improved positive attitude about the brand that was placed, however the results also show that it depended on the viewers familiarity with the brand, genre of the program, loyalty towards the program, and the nature of the placement (Nielsen, 2008).

Having analyzed these statistics, it is clear that there is an overall positive tendency towards product placement, and that it is a much more accepted advertisement medium than TV-commercials.

4.9 Partial conclusion of product placement theory
PPL has been defined and researched by several scholars. Each of these scholars has their own definition, and perception of how PPL functions. We therefore chose to define PPL ourselves, to include the elements we found necessary to match the scope of this thesis. PPL and its industry is not a new phenomenon, and it is evident that the future of the PPL industry has never been brighter. In Europe deregulations have been made to legalize PPL from 2010. This will satisfy all PPL industry stakeholders. These stakeholders, production companies, agencies, brand holding companies and consumer all have their own agenda in the industry, that is influenced by repeated interaction and strong relationships, making it difficult to operate in if one is not well connected.

When engaging in PPL, it is important to involve necessary considerations such as brand match, coverage, target audience fit, and setting. If brand match is not done correctly the PPL will lose its credibility and have a negative outcome. The coverage of the PPL needs to be analyzed to calculate the expected size of the audience, and analyze whether the audience fits the target group of the company. Last the setting is important, since it is argued that placements are influenced by
the environment it is placed in (emotional setting, actor, etc.)

Using the HoE model and ELM model, the authors argue that PPL only creates brand awareness and at best brand liking. This is supported by scholars who say, that these are the primary effects that PPL has on the viewer. The outcome also depends on the level of modality and prominence that the placement has. Therefore, in order to affect sales, a placement needs to be activated.

5.0 Introduction to activation

As we have seen, brand holders using product placement as a marketing tool might be better off, and experience a greater impact of their efforts if they support and follow up the placements with various other instruments from the range of the marketing and communication mix available to them. There are numerous ways for a company to exploit a product placement further. A placement may be supported by PR efforts to obtain media coverage, celebrity endorsements for image strengthening, TV commercials referring to the connection between brand and media and so forth.

We will relate to this way of maximising outcomes of placements as the activation of product placements or simply activation.

This section of the thesis will seek to clarify and exemplify how activation of product placements can be used and has been used by marketers in the past. As with the section on product placement theory we start of by defining the term activation in order to create a basis for a better understanding of the term as it is used throughout this thesis. Next we seek to place the role of activation in the product placement industry. The activation typology, or the different forms activation efforts can take, is presented next to give the reader an idea of the quite complex palette of activation opportunities available to a company. Finally, we shall have a look at the Activation Process Model that has the purpose of explaining the communicative process an activation activity goes through from a brand holder implementing it to the time it is received by the consumer.
5.1 Definition of product placement activation

As in the case of the term product placement it is important to define activation in respect to the overall problem formulation and the chosen delimitations. Activation of PPLs naturally requires the participation of all relevant PPL parties, the ones we have earlier classified. The commercial parties get to exploit their brands and products’ connection to a certain movie, music video and the like, and the production side of the industry gets paid and is able to indirectly promote themselves on a scale they normally wouldn’t be able to. However, the focus of this thesis is mainly on the commercial parties and we have formulated our definition of PPL activation with this in mind.

In our definition we wish to include as many activation elements as possible to acknowledge the fact that activation of a PPL is quite a creative process and should not be limited by listing (and thereby setting up boundaries) a range of tools available to the brand holders. Since the brand holders are the main target group of this thesis, we shall focus the definition on them, but we also recognize the fact that both agencies and production companies play important roles in the activation process. With these aspects in mind we have formulated the definition of PPL activation as follows.

**Definition of product placement activation:**

*The effectuation of promotional activities by the commercial parties of the product placement industry in order to support a product placement.*

5.2 Role of activation in the product placement industry

Building upon figure 1 from the PPL theory section of this thesis, that illustrates the connection between the four involved parties of the PPL industry, namely production companies, agencies,
brand holders and the consumers, the below figure 9 depicts how co-promotional efforts from

**Figure 9: Role of Activation (own production)**

production companies and marketers activate the consumers’ experience from seeing a product or brand in a given media. The figure demonstrates that activation works in very much the same way as the actual placement, but instead of simply exposing viewers to a brand or product during the course of a movie or the like the activation will, if properly executed, further establish associations between product/brand and the production and enhance opportunities for shaping brand image, creating brand awareness and ultimately increase sales.

### 5.3 Activation typology

This section will seek to explain the different elements of product placement activation that are relevant to this thesis’ problem by using appropriate theoretical and real-life illustrations.

The authors have chosen an overall categorization of activation elements that is in general coherence with Ole E. Andersens (2006) way of classifying a wide range of marketing components. The authors have added one sub-category to Ole E. Andersens (2006) framework,
namely the analogue-conventional sub-group including already existing media to the framework. The framework contains two main dimensions, namely the digital vs. analogue and the direct vs. subtle. The possible combinations derived from these dimensions can generally speaking be said to cover all relevant facets of activation. However, it must be noted that a stringent division of activation elements like this one is only a simplified version of the, in reality, very complex and unstructured media scene. The method furthermore allows us to isolate product placement in one category, which is useful and illustrative since we have already described this concept in detail.

As illustrated below in figure 10 the digital elements of PPL activation are dominated by modern, especially web-based technologies. The analogue elements are generally speaking more traditional in the sense that they make use of more traditional and exploited media platforms. The digital side is divided into direct forms of activation and the more subtle.

The different categories of activation elements will now be described in further detail based on theoretical perspectives and descriptive examples from real-life activation efforts.

![Figure 10: Activation elements (Own production based on Andersen (2006))](image-url)
5.3.1 Analogue
The analogue activation components are by and large related to established mass market communication means and have in some cases been around for just about as long as the medias themselves. To describe these components as analogue is perhaps a bit misleading, since even producers of traditional advertising such as newspaper-ads and TV-spots make use of digital technology in several parts of the process such as filming, editing and lay-out. However we find it useful to make the distinction between analogue and digital in this thesis due to the added element of reader/user-friendliness.

5.3.1.1 Analogue-Conventional
This analogue category can be divided into three subgroups, namely the existing variants, the new variants and the creative forms. The existing variants cover already operating conventional media such as (in Denmark) DR, TV2 and Berlingske Tidende. The new variants refer to activation of a PPL in new conventional medias such as new TV-channels, radio stations and newspapers. Such new players in the media market often give marketers a distinct advantage when trying to reach out to specific target groups since most new radio stations, papers etc. will have well-defined target groups themselves. Examples related to this are the two new Danish TV-stations “6’eren” and “TV3 Puls” that aim at men only and the lifestyle segments respectively. The radio station NRJ is another example as they primarily target teenagers.

The other kind of conventional analogue activation is the so-called creative form. This way of activating PPL goes through existing or new conventional medias but uses them “with a twist”. Examples are outdoor billboards or stands with build-in odours that remind by-passers of the product or new shapes to an ad-format such as Danish mail distributors Post Danmark’s “Med Rundt” leaflet that is delivered alongside the ordinary advertisements but is produced by Post Danmark and contains articles and possibilities for companies to buy ad-space.

For a company seeking to activate their PPL efforts through conventional medias may seem long-established but they have by no means lost their potential. TV-commercials or magazine ads can be produced with direct references to a movie or TV-show, which among many others the well known high-end watch brand Omega has exploited in connection to their placements in several James Bond movies.
5.3.1.2 Ambient

There are some similarities between the conventional and the ambient analogue activation elements. From the brand holders’ point of view they are able to control, to a certain degree, the timing, duration and the scope of the campaign efforts because they decide when the campaign begins, they decide in what media to run the campaign and they decide when the campaign ends. In reality, however, the marketer faces limitations especially in timing and duration of a campaign since movies, TV shows etc. don’t stay relevant forever.

Another similarity is that the two analogue approaches are planned and executed as obvious commercial marketing efforts and therefore it is almost always very apparent for the consumer of the medias in question to realize that these are in fact advertisements for a brand or product.

Evidently the two also differ in certain ways. Ambient activation elements cover mainly outdoor and “out-of-the-box thinking” marketing efforts that will aspire to take advantage of being seen where people move around in their daily lives. Good examples when trying to explain this are ads on “Copenhagen City Bikes” that tourists and others can rent with the purpose of taking a bike ride through the city and the so-called “Eco-marketing” on city streets that uses a stencil cut in the shape of a certain brand logo, product or message and a high pressure hose to in reality clean the street but by doing so leaving a print in the shape of a Coca-Cola bottle, a BMW logo or a pair of Levi’s jeans.

For PPL activation purposes the ambient type of analogue marketing is perhaps most efficient when trying to reach the ever more fast-living city people because it brings the products and brands to the places they come by in their everyday lives. Ambient marketing efforts furthermore establish a basis for creativity and ads a certain element of “Guerilla” to a campaign.

5.3.1.3 Subtle

Product placement belongs to, as we have already mentioned this subtle analogue category but since we have described this concept (PPL) quite thoroughly already, we shall refrain from using anymore space explaining it, but simply affirm that this is where it belongs in the analogue-digital framework. In a PPL activation campaign it is furthermore evident that the placement itself is the marketing tool around which the other activation efforts evolve.

However there are other elements of PPL activation filed under this section. The most utilized are
perhaps celebrity endorsements, sponsorships and cause-related marketing. Celebrity endorsements is perhaps the most obvious to take advantage of in a PPL activation situation. By endorsing celebrity actors from the movie or TV-show in which your product or brand has been placed, you are able to transfer value from the actor or participant to your brand or product. A celebrity choosing (or being paid to choose) to wear a certain fashion brand, drive a certain car or use a certain mobile phone can mean the difference between just being another brand amongst many and brand superstardom. There is an unmistakable “celebrity factor” that time and time again has proven extremely valuable for companies (McCracken, 1989). Having the private person Daniel Craig wear the same Omega watch as his movie character James Bond does send out certain signals and profits from the connection made between movie, brand and real life actor.

5.3.2 Digital
Not surprisingly recent years’ technological revolution has not been overlooked or passed over by the commercial side, the brand holders and agencies, of the PPL industry. The digital PPL activation elements all owe their existence to modern communication instruments such as the Internet and the mobile phone. Building on the same terminology as before the digital elements can be divided into either direct or subtle sub-groups.

5.3.2.1 Direct
The direct activation stimuli can be described as being clearly identifiable and commercial. By this is meant that they are easily understood as advertisements with an obvious commercial message to consumers. This is true for stimuli such as pop-up ads on Internet web-pages, ads received via SMS on your mobile phone and sponsored web links. Web links and Pop-ups are easily decoded as advertisements with a clear message and are often priced in somewhat the same ways as ads in a newspaper or TV-spots, based on factors such as size, duration and the site on which the link is placed. These activation stimuli are related to the analogue conventional activation elements in that they can be seen as “digital-conventional”. However, since the Internet and mobile phone as mediums are still young, radically different means of communication and under constant development we have preferred not to create unnecessary confusion by calling them digital-conventional but simply digital-direct, in opposition to the more subtle digital activation stimuli in which the message and sender of the message are more distorted.
5.3.2.2 Subtle
These are the more distorted digital activation efforts, where the commercial undertones are played down. The main subtle digital activation is so-called viral marketing that has flourished in recent years due to the massive success of websites such as Youtube. Viral marketing most often consists of a video clip planned, filmed and produced by marketers to promote a brand or product, but disguised as pure entertainment or information with no apparent link or connection to the brand or product. The objective of the viral film is then to get as many viewers as possible on sites such as Youtube. The entertainment value of the viral film is crucial to how many Internet users chooses to watch it and forward it to other users. The success of a viral campaign is therefore not dependant on the commercial value of the brand or product but the pure entertainment value of the viral film. The risk is that the commercial message is lost completely and only the entertainment value of the film is recognised.

Concerning the activation of a product placement it would also be easy to spread around a trailer or clip from the movie/show that contains the scenes in which in product or brand is exposed. Product placements in music videos are also easily activated through a website such as Youtube, but in this case, the actual activation is not about connecting the placed brand or product to the band/video in new settings, but instead it is about getting as many views as possible on as many video-sharing sites as possible. In reality there are certain copyright issues to consider and most times the activation of music videos through file-sharing is out of both the commercial and the artistic side of the PPL industry hands to control.

Another activation element that belongs in this category is the use of, and sometimes the exploitation of, weblogs (blogs). Private persons expressing their subjective opinions about all possible aspects of life including products and brands most often create this media. Less moral correct marketers could exploit this to their own advantage by influencing existing “bloggers” or simply creating their own weblogs through which to express their own “subjective” opinions about their own products. Incognito, of course.
5.4 Research on the effectiveness of activation

The purpose of this section is to point out for the reader how effective researchers believe PPL activation to be. As we shall see it is evident that, when combining product placements with activation, research shows that there are positive effects connected to be obtained.

Stipp (2004) suggests that there is evidence for synergy effects when product placement is done combined with commercials. The combination will affect the viewer more and will create a higher recall, than stand-alone product placements. Activation will allow brand holders to take advantage of the given medias (movie, show etc.) artwork or characters in their advertising, telling the consumer that the brand is affiliated with the media, making the consumer more likely to notice the product placement when they see it (Businessweek, 2005). Furthermore it is suggested by Businessweek (2005) that if an activation program contains digital elements, it will be easier for the brand holder to measure the effects of the campaign. This is in accordance with the below-mentioned Activation Process Model, in which we see that the two-way communication feedback loop allows for brand holders to be closer to and more personal in the contact with their consumers. Last, the activation campaign is most effective if not only targeted externally but also internally (Businessweek, 2005) which is also mentioned by the interviewee from Louis Poulsen in the empirical analysis section of this thesis (section 8.0).

These views are also supported by Terrence Coles from the product placement agency NextMedium Inc, who says that “The vital point is that just showing up isn’t enough” (Businessweek, 2005) meaning that product placement is best when activated. He also states that "Brands must use the attention (of a PPL) to create a call to action and activate the placement. By utilizing the placement they can activate the consumer to respond."(Businessweek, 2005).

According to a Nielsen Media Research study from 2008, when combining a commercial with a product placement, they found a recall rate of 57.5 % compared to a commercial alone where the recall rate was 46.6% (Nielsen, 2008). These numbers and statements illustrate the effect of the two mediums alone, and the synergy effects that are created when combined.

Summing up PPL will, as mentioned, develop synergy effects in combination with an activation campaign. Having PPL incorporated in an activation program will enable firms to reach consumers in different ways by repeating the message through media channels from different
Based on the above-mentioned research studies, and the other theoretical aspects of PPL and activation mentioned in previous sections, the authors believe there is a strong basis for recommending Danish brands to activate on their product placements.

5.5 The activation process
We have now introduced the concept of activation as a way of optimizing an organization’s product placement efforts through connecting the placed brand or product to one or more media after the movie, TV-show etc. has finished. We have also explained in detail the activation typology, that is, what types of activations an organization can choose from.

In this section the authors wish to describe the activation process, by which we mean a description of the primary elements involved in the process of communication between sender and receiver of communicative messages. These communicative messages are synonymous with what we have so far named activation activities or elements, and we shall continue this terminology throughout the thesis. The purpose of dedicating a separate section to the activation process is for the reader to gain an overall understanding of all the communicative phases an activation activity goes through from the time a company implements it to it is, hopefully, received by the target audience. We will use the activation process model for this purpose as suggested by Pickton & Broderick (2005), a model that is based on a traditional way of looking at marketing communications (activation) originally proposed by Schramm (1960).

5.5.1 The Activation process model – Introduction
As mentioned above the activation process model shows the communicative process any PPL activation activity goes through from being implemented by an organisation to the target audience receives it. It further illustrates, and this is where it differs from more traditional communication models such as Schramm’s (1960), how the target audience may response to a PPL activation effort and the noise involved in the process from the coding and decoding of messages. The model is obviously of theoretical origin, but it can quite comfortably be used to give a general picture of how the activation process functions in the “real-world”, due to its straight-forward way of explaining the phases an activation efforts, or message, goes through.
from sender to receiver and back again. The activation process model is shown in figure 11 below.

Figure 11: Activation Process Model (own production based on Pickton & Broderick (2005))

5.5.1.1 The Activation Process Model – The activation context

The left part of the model contains both the macro- and the micro-environment in which the activation process takes place and is labelled the Activation Context because this is the context and the environment in which all activation takes place. The activation context is dynamic and changes in both the wider environment (macro) and the immediate environment (micro) occur frequently.

The activation context influences the process of getting an activation activity from an organisation to its target audiences in the way that the organisation (Sender) chooses the content of the activation activity (Message) and the media through which it is implemented (Media). The context also influences how the receiver, in this case the consumer, is exposed to the activation.

The communications loop illustrates that the activation is often a two-way communicational process, which means that the receiver of a message, will be able to respond back to the sender (organisation) and give it feedback on the message it has just received. Traditionally this has been
difficult due to the nature of analogue activation activities, but the digital media revolution has made it possible for audiences (target or non-target) to respond more directly and faster to the activation efforts by a company. The best examples are perhaps blogs, which can be seen as a sort of digital “word-of-mouth” communication and hits on sites such as YouTube.

The communications loop furthermore tells us that a certain amount of “noise” is inevitable during the activation process, and that this noise comes from the coding and decoding of messages both from the sender and from the feedback. Inaccurate interpretations of activation efforts caused by noise such as a TV-commercial can occur if for example the viewer is eating while exposed to the commercial or if the viewer’s children are playing in front of the TV.

5.5.1.2 The Activation Process Model – Receiver response and increased sales
This is probably the most interesting part of the model for companies wishing to engage in activation of product placements. The activation context describes the environment in which the activation takes place, while the right side of the model, receiver response and increased sales, has to do with how the audiences’ attitudes, associations and behaviours towards the activation has the potential to lead to increased sales. This is because, as mentioned in the HoE model, that positive associations can lead to preferences and eventually choice of purchase. The receiver response box in the Activation Process Model lists some of the possible reactions of a receiver exposed by an activation activity. These include increased brand awareness, positive brand associations and perceived quality. Of course, if the activation efforts coming from a brand holder have been inappropriate or targeted to the wrong audiences, some negative reactions may also occur. However, if appropriate and targeted correctly the activation activity has the potential to lead to increased sales for the brand holder, which as we have mentioned earlier on must be considered one of the ultimate objective for brand holders engaged in PPL activation.

5.5.2 The Activation Process Model – Summing up
We have included the activation process model in the thesis in order for reader to understand the process every product placement activation activity goes through from the time it is thought up by the company (or agency) to the time it reaches an audience. It further acknowledges the changes in the audience’s attitudes, associations and behaviours towards the brand kicked off by
a product placement and the following activation efforts. Finally the model acknowledges that these changes in the audiences’ response to the activation efforts have the potential to lead to increased sales. This does, however, require appropriate and correct targeting of audiences.

5.6 Partial conclusion activation
In the activation part of this thesis, the authors firstly defined what PPL activation is, to better employ the theory in the framework of PPL. The role of activation is to connect the brand/product to the media through a broader campaign, commercializing the placement to influence the consumer to a purchase. The activation typology consists of different components that can be used in an activation campaign. These elements consist of digital and analogue activation elements, which can also be said to be the components of a traditional advertising campaign. The digital elements can be divided into two groups, namely direct and subtle. The analogue elements consist of conventional, new variants, ambient, and subtle.

The process of communicating an activation activity from a brand holder to the consumers has been shown in the Activation Process Model. The model describes the activation context in which the activation activity goes from sender to receiver and also how the receivers may respond to the activation. Furthermore, the model acknowledges that the receiver’s response may potentially lead to increased sales. This is supported by the researchers’ view of the effectiveness of an activation campaign. The researchers’ view is that combining PPL with advertising, such as TV commercials, increases the effect on the viewer and creates a higher brand recall and image. Calling the customer to action through a large array of promotional activities is likely to increase sales for brand holding companies.

6.0 Interview process
As mentioned in the methodology part of this thesis the authors chose to conduct both interviews and to gather more quantifiable data via questionnaires. This section describes the process and methods the authors used in order to obtain the most viable interview and questionnaire data. This means giving a description of the thoughts behind the process, the interviewees and the interview guide used during the interviews.
6.1 Interviews
When the first interview was conducted, the authors were of the belief that the knowledge on the use of product placements resided in the brand holding companies. However, after conducting the first interview with Tuborg, it became clear that there was a need to interview both brand holders, media agencies and scholars. This was because companies were often not very involved in the PPL and activation process, but left this to the media agencies instead. In addition, since the media agencies worked with PPL every day, they would be able to provide valuable information while drawing upon experiences from working with different clients.

The interviews with the scholars were made to clarify the theoretical aspects of product placement, and in particular to provide us information regarding activation and the necessity hereof.

Having three groups of interviewees gave the authors data that exposed differences in perceptions of PPL and activation, even within the same group of interviewees.

Two interview guides were developed to obtain results from both brand holders and media agencies. These can be found in appendix A. The interviews with the scholars proved to be much more unstructured because many of the questions were left unanswered due to lack of specific and practical knowledge about PPL.

6.2 Description of the interview guide
In this section we will describe the interview guide’s overall topics and choices hereof. The interview guides consists of 6 question categories for PPL and 4 categories for activation. The questions and categories were designed on the background of PPL and activation theory, to enable the authors to create recommendations for companies considering using PPL and activation. A full version of the interview guide is found in appendix A.

Product placement interview guide

**General** questions were implemented in the interview guide to give the interviewee an easy start to the interview, but also to gain some company specific insights on size, resources etc. In addition it was important to obtain the interviewees’ personal view on PPL and how effective he/she thinks it is.
**Process** questions were created to examine how the PPL process functions from start to finish, who is involved in the process, to what extent it is necessary to involve third party agencies, and to determine if there are any problems that brand holding companies should be aware of.

**Control** questions were designed to investigate theoretical issues regarding problems connected to PPL control. This included problems regarding end result, and lack of influence/control of the end result.

**Effectiveness & Measurement** questions were asked to determine the actual results of PPL and how brand holders and agencies measure them. This is important because theoretical conclusions vary a great deal on this topic. Furthermore, the purpose of these questions was to examine the differences in opinion between brand holders and agencies.

**PPL vs. Traditional marketing** questions helped the authors to determine PPL’s legitimacy as a marketing tool, and to examine how well it is perceived to function compared to traditional marketing means.

**Future perspectives** questions would round up the PPL part of the interview guide but also identify future PPL related trends that could be interesting for companies to engage in.

### 6.3 Activation interview guide

**General** questions were asked to disclose what the interviewees feel activation is, whether they have used it, and how effective and necessary they feel it is. This is important to examine since the research knowledge of this phenomenon is limited.

**Process** questions were designed to determine whether activation is similar to ordinary marketing efforts and whether there are any problems that brand holders need to be aware of. The process questions were included because we suspected that there would be similar problems in the activation process as addressed in the PPL process section.

**Control** questions were asked to identify whether there were control issues in executing an activation campaign, as it has been the case when executing a PPL. Product placement control issues could affect the activation, making it an important issue to address.
**Effectiveness & Measurement** questions were included in the interview guide to examine whether there are problems connected to measuring an activation campaign. In addition, these questions would aid in concluding whether there are experiences that can be used in other campaigns, and what the criteria for success is for an activation campaign.

### 6.4 Questionnaires

For the questionnaire, the questions were designed to get the respondents to answer on a scale from one to five. The scale was as follows:

1) Very bad  
2) Bad  
3) Neither good or bad  
4) Good  
5) Very good

Graphs were then developed based on the questionnaire answers with the purpose of illustrating every single respondent’s attitudes towards PPL and activation. To support the graphs the average score given by both brand holders and agencies was calculated to illustrate the different opinions.

Next in this section the interviewees, and their experience, will be introduced followed by an overview of the topics included in the interview guide.

### 6.5 Selected interviewees

As mentioned above, there are three categories of interviewees for this thesis. These categories are brand holders, agencies, and scholars.

**Tuborg:** *Marketing employee Camilla Olsen and Brand activation manager Martin Best.* Camilla had been involved with product placement in music videos where she, together with the marketing agency Propaganda GEM, has implemented several product placements in videos with well-know rock bands like All American Rejects, and Kings of Leon.
Martin, as the brand activation manager, had previous experience with PPL at his former job at Umbro, but is now only engaged in brand activation campaigns.

**Bang & Olufsen:** Jette Nygaard is PR responsible at B&O and the sole responsible for PPL at the company. She has been involved in several placements in coordination with Propaganda GEM in Los Angeles and to some extent activation as well. Most noteworthy has been the recent placement in the movie Batman: The Dark Knight.

**Umbro:** Mike Taylor is PR manager and has done several PPLs in TV and also has experiences with celebrity endorsements and activation especially around British celebrity athletes.

**Louis Poulsen:** Claus Østergaard is the marketing manager at the company. He has, in cooperation with Brand Lab Japan, placed products in different films, shows, and magazines. An interesting example is a placement in the recent James Bond movie, Casino Royale.

**Agencies:**

**CC Public Relations:** Anne Thomsen is an employee specialized in lifestyle promotion. She has implemented lifestyle products in talk shows, but no real activation experience.

**Kuanhsi:** Emil Jørgensen and Niels Sørensen are employed at this specialized PPL company. They have worked on different placements, for instance placing a Carlsberg truck in the first Spiderman movie.

**Media Works:** Hans Theisen has worked with PPL and activation in the Danish market. He has, among other things worked with placing products for Telia and Ford.

**Mannov:** Anne Sofie van den Born Rehfeld is the lifestyle department manager at Mannov. Has done some product placements but not much activation.

**Propaganda GEM:** Daniel Beran (product placement specialist in Geneva) and Arden Doss (Country manager in Los Angeles, USA). Daniel has developed many activation campaigns and placed products such as Audi in the movie Iron Man. Arden has extended experience with PPL and activation and has been involved in placing Audi in I Robot and other brands such as Nokia cell-phones in the movie The Matrix.
CO-TV: Lars Gjøls-Andersen has worked with PPL and activation. Most notably he has helped Aqua D’or in creating a TV program, while placing their water in the program, plus activating the PPL.

Brand Lab Japan: Carsten Jørgensen has worked with PPL and celebrity endorsement internationally. He has, among other things, been involved with placing high-end luxury watches in films and celebrity endorsements.

Scholars

Ole E. Andersen: PPL and activation specialist at CBS.

John Hird: Professor in advertising at Aalborg University, who teaches in advertising and PPL.

Next, we will move on to the analysis of the results from the interviews and questionnaire conducted by the authors with partition of the above-mentioned interviewees.

7.0 Interview and questionnaire Analysis

The interviews with personae from the PPL industry conducted by the authors and the questionnaires answered by these interviewees, will serve as the foundation for the analysis in this master thesis. The results derived from the interviews and questionnaires will be compared to the theoretical aspects of PPL already treated, and later help the researchers to create recommendations for Danish brand holders to consider before engaging in PPL.

The analysis is structured in somewhat the same way as the interview guide, to ease the analysis and facilitate the structure of the results. The results from the questionnaire will enable the authors to identify quantitative results, which will help clarify where the brand holders and agencies have differences of opinion or are in accordance.

The diagrams developed from the questionnaire answers are divided into two colors. The color blue illustrates the brand holders, and green illustrates the agencies. Furthermore, in the bottom left corner the average score of both groups has been calculated, to illustrate the possible differences of opinion.

In accordance with the interview guide the analysis is divided into two main parts. The first treats
the part of the interview discussions relating to product placement and the other the parts that relate to the activation of product placement. As mentioned it was difficult to distinguish the two parts during the actual interviews but for the sake of the reader experience the authors have found it appropriate to keep the two subjects divided here.

We shall now treat the part of the interviews regarding actual product placement. At first, the analysis of the general questions will take place, to give the reader an insight to the interviewees' general thoughts on PPL and their experiences with PPL as a marketing tool.

**7.1 General thoughts on product placement**

The sub categories in this part of the analysis are called:

*Resources spent on product placement*
*Opinions on product placement effectiveness*
*The primary outcomes from product placement*
*Thoughts on product placements and prominence*
*Why many Danish companies do not use product placements*
*Summing up*

**7.1.1 Resources spent on product placement**

Talking to the interviewed companies, it was evident that they did not spend many resources on product placement. At Tuborg, few employees are in contact with the product placement agency they collaborate with, but they weren’t allocated solely for product placement. The reason is that they have, through a retainer contract, outsourced all product placement activities to Propaganda GEM. They are therefore contacted whenever the agency feels there is a possibility of placing a product in a given media. The tendency of using an agency is very similar at B&O where they in their PR department have one person who, beside her ordinary tasks, coordinate product placement initiatives with their agency, Propaganda GEM.

Jette Nygaard from B&O states that “*We are not using many resources on product placement. Perhaps only around 5 hours per week*”. This tendency regarding hours spend on product placement is very common where 4 out of 4 companies mention that they do not allocate personnel only to do product placements.
Even though B&O does not allocate personnel to product placement, they definitely appear to be more involved than the rest of the companies, because they are “Contacted a double figured amount of times every day (by agency and production companies)”.

Although not spending many resources on product placement, Jette Nygaard from B&O believes it is a natural step for a company like theirs to use product placement because of the attractive products that they produce. Furthermore she believes that it is a very beneficial marketing tool for them, since they don’t pay for placing products due to the high demand that production companies have for their products.

7.1.2 Opinions on product placement effectiveness

When analyzing on the effectiveness of product placement, 4 out of 4 companies believes that it was effective but needed to be activated to fully exploit its potential.

When Jette from B&O was asked about her attitude towards product placement, it was clear that it was most effective when activated. She feels that only a few seconds close up on a product would not be fully beneficial without it being supported by other activities. However she admits that B&O doesn’t do much tracking and analysis on the placements. Therefore she couldn’t really say when and what works best, but believes that if B&O were to pay for a product placement, they would do product placement more structured and more focused on costs and benefits. Last, she feels that compared to the amount of work that they put into a placement it is definitely worth it, because the awareness and the way of “bringing a product to life” benefits the company tenfold. This is also confirmed by Mike Taylor from Umbro. He believes that it is important to do product placement, especially in the sporting goods industry due to the high level of competition. He states that it is important for a company to think strategically about how its brand is perceived by consumers, because this perception is easily changed if the right (or wrong) placement occur. Although, it seems that a company like Umbro uses product placement much more, than say B&O, because they are so consumer driven, and have a clear interest in being associated with top level athletes. Furthermore, Mike Taylor confirms that from a brand awareness perspective, product placement is a good marketing tool, but from a return on investment point of view, it is much harder to decide its effectiveness.

Another perspective on product placement comes from Claus Østergaard from Louis Poulsen, he believes that the success of a product placement is dependent on the brand/product and also on
the audience. He further believes that for a company like Louis Poulsen who is selling high end lamps, it is difficult to capture the full effect of a placement because their products are not easily noticed, secondly it is, not easily integrated in the plot, and thirdly, it is mostly used to create a certain atmosphere. He says that their product placements are mostly noticed by people within Louis Poulsen’s own industry, architects etc. but the average consumer will most likely not pay attention to it. However, he states that if the consumer is looking for a new lamp, it is likely that he/she will pay more attention to the placement than an average viewer.

These statements concerning product placement effectiveness are also supported in the questionnaire. Below, the results from question 1 of the questionnaire are depicted.

![Figure 12: Results based on how interviewees rate PPL as a marketing tool.](image)

Looking at figure 12 it shows that there is a general agreement that product placement is effective and can help brand holders market their products. All the respondents answered 4 (Good) or 5 (Very good), but interestingly enough, one can see that the agency average, 4,6, is obviously leaning towards very good. This is definitely what could be expected, because the agencies have to believe that the service they offer is attractive.
7.1.3 The primary outcomes from product placement

Opinions on the primary outcomes of product placement are contrary to the effectiveness much more differentiated among the interviewees. Looking at figure 13 below, one can find the codified answers from the qualitative interviews, which show the interviewees thoughts of what the primary outcomes from product placement are.

<table>
<thead>
<tr>
<th>Question</th>
<th>Statements</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary effects</td>
<td>Increased brand awareness</td>
<td>92</td>
</tr>
<tr>
<td></td>
<td>Increased image through endorsement/Positive brand associations</td>
<td>54</td>
</tr>
<tr>
<td></td>
<td>Larger audience reach</td>
<td>46</td>
</tr>
</tbody>
</table>

*Figure 13: Most important outcomes of PPL*

Looking at figure 13 it is clear that almost all the interviewees believe that brand awareness is the main driver for product placement. Interestingly this, as previously mentioned in the theory section of the thesis, does not automatically lead to increased sales.

One of the advantages, as mentioned, of product placement is that it integrates the product or brand in a realistic setting, enabling the product or brand to show its assets in a positive light. This means that product placements can be very useful in, for instance, a product launch situation, because it will show the features of the product, without appearing as a commercial statement. Furthermore, getting the chance to have the product endorsed by a celebrity may enhance credibility and liking due to the relation between the celebrity and the product in question, in accordance with McCracken (1989). This factor is supported by 54 % of the interviewees as an advantage of PPL.

Also, there is an increased credibility factor that exists around product placements. Consumers know that brand holders normally try to persuade them to buy their products, and therefore they have their guards up. Having the product endorsed by a third party creates that special credibility, and perhaps even a “coolness factor” which is important for certain types of consumers and products. This is also the case for the environment/setting of which the placement is in. If a product placement is done well, it is in a setting that illustrates the product from its best angles, and highlights its best features.
However, even if a product placement is done well, it doesn’t necessarily lead to a sale. There are different reasons for this. As mentioned by B&O, product placement works most effectively if the viewer is already thinking about buying the product in question. Therefore, even though a viewer may like a product that is seen on screen, it may not trigger a purchase intention, because the viewer is not in need of such a product. The person exposed to a product placement will not necessarily believe that he/she should purchase the product. What may lead to a purchase is a properly integrated and executed activation campaign that can support the placement (CO-TV, 2009).

7.1.4 Thoughts on product placement and prominence

Earlier on in the thesis, the levels of product placement prominence have been described. The results from the interviews, when we asked about prominence and the different levels of integration of PPLs were not unanimous, which surprised the authors. One could suspect that a high level of plot integration equals success. This view is supported by Media Works, saying that “integration is the most important thing. Everything else is not very interesting”. It is important to stress, that reading between the lines there can be too much of a good thing, meaning that a product placement should be integrated but not to the point where it is disturbing. Another view is shed by Daniel Beran. He believes that a high level of prominence helps, but it is not a guarantee for success. He believes that the all levels of prominence work if done correctly. This is because, as stated by Daniel Beran, most product placements are done with a low integration, since there is a limit to how many plot related placements can be fitted into a media. Arden Doss from Propaganda GEM in L.A doesn’t believe in the “billboard kind of placements”, by which he means the placements Andersen (2006) identifies as screen placements.

For some companies a may be important to have as much exposure and as high a level of prominence and integration as possible, but according to Professor John Hird this is most often not a preferable strategy to follow. In his opinion brand holders must not overexpose their brands and products, since this will only have a negative effect on perceived brand image by consumers.

In conclusion we have found that there is no consensus on what level of prominence is preferable for brand holders, and simply showing the placement as much as possible is not necessarily the right way to go.
7.1.5 Why many brand holders do not use product placements

The brand holders all mentions that they believed product placement to be an effective marketing tool. However, it is interesting to note that even though they feel this way, none of them are pursuing it more or spending more resources on it than earlier on. The issue seems to be that they don’t have the knowledge internally to further pursue it or integrate it better in the marketing mix. In other instances, as with Tuborg, the company does not wish to promote the tool too obviously, because it can result in a lack of credibility. This is because the company may appear as being too commercial and therefore risk losing its “coolness factor”.

Another reason for not utilizing product placement more is because of the lack of knowledge within the area. Kuanhsi believes that the reason it is not utilized more in Denmark, is that most media agencies competencies lie within measurement and not implementation, and especially not PPL.

Another reason that the Danish brand holders don’t use it more frequently is, as it is the case with B&O and Louis Poulsen, that they utilize product placements for free, by which we mean that they don’t pay for the placements but are often contacted by production companies who like the products and wish to use them. Ironically, not paying for placements comes with a price in that both Louis Poulsen and Bang & Olufsen have very limited possibilities of activating their placements. Normally brand holders have to pay for the rights to activate placements, but none of the mentioned brand holders have the PPL budgets to do so, at least not when it comes to major Hollywood productions.

7.1.6 Summing up

Looking at the results from the General part of the interview several things stand out:

- Danish companies think positively of product placements
- The primary effect of product placement is brand awareness, making it useful for product launches. Other effects are changes in brand associations through endorsements and larger audiences
- Few resources are spend on product placement by Danish brand holders
Product placement has a global reach, and the ability to reach customers that companies usually can’t

There is no clear indicator of what level of PPL prominence works the best

Endorsement of a third party, such as an actor can show the product in a “real life setting” and is very effective

Danish companies are often not paying for PPLs, and have a hard time obtaining activation rights

We will now focus on the results derived from the part of the interviews involving the process of implementing a product placement.

7.2 Thoughts on the product placement process

Analyzing the way the process of doing a product placement works is important, because it is sometimes not very clear how the industry works, and what factors that are influencing the product placement process. The subcategories in this part are:

The usage of agencies to facilitate the product placement process
The product placement process from start to finish
Bottlenecks in the product placement process
Summing up

7.2.1 The usage of agencies to facilitate the product placement process

From the interviews with the companies, it is clear that they all use agencies to facilitate most product placements. This is because, as Daniel Beran explains, agencies have experience with the industry, and have developed relationships with key people. These relationships are long term relationships where exchanges are made frequently. This fits with the theory section, where traits such as trust and good connections are emphasized as crucial when operating in the product placement industry. Furthermore, agencies have a portfolio of companies and brands on their client list, giving them higher negotiation power than if a company by itself tries to do a product placement.
When brand holders decide to use external partners, it is usually because of their high level of expertise. The downside is that it disables the company to gain full control of the process and overview, and therefore they may not be able to build such capabilities internally. But, as mentioned by all 4 interviewed companies, since few resources are spend on product placement, the resources aren’t there internally, and the brand holders can gain the benefits from product placement experts, and their experience. Even though many Danish brand holders choose to outsource PPL to agencies, there are companies who do handle it internally, and successfully. In Denmark, Fritz Hansen is known to be doing product placements without the involvement of third party agencies to facilitate the process. Kuanhsi criticizes this choice, because they feel that a brand like theirs can do much better than what they are doing presently. Obviously they have to say this is not done well, because otherwise they would not be able to justify their own existence. Media Works’ Hans Theisen believes that companies should use an agency because of their insights in the business. It has been mentioned that agencies have core competencies and relationships that gives them the advantage, but another thing is the time and resources. First, Danish brand holders usually do not have enough time and resources to scout the market for attractive manuscripts etc., and even if they do, they do not have the insights to distinguish a good manuscript from a bad one. Also, since manuscripts are not being turned into films immediately but over a longer period of time, it is very difficult for companies to manage the time frame.

Agencies generally charge brand holders either by a retainer fee or project fee. The brand holders interviewed for this master thesis had all used retainer fees, because they feel that it gives more freedom to the agency in question, to find a project(s) that is suitable for the brand holder. Although retainer fees were preferred, some companies had occasionally also been involved on a project based contract as well. A retainer fee means that the agency is given a yearly amount of money to work with and implement different placements, while a project fee is an amount given to implement a previously specified placement project.

7.2.2 The product placement process from start to finish

Generally speaking, the process of implementing a product placement does not seem too complicated. As explained by both Daniel Beran, Arden Doss, and Kuanhsi, they all receive
manuscripts daily for movies etc., which enables them to find a place where they can implement a placement. Thereafter, they contact the given client that they feel may have a suitable product for the given scene. The contract between the three parties (agency, production company and brand holder) is then negotiated in regards to seconds of exposure, payment, etc. Another scenario that can happen as well is that the production company contacts either the agency or the company directly. This could be because a production company has seen a certain product that would fit in their media, and therefore contacts either the agency or brand holder to determine the possibilities of loaning the product. This is usually the case when it comes to both B&O and Louis Poulsen due to their high-profiled products.

Although, one should be aware, as stressed by the all the interviewees, that even though a contract has been negotiated this doesn’t always lead to complete success. Often the placement ends up being left out of the media, or the placement is not done according to what was agreed upon. Therefore it is an advantage to have an agency who knows these pitfalls and how to operate around them.

7.2.3 Bottlenecks in the product placement process

There are definitely many bottlenecks in the product placement process that companies should be aware of, ranging from internal bottlenecks within their own company, to bottlenecks from the relationship to the production company. The figure below, shows the codified results from the qualitative interviews.

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes / No</th>
<th>Underlying issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bottlenecks in the PPL Process</td>
<td>Yes</td>
<td>Logistics</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Lead Time</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>Internal resources</td>
</tr>
<tr>
<td></td>
<td></td>
<td>End result</td>
</tr>
</tbody>
</table>

|                               | 77%       | 23%                        |

Figure 14: Interviewees thoughts on bottleneck issues

The figure above illustrates that 77% of the interviewees believe that there are bottlenecks present in the product placement process. These results are derived from both companies and agencies, making this an issue of concern. The primary underlying issues in regards to bottlenecks are logistics, lead time, internal resources, and end result.
50% of the interviewed companies mention the problem regarding the logistics of the placement. As mentioned, since they are contacted very frequently, it is difficult for them to appear in all of the media that they might want to do, because they have to have products ready for the given media. Since both B&O and Louis Poulsen manufacture high-end luxury items, they do not have the resources to send large numbers of their products to the different production companies, because these are often not sellable after use, and if they are, they need to be shipped to another location for the next placement. This means that they also have internal bottlenecks in regards to resources that are made available for them to spend.

Furthermore, the uncertain nature of for example a movie will make it difficult to predict the outcome of the placement, since it may not always work as well in reality, compared to what might have been thought originally.

Further, as mentioned by Kuanhsi, the time horizon or lead time from when a company knows that the placement has made the final cut, to the media being in aired is often very short. Therefore, if a company doesn’t know whether or not their placement has been approved to appear in the media, it is difficult to create an activation program to support the placement. Additionally, Arden Doss mentions that the time horizon of a film also can lead to problems. This is because film and TV productions can often be delayed for a period of time. This can have serious consequences for a company that places a brand, because if the production has been delayed for a while, and the company’s product easily is outdated (i.e. consumer electronics), the company may risk promoting a product which is soon to be replaced.

Another bottleneck is the way the industry works. The North American market is extremely commercialized, and media here often try to obtain as much financing as possible. The opposite can be said about the European market, and especially the Danish. Here, the concept of art is very present, making it difficult to integrate products, because the production companies and set directors are not interested in commercialized commodities exploiting their creative vision. Here, Kuanhsi believes that the Danish, and European market, simply not worth pursuing because of the small audiences, and also the difficulties of integrating a product. This is supported slightly by Hans Theisen from Media Works, who believes that it is difficult and not very profitable for companies to do placements in Danish films and series. However he believes that these
insecurities that production companies once had are slowly being eliminated, because they can see the benefits that the placements can lead to.

Although there are bottlenecks that influence the process, it doesn’t necessarily have a negative effect on the results that the company gets from product placement. Looking at figure 15 it is clear that both companies and agencies believe that there are good results to be obtained despite the mentioned bottlenecks. These results are from question 3 in the questionnaire that tries to identify how well the process works compared to the outcomes of PPL.

![PPL process](chart)

**Figure 15: Results based on how interviewees rate the PPL process.**

The scores are very similar rating the process close to 4 (good), with outliers Mannov and Kuanhsi. Mannov was not very positive towards the uncertainties regarding the time frame, and also the fact that one was never sure if the placement was included in the media or not. In the opposite end Kuanhsi believed that there are no process issues, because it can be handled in the contract. They add, that the issue that can be present is, that the companies don’t understand the process and therefore think that there might be issues. This statement however seems odd, since even their corporate partner, Propaganda GEM, acknowledges that the mentioned bottlenecks are legitimate issues for brand holders to be concerned about.
7.2.4 Summing up

The analysis on the product placement process identified several important points for brand holders to be aware of. Some of the most significant are:

- Agencies have experience and close relationships enabling them to get better deals.
- Logistics are an issue if the product is expected to be resalable once returned.
- Time horizon can affect the placement because companies may not know if a placement made the final cut, or if the media is being released as scheduled.
- Despite the bottlenecks, the process was rated close to 4 (good) compared to the possible outcome from PPL.

Next, the results from the control part of the interview will be discussed.

7.3 Thoughts on product placement control issues

It was important to determine how much the lack of the control of a product placement affects the brand holding companies. The scholars whose work is treated in the theory part of the thesis identified control issues as a problem that companies might experience, and an impediment that might result in companies avoiding the usage of product placement.

7.3.1 Control issues

Camilla Olsen from Tuborg explains that one of the hardest things is to control the quality and the content of a placement. This is because, as mentioned, the final cut may not end up as originally planned. She mentions that Tuborg may agree to do a product placement for instance in a music video, but ends up with a placement where their product is barely noticeable except for people who are very involved with Tuborg or a frequent purchaser of their products. Hans Theisen believes that this can impede companies from using product placement, because a bad experience with product placement affects the company’s view of the marketing tool.

Interestingly enough, the different media agencies seem to disagree on the control issue. Propaganda GEM believes that, planning wise, there seems to be no control problems, and that everything is scheduled. But they do acknowledge that there are concerns from companies because they are not as involved in the process, as the agency. In addition, Propaganda GEM
states that the control issue also is present when they try to measure the results of a placement. Some placements work better than others, which is something companies not always understand. This can obviously be a reason for the feeling of no control, because companies believe that a success story can be duplicated over and over, and when this is not the case, companies may believe that it is because they weren’t involved enough or controlled the situation well enough. The difference of opinion is clearly illustrated in figure 16 below.

![PPL Control](image)

<table>
<thead>
<tr>
<th>Company</th>
<th>Control Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>BRØ</td>
<td>4</td>
</tr>
<tr>
<td>Tuborg (1)</td>
<td>2</td>
</tr>
<tr>
<td>Tuborg (2)</td>
<td>2</td>
</tr>
<tr>
<td>Propaganda LA</td>
<td>3</td>
</tr>
<tr>
<td>Mannov</td>
<td>1</td>
</tr>
<tr>
<td>Kuanhsy</td>
<td>5</td>
</tr>
<tr>
<td>Propaganda Geneve</td>
<td>3</td>
</tr>
<tr>
<td>CC Public Relations</td>
<td>3</td>
</tr>
</tbody>
</table>

Company average: 2.7
Agency average: 3.4

*Figure 16: Shows the results when asked if the interviewees felt they had enough control of the PPL process.*

Figure 16 shows that the companies are not very positive regarding control of PPLs and think that it is a somewhat bigger issue than what the agencies think. Interestingly though, even the agencies don’t agree on the level of control. This is obviously based on their individual past experiences, and how they compare PPL to other marketing tools.

Hans Theisen also states that the brand holders will never have enough control of placements, compared to other marketing tools, an advertisement for instance, which makes it difficult for companies to understand the tool.

### 7.3.2 Summing up

From the analysis above, the following points on control are crucial to understand for a company to succeed with product placement:

1. **Understanding Control:** Companies often believe that control can be easily duplicated, but this is not always the case. The feeling of no control is common when placements do not work as expected.
2. **Comparison with Other Tools:** Companies believe that they should have more control than what is possible with PPLs, as they compare PPLs to other marketing tools like advertisements.
3. **Individual Experiences:** The level of control felt varies among companies and agencies, based on their past experiences and how they perceive PPL compared to other tools.

By recognizing these points, companies can better manage their expectations and improve their approach to product placement.
Compared to other marketing tools, brand holder control and influence is low when dealing with PPL.

Even though placements are made, they may not appear as expected in the media, due to production companies’ rights to final cut.

Next, the measurement part of the interview will be analyzed in depth.

7.4 Is it possible to measure the effects of product placement?

A fascinating aspect of product placement is the effectiveness and measurement criteria. It is often discussed in academic journals, and is an area of PPL where companies and agencies differ significantly in their attitudes. Therefore it was important for the authors to determine the attitudes of the agencies who work with the tool every day, and compare it to the views of the brand holders and experts whose views might differ.

7.4.1 Measuring the effects of product placement
At first, it was important to investigate how, or if, it is possible to measure the effects of product placement. From interviews and theoretical research it was clear that the effects of product placement and its effectiveness are hard to measure, and this might be a significant factor in deciding whether to utilize the marketing tool or not.

As expected, there are differences in opinions on the matter. The agency Propaganda GEM has a system that quantifies the results of a campaign and thereafter calculates an exposure price that is equivalent to what a brand holder would have to pay if using another marketing tool.

The measurement system is called PREVA, and is developed by Propaganda GEM. The system quantifies the product placement through a series of criteria.

At first, the gross audience is determined and then multiplied with the recall rate. The gross audience is calculated on behalf of the world’s top 50 markets where the given film/TV show is aired. It is estimated over a 3 year period, and based on Box Office ticket sales numbers, video rentals, TV ratings, and ancillary impressions generated from hotels, online, piracy and in flights (Prevamedia.com, 2009). The recall rate is then investigated through panels and polls by Propaganda, in order to determine the amount of useful contacts.
Figure 17: PREVA product placement measurement system, developed by Propaganda GEM, (Prevamedia.com, 2009).

The useful contacts are then multiplied by the VPM, the value per thousand contacts, which is a number chosen by Propaganda GEM in accordance with standard marketing measurement techniques. The authors were not able to be informed about the actual number.

An example of a client that Propaganda has done a product placement for is an Audi car in the movie Iron Man. There was a gross audience projection of 1,477,000,000 people over three years from box office sales etc. The recall rate of the Audi placement is 54.6 % because it is clearly identifiable, has a long product exposure, is associated with the main character, has a readable logo, and plays a key role in the story line. When multiplying these numbers in accordance to the equation in figure 17 one gets 773,253,000 useful contacts, with an effective media value of USD 14,846,000 (PREVA presentation, Appendix B). Interestingly many of the factors determining the recall rate of a placement are also issues that are mentioned by Andersen (2006) on prominence of a placement in a given media as seen in section 4.6.1.1.

One can definitely see that it is somewhat possible to quantify the measurements of a product placement. However, looking critically at the numbers involved, the problem that a company can have with such estimates is the “real” useful contacts. By this is meant, that even though the recall rate is 54.6 %, it doesn’t mean that there are that many useful contacts. Especially in the Audi case, because most people of the audience of such a movie may not have enough resources to purchase such a high end luxury item. One might argue that from a brand awareness perspective, it makes sense since many will connect the Audi brand to the movie Iron Man, but again it might not be enough to lead to increased sales. Other concerns are that the utilized recall
rate is probably not always viable. Furthermore, the authors don’t know the polls and surveys that are used, or the respondents background.

The argument is that product placement don’t necessarily lead to increased sales, because the audiences reached are not always within the company’s customer segment. It is, for instance, more reliable to say that an Audi advertisement in an exclusive lifestyle magazine may reach Audi’s customer segment better. However, the advantage here for product placement is that it has a broader reach, and may reach future customers, and create a larger hype for their products (Camilla Olsen, Tuborg, 2009)

Although PREVA is used by Propaganda GEM, it is not used, or perhaps even accepted by all the companies that use product placement. Camilla Olsen from Tuborg explains that she doubts that the numbers are that accurate, and that Tuborg on top of the supplied numbers from Propaganda GEM also use unsophisticated measurement systems such as Google searches, reading online chat boards, blogs, etc. The same is done by B&O. They are in close contact with key customers, business partners, and others to determine how noticeable the placement is to their customers and not just the general public.

Hans Theisen from Media Works has done measurements on PPLs in music videos, where he interviewed viewers to determine if they could recognize the brands integrated in the video, whether it moved the perception that the viewer had of the brand, and whether they would consider purchasing such a product. His experience is that, the biggest issue is that viewers have a difficult time identifying what brands are actually integrated. He mentions, that in a music video by Johnny Deluxe, a Nokia mobile phone was placed in the video. He experienced that many viewers lacked knowledge about the brand, which resulted in many of the interviewed viewers actually increasing their liking of the phone, thinking it was a Sony Ericsson.

Although it seems as if the measurement tools available are not fully developed, it is clear from our questionnaire that there are differences between the agencies and brand holders.
Figure 18: Results based on how interviewees rate the ability to measure the effects of PPLs.

Figure 18 above shows that 80% of the agencies believe that the measurement tools available are reliable and provide good (4) or very good (5) results. From a brand holder perspective, there is consensus that the measurement tools available are neither good nor bad. This confirms the measurement issues brand holders have, and the fact that the brand holders differ significantly from the agencies. It is clear that this is an issue that needs more attention, if product placement is to succeed among Danish international companies.

7.4.2 Summing up on measuring the product placement effects

A number of aspects from the measuring part of the interview were noticeable, especially since the results surprised the authors in different area:

- Measurement tools do exist, such as PREVA, but they are not fully developed to accommodate brand holder needs.

- This is confirmed in the questionnaire in which companies scored the measurement as neither good or bad (3) compared to an agency average of 3,8 being close to good.

- PREVA lacks the aspect of recognition

Next the interviewees will compare product placement to traditional advertising.
7.5 Product placement vs. traditional advertising.

Since several interviewees have mentioned differences between product placement and more traditional marketing means earlier on in the analysis section, this section will only take a look at the quantitative results on this issue gathered from the questionnaires. It is a rather brief section and the authors have therefore not found it necessary to include a section summary.

It seems that there is a clear gap between how companies and agencies rate PPL compared to traditional marketing efforts, such as TV commercials, radio spots, ads etc.

![PPL vs. Traditional advertising](image)

*Figure 19: Shows the results of how beneficial product placement is believed to be compared to traditional marketing.*

It is clear from figure 19 that with an average of 2.7 (less than neutral), product placement is not considered to be more effective than traditional advertisement from a brand holder point of view. This is also confirmed through the qualitative interviews where all the companies believe that product placement is most effective through an activation program supporting the placement. It is interesting to see that the average of the agencies differs significantly from the companies. Here, one can question the sincerity of the agency respondents due them defending their own business models.
7.6 Future perspectives on product placement

Having analyzed how product placement works and functions in practice today, it is interesting to identify future trends and possibilities of this marketing tool.

<table>
<thead>
<tr>
<th>Statements</th>
<th>Interviewee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product placement will become more sophisticated and strategic</td>
<td>John Hird</td>
</tr>
<tr>
<td>Product placement will be used more for internal branding purposes</td>
<td>Louis Poulsen</td>
</tr>
<tr>
<td>Product placement in music videos will not be interesting anymore</td>
<td>Kuanhsi</td>
</tr>
<tr>
<td>Product placement could be developed into concept programs</td>
<td>CO-TV</td>
</tr>
<tr>
<td>Program sponsorship is likely to evolve</td>
<td>CO-TV</td>
</tr>
<tr>
<td>Use of product placement in general and online will increase</td>
<td>Propaganda GEM</td>
</tr>
<tr>
<td>Effectiveness may decrease with the increase of amount of product placements</td>
<td>Mannov</td>
</tr>
<tr>
<td>Use of product placement will increase in the future</td>
<td>All</td>
</tr>
</tbody>
</table>

Figure 20: Statements on future perspectives for PPL collected from interviews.

John Hird believes that “product placement will become even more sophisticated in the future, where the movie or TV-series will be customized as a media”. This means that a media and its content will be customized to the different markets where it is distributed. This could be, for instance, that a company like Taco Bell decides to place their brand in the North American version of the media, but in the European edition it is changed to include Pizza Hut instead. This is a very interesting thought, since it could revolutionize the product placement industry, enabling companies to reach their target segment better than previously, plus the fact that production companies will have a chance to increase the usage of product placement, enabling them to increase financing from interested companies.

Claus Østergaard from Louis Poulsen interestingly mentions that “Product placement can be used as internal branding also”. This is due to the fact that product placements can create a higher state of satisfaction internally in a brand holding company, when a product is included in an international production, because the “worker on the floor” will see that his/her efforts really pay off. Motivation is key here, and this perspective is very unique, and definitely an area that
could be interesting to investigate in another master thesis.
Kuanhsi mentions that, even though music videos are experiencing an increase in product placement, this is not a platform that should be considered. Music videos are not watched much any longer according to Kuanhsi, because the music channels are more focused on their own productions, lowering the amount of airtime available for the music video to be played. Therefore, brand holders should definitely consider whether or not this media is attractive, even though the authors are aware that the trend of music videos is that they are watched on Youtube and other internet sites.

Another way that product placement could change is towards this Aqua D’or example. Here the company developed a TV-program around the product or brand. As Lars Gjøls Andersen mentions, this is a new way of placing a product because the brand and media are more naturally connected. Aqua D’or developed a natural beauty contest that included celebrity judges, who determined who should get the honor of being the Aqua D’or Natural Beauty Contest winner. Developing the program also gave Aqua D’or the unique opportunity to activate the show without any restrictions, resulting in a 40% increase in sales.

Furthermore, Lars Gjøls Andersen mentions that product placement could change in a way, that companies or brands sponsor a given timeslot. This could be that Coca-Cola for instance would sponsor and place products from say, 21-22 at night, eliminating the chance for others to advertise in that timeslot. Since program sponsorship is already very widely used, this trend would be a natural extension of an already existing phenomenon.

Propaganda GEM believes product placement will be used more in the future because of its cost effective platform. One of the interviewee from Propaganda GEM also believes that product placement will expand online, in online communities such as Second Life, or in applications for Iphone, Facebook and others. In addition, Blogs are likely to be targeted in the future, due to its “objective” nature. Placing a product in a Blog is a way to receive a review and recommendations by leading bloggers online.

Last, Anne-Sofie van den Born Rehfeld from Mannov believes that product placement may lose its effectiveness in the long run. The reason is that a more and more intense use of PPL can lead to overexposure which in turn can be followed by negative synergies.
What all the interviewees have in common is that they all believe that product placement is here to stay. They don’t see a decrease in the use of this medium in the future, on the contrary they believe that it will keep increasing, and become more and more sophisticated. Brand Lab already uses quite sophisticated methods of placing products. One example is a theater production they set up for a famous producer of fine watches. They flew in a celebrity theater director from London, and the production was based on the life of Leonardo Da Vinci, a famous name that also happened to be the name of the watch producer’s most celebrated product category. The invited guests were all existing and potential clients, distributors and celebrities.

Danish brand holders are also aiming to up their game. B&O, for instance, are planning to be more proactive and include product placement even more than what they have done so far. They believe that structuring the process of whom to work with and determining what genres they generally want to appear in, will benefit them much more in the long run.

7.7 Advice on product placement

At the end of the interviews, the interviewees were asked to give advices based on their past experiences with product placement, to help Danish companies that are considering utilizing product placement.

Martin Best from Tuborg says that if a placement is not done in a media that appeals to the company’s customer segment, it will not be very effective. This connects to our statement that brand matching is one of the important considerations a brand holder must make before engaging in PPL(section 4.6.3.1). Furthermore he believes that placements should, if possible, tie into an occasion that connects with the audience emotionally, making the viewer more involved and positively connected to the placement. Last, he believes that a company should be aware of saturation. This means that one should not be involved in a film that is already full of other placements. He understands that it may work for high end luxury brands, but for fast moving consumer goods products, it would be difficult to standout, and may also appear negative due to the aggregation of all the other placements.
B&O and others recommended that a company should be focused on the end result and specifically on where the product placement should be used. They believe that brand holders should choose only a limited number of placements, which will facilitate the process of supporting the placement with an activation campaign. Brand holders should therefore focus more on the quality of PPL rather than the quantity. This view is supported by Umbro, who believes that brand holders should think strategically about how the brand is perceived and what it wishes to be associated with, and who they wish to appeal to. B&O elaborates by saying that companies should carefully consider where the placement is shown and in what context, so it is aligned with the overall brand strategy.

Kuanhsi and Propaganda believe that product placement should be used as the overall platform of a campaign, and not just an additional marketing tool. This is a different view compared to other media agencies and both Mannov and CC Public Relations believe that product placement should be used as a supportive PR tool, rather than the overall platform. Of course, since both Kuanhsi and Propaganda are “hardcore product placement agencies” and both Mannov and CC Public Relations focus mainly on PR this difference of opinion may not come as a shock.

7.8 Product placement analysis partial conclusion
After analyzing the results obtained from the interviews and questionnaires, it is clear that brand holding companies and agencies have a positive attitude towards PPL and the effects it has. The primary effects are shown to be increased brand awareness, and improved brand liking if implemented correctly. These effects make PPL useful for a product launch, especially in regards to targeting the audience.

It is evident that showing the placed brand or product in a favorable “real life” setting, potential customers experience the product and its features without being forced into a buying situation, which may improve their attitude and preferences towards the brand or product. Through the analysis it is shown that there are no clear indicators of what level of PPL prominence works the best, since interviewees argue both for and against highly integrated placements.

All of the interviewed companies use agencies to a certain degree due to their specialized
knowledge, experience, and industry connections, which enable them to get better PPL deals. Danish brand holding companies often do not have these skills in-house.

It seems from the interviews that there are certain ways of measuring the effects of product placements (such as PREVA), but it is furthermore clear that these measurement tools are often incomplete. This means that brand holders also use informal measurement tools such as Google searches, blogs etc.

A negative aspect of PPL is that if PPL is not paid for, the brand holding company is often not allowed to activate the placement. Besides that, logistics is an issue if the product is expected to be resalable once it has been returned from the production company. Last, the time horizon from knowing if the placement made the final cut to the media is released is often short, making it difficult for companies to plan activation activities.

8.0 Analysis on product placement activation empirical findings

The authors deliberately chose to divide the interview guides into a pure product placement part and a part for activation of product placements. This was originally done because we didn’t wish to muddle up the two concepts thereby risking confusing the interviewees. However, we quickly realised during the process of conducting the interviews that such a division of concepts was impossible in “real life situations”. In order to keep the interviews at a flowing pace and to get as many answers from interviewees as possible we did not find it appropriate to follow the interview guide step by step.

This being said, the authors still believe that a division of PPL and PPL activation in this analytical part of the thesis is suitable and after having analysed the empirical findings regarding product placement we shall now look into activation. For the sake of the reader we will divide the analysis into four main parts and then treat the most interesting and relevant findings within each part. All interviews are found in Appendix C

The main parts are:
- General thoughts on product placement activation
- Thoughts on the product placement activation process and control
- The effectiveness of product placement activation and how to measure it
- Advice on product placement activation

8.1 General thoughts on product placement activation
The purpose of the general questions in the interview guide was first of all to get a conversation going with the interviewees, but just as importantly to establish a common starting point and understanding about what activation of product placements is, and in what ways the interviewees have dealt with it in their professional lives. The results from the general part of the interview guide have been divided into the following sections:

Definition of product placement activation

Activation is almost always necessary for Danish brand holders

Experience with and use of product placement activation

8.1.1 Definition of product placement activation
As we saw in the theory sections the concept of activation is one of diversity and it seemed that there can never be one common definition that can cover all aspects of it. We chose our own definition and after having conducted our research interviews it appeared that so did the individual companies and agencies. First of all it is seems that there are many expressions for basically the same concept. Some companies refer to it as activation, while others use the term tie-ins, integration or co-promotion. This, together with the very diverse ways activation is used, gives the impression that there is no common or specific definition of what the term comprises. The Mannov agency specialises in public relations elements of activation, while an agency like The Brand Lab covers a wider range from events to celebrity brand ambassadors.

Secondly, it is only the agency cluster from our interviewees that really thinks in terms of activation. Since most brand holding companies we talked to do not themselves handle placements of their brands and products in-house, but use external partners because resources allocated to actual product placements and activation hereof are very scarce it is also the external partners that seem to be taking care of the activation process. Daniel Beran describes the activation process as “piggybacking” on a product launch by which is meant that PPLs should be exploited in other media departments such as PR, advertising etc. and not be left to stand alone, because most of the time a placement simply isn’t strong enough for that.
As mentioned it is mostly agencies that think in terms of activation of product placements and it seems that the reason for this is often quite simple. Several of the brand holding companies we have spoken to claim that they just don’t have the resources to go through with a massive activation campaign. Claus Østergaard from Louis Poulsen mentions having had the good fortune of getting one of their products placed in a James Bond movie. This would normally represent an enormous activation opportunity but in order to obtain the rights to activate they would have to be a member of the movie’s so-called sponsor club which would demand an investment far beyond the company’s budget for such a thing. Another Danish premium brand, Bang & Olufsen, talks about the same issue and none of these companies ever pay for product placements for the same reason. They seem to take advantage of their strong brands and popular products and lend out products to movie producers instead of paying them to use them.

It is also a question of having the rights to take advantage of a product placement so to speak. In the case of Louis Poulsen and James Bond, the amount of money needed to obtain the rights to activate the placement was simply too high. Other companies have made deals with movie and music video producers that for example have ensured them the streaming rights for use on their websites for an agreed period of time. When the agency Kuahnsi negotiates placements for one of their big clients, Tuborg, they usually make sure to get the streaming rights for the videos for one month. This is only a part of the activation efforts carried out on Tuborg products, but it is important to note that Tuborg has a more established product placement strategy than companies like Bang & Olufsen and Louis Poulsen, and therefore has more resources to spend in these activities. It should be mentioned however that companies like Bang & Olufsen and Louis Poulsen make sure to take advantage of their placements in their internal communication. More on this in section 8.1.3 where interviewees’ experiences with and use of PPL activation is analyzed.

All in all it is certain that brand holders adapt their activation efforts to their own particular situation and a general tendency is that it is mostly agencies that execute activation efforts for their brand holding clients. This, of course, makes sense since most brand holders don’t have a whole lot of resources allocated to PPL in the first place and because the agencies are thought to be more specialised in dealing with these affairs.
8.1.2 Activation is almost always necessary for Danish brand holders

After having established that most of the interviewees think positively about activation of placements, even though it is not all that have the resources to make full use of activation themselves, we will now analyse on why activation is most often a crucial part of the PPL industry.

When the interviewees were asked of their perception of activation, there was a clear consensus that it will almost always have a positive effect on a PPL. Looking at the diagram below, statements are made regarding interviewees’ attitude towards whether or not they believe activating a PPL will increase its effectiveness.

![Bar chart showing interviewees' attitude towards product placement effectiveness. Most effective when activated: 92%, Most effective when not activated: 8%]

*Figure 21: Interviewees perception of when product placement is most effective, when activated or when not activated.*

Almost all of the interviewees (92 %) mention that product placement effectiveness will be even higher when supported by an activation campaign. The only one who doesn’t believe this is Kuanhsi, since they believe that a product placement always has the ability to stand alone if done properly, and hence shouldn’t always be activated.

One interviewee from Copenhagen based media agency Media Works, puts it very plainly: “Stand-alone product placements have no effect unless you are able to incorporate them everywhere (NB: in the movie)”. According to him only companies like Apple and Dell have
made successful product placements without any activation efforts. A comment from Mike Taylor of sporting fashion company Umbro in the UK seconds this point of view as he says that in his opinion PPLs can’t stand-alone and companies have to use several elements available within the marketing mix to activate them. Propaganda GEM furthermore talks about exploiting the product placement to the fullest and using the product placement as a platform to develop other media, by which is meant that PPLs shouldn’t be used as a media of its own but should serve as an attention-getter to set off a campaign that involves all kinds of other promotional elements such as advertising, TV-commercials, events etc. Arden Doss from Propaganda GEM uses the expression: “Bringing the whole 360 (NB: degrees) back into the equation, and making sense of the brand as well”.

8.1.3 Experiences with and use of product placement activation
As mentioned in the previous sections it is mostly the agencies that have direct and very structured experiences with the activation of product placements. This is mainly because the agencies are more specialised and therefore have more resources to spend on actual activation and because of the fact that many brand holders simply do not have the rights to exploit and activate on their placements for the reason that they don’t pay production companies for them. Though, as we shall see this doesn’t hold the brand holders back from finding alternative activation methods. Every single interviewee mentioned and explained several examples of how they have dealt with activation and their experiences hereof. Figure 22 lists some of these examples.

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Examples of activation methods</th>
</tr>
</thead>
<tbody>
<tr>
<td>Media Works</td>
<td>Telia placement in Danish movie Fidibus activated through cell-phone computer game (Digital-subtle)</td>
</tr>
<tr>
<td>Propaganda GEM</td>
<td>Covers basically every possible activation element (All types)</td>
</tr>
<tr>
<td>Louis Poulsen</td>
<td>Uses placements for internal branding (Analogue-conventional)</td>
</tr>
</tbody>
</table>
Bang & Olufsen  
Press release on B&O placement in a recent Batman movie led to 8% increase in the brand holder’s stock price (Analogue-conventional)

Mannov  
Mainly focuses on public relations (Analogue-conventional)

Figure 22: Shows examples of how the interviewees have used activation of PPL. It further mentions the typology label (from section 5.3) of the given examples.

An agency like Media Works exploits a broad range of activation and promotion activities, but it seems that they are especially focused on so-called co-promotion strategies that have the objective of benefiting both the promotion of the media and the brand holder in question. Media Works has some experience in the world of TV-shows, but chooses not to deal with it a great deal due to the fact that even though TV-shows can be very commercial, planning of TV PPLs and the derived activation can be extremely difficult since only a few episodes are shot at the time, while with a movie the script and therefore the complete picture is almost complete from the beginning. Media Works highlights one example of co-promotion that they have carried out in recent years. This involves the Danish movie Fidibus and the telephone network provider Telia that together with Media Works launched a campaign that exploited the Telia placements in the movie, that were placed by Media Works, while at the same time promoting the movie. This was done through the creation of a cell phone based computer game called Fidibus that used the environment of the movie and was then promoted by Telia. In order to make this deal attractive for Telia the mobile network provider got certain rights to make use of the famous actors from Fidibus in their own visual merchandising in shops.

The company that probably covers the broadest range of activation activities is the agency Propaganda GEM. This is partly due to its large size and large global reach compared to many of the other agencies. Propaganda GEM deals with the entire activation palette from public relations and personal selling to advertising and sales promotion. This makes it a bit difficult to single out one concrete example from their experiences with activation, but we mention them here because they are the best example of a very broad reaching company in the industry of “Global
Entertainment Marketing” as Propaganda themselves call the industry. Propaganda therefore represents one extreme of the players operating and dealing with product placements and activations.

A third and very different example of how to use product placement activation comes from the Danish company Louis Poulsen. They never pay for their product placements and for this reason they have only very limited options for activating them. However, they find the product placement very useful when it comes to internal communication, that is, communication to employees and sometimes also clients. High profiled placements such as having one of their premium quality lamps feature in a James Bond movie can serve as a morale booster and be something for the employees to be proud of. This may have the effect of creating a stronger bond between the staff members and the company.

Bang & Olufsen explains that activation definitely has an important saying in exploiting a product placement. They mention that after appearing in the blockbuster movie “The Dark Knight”, they were allowed to issue a press release that resulted in an 8% increase of their stock price.

The last example of how the interviewed companies have activated product placements is concerned with the highly specialised companies such as public relations companies Mannov and CC Public Relations. As the names may indicate these are companies that primarily use activities from the public relations part of the activation elements. Public relations belongs in the analogue-conventional box in from figure 10 on activation typology. This, of course, means that they may not have a lot of knowledge about activities such as personal selling or advertising, but on the other hand they are very skilled in activating placements through press relations, publicity etc. and this is of course the point.

All in all it is fair to say that all the interviewed companies have very different experiences with product placement activation and that they all have their own reasons for doing what they do. As mentioned above the given examples in this section were chosen because they represent the broad scope of companies operating within the industry and the different situations these companies are faced with.
8.1.4 Summing up on general part of activation
From the general questions on activation, interesting results appeared. The most important results are:

- 92% of the interviewees have a positive attitude towards the effectiveness of activating a PPL compared to not activating it.
- Interviewees have different definitions of and approaches to activation.
- Many Danish brand holders do not have the resources to activate on a PPL.
- Most interviewees see activation of PPLs as a way of exploiting the connection between a brand and a media even further.

Next we will take a look at whether or not the interviewed companies feel that dealing with activation of a product placement is any different from handling any other more traditional type of marketing effort.

8.2 Thoughts on the product placement activation process and control
“We can’t plan this.” This statement comes from Danish company Louis Poulsen when talking about how the company deals with product placements. The statement is quite symptomatic throughout the interviews and highlights one of the big problems with product placements and therefore also of activation of product placements. The brand holding companies can never be 100% sure about whether or not their product or brand will feature in a movie or how it will feature. Even though they have made certain agreements with the production company, director etc. they can never be sure because they don’t have final cut. This may very well be the biggest difference between activating a PPL and for example launching a more traditional advertising campaign.

From the previous section, it has been determined that there are many differences of perception of activation, of its elements, and how it is used. Therefore, we will now look into the process and control of activation. This part is divided into the following:

*Control of the activation process – you get what you pay for*
Cooperation in the activation process – strong networks and agencies
The match between product placements and activation efforts

8.2.1 Control of the activation process – You get what you pay for

As we have discovered most brand holding companies dealing with product placements have individual and very different views upon the role of activating them. This is, as we have also shown, with good reason since the brand holding companies are in different situations concerning budgets, rights etc. This fact also has an effect on how companies are able to control the activation process from start to finish. When asked about the control issue of PPL activation an employee from the North American branch of media agency Propaganda GEM said that “The equation of control is depended on what leverage you bring. If a movie costs half a million dollar a day to film, me bringing in a 20 dollar t-shirts doesn’t give me a lot of control. But if I’m bringing in a 20 million dollar promotion I will have a little more influence on what we can do”.

Put in another way, you get what you pay for. We have seen this reality in action when talking to Danish brand holders such as Bang & Olufsen and Louis Poulsen that don’t have the sufficient resources to spend on product placement and activation and therefore they only have very limited control over the process. In effect this means that they are not able to choose the manner in which their products or brands are integrated in a movie or TV-show script the same way as a company like Apple that has millions of budgeted dollars to spend on product placements. As the Bang & Olufsen representative said, they can’t demand to be able to activate a placement, but they have to ask permission from the movie makers to get the rights to market it. It needs to be said that they actually do get certain permissions to do this from time to time and they are able to send out press releases etc., but the major point here is that as with most other things nothing comes for free and that the companies with the biggest investments in a movie or show has an easier time controlling the activation process and thereby are able to exploit their placements to a higher degree.

Adding to this point Propaganda GEM acknowledges that they of course wish to have an even bigger influence on the process for the sake of creating better results for their clients, and they especially want to be involved as early in the process as possible. But in reality this is extremely
difficult because of the countless stakeholders that take part in creating a movie today. It is simply not achievable to control them all.

Looking at figure 23 below, it is clear that there are great uncertainties and disagreements in regards to how controllable the activation is. Interesting in this scenario is that the brand holders seem to disagree with each other. This is perhaps because B&O doesn’t pay for their placements and therefore believe that all activation possibilities are just another plus for the product placement, whereas Tuborg, who pays for placements, might believe that there are too many uncertainties connected to controlling the activation. Another issue that backs this up, is that Tuborg has a lot of activation experience through music videos, where the time horizons are extremely short. In one case Camilla Olsen mentions, that Tuborg was contacted on a Friday about a placement in an Eminem video, and on the following Monday the video was to be shot with the Tuborg product in or not.

The companies’ different PPL experiences clearly push them to score in each end of the chart.

\[\text{Figure 23: Shows the interviewees’ attitude towards the level of brand holder control PPL activation allows for.}\]
One of the interviewees who is employed by Umbro in the United Kingdom gives the advice to see the process through. It can be difficult (or impossible) to control all parts of the activation process, but companies may be able to have an effect on film and TV producers if they establish good relationships and stay involved.

8.2.2 Cooperation in the activation process – Strong networks and agencies

The main partners for the brand holding companies are the specialised media agencies that seem to have the greatest know-how and expert knowledge when it comes to placements and activation. It is very often also these agencies that have the greatest networks and personal relationships with the “right people” to secure the right promotion for products and brands.

One of the interviewees to this thesis is a partner in Brand Lab says: “We have a network of set decorators, costume designer, producers, directors etc. that we have established relationships to over a long period of time (...) and it is clear that if you want to activate on a placement you have to go through the film studio”. Brand Lab believes that its network is one of its strongest assets and it also seems to be the general believe amongst interviewees that having strong networks is key to obtaining successful experiences with products placements and activation. All brand holders the authors have talked to during the interview process collaborate with agencies in one way or another and this doesn’t seem very likely to change unless the brand holders start investing more money in PPLs and activation and establish internal departments that enable them to take care of it themselves.

In conclusion it seems important to note that even though brand holders make great use of all kinds of media agencies in their efforts to gain access to the right people and knowledge, they also have networks of their own. As an example the representative from Danish company Louis Poulsen mentions their own network of journalists and stylists and other persons from magazines and newspapers who are often more than willing to include Louis Poulsen products in their photo shoots and who go around the agencies so to speak and directly to the people they know at the brand holding company. This type of more informal networking should not be underestimated according to Louis Poulsen.
8.3.3 The match between product placements and activation efforts

We would like to start this section with a real life example of how an uneven match between the placement of a product and the efforts made to activate it can end up ruining all good intentions. The example comes from Danish electronics company Bang & Olufsen that, some years ago, teamed up with the Copenhagen Business School to develop a big international case competition at the university. Bang & Olufsen had made sure to place their products in the auditorium where the case presentations were held and the case that the students had to solve was about Bang & Olufsen. These placements were then followed up by sending newsletters to the students in the period of time after the case competition. This was the sort of placement that Bang & Olufsen were in all right to activate since it had nothing to do with big Hollywood movie studios or anyone else. However, Bang & Olufsen quickly realised that they were targeting the wrong audience because after a short time a huge part of the students simply asked Bang & Olufsen to stop sending them mails about their products. The reason for this is quite simple, and one that the authors of this thesis can easily relate to; most students simply do not have enough money to buy Bang & Olufsen products!

This example is perhaps not the end of the world for a company such as Bang & Olufsen but it is perfectly fitted to describe the need to think twice before launching an activation campaign.

After having conducted all the interviews it seemed quite clear to the authors that there is no such thing as a recipe or formula that can ensure that the right activation elements are used to promote a product placement. As a representative from Kuahnsi says it is completely product specific and dependant on the individual case. Some placements might benefit from being activated through analogue channels such as advertisements and TV commercial, while others are more obviously connected to digital media and should perhaps therefore be activated through blogs, Twitter etc. Again, as we have seen before, these choices may not be relevant to the brand holding company if they as Louis Poulsen do not have the rights to fully activate upon their placements. There is one additional opinion to the statement of activation efforts being dependant on the individual case and that is from Propaganda GEM that states that all products can be in all media. This is not to say that all products should be in all media but in theory there are no set limits to where and how placements should be activated. A good example here is the Danish public relations agency Mannov that when trying to create press attention for a well-known chocolate brand realised that
the product itself frankly didn’t have enough news value to trigger the interest of the press through press releases. They therefore took to an alternative way of activating as they convinced lifestyle and home magazines to use the chocolates as props in photo shoots. This way the product was connected to the right environment and values and got more exposure than it could have ever had by the use of sending out a simple press release.

All this being said there are to some degree some rules of thumb and guidelines among brand holders and agencies that are being used in their efforts to activate PPLs. Brand Lab for example talks about their philosophy of only conducting business with people from their network of studios, producers, actors etc. This ensures a certain quality throughout the process and Carsten from Brand Lab goes on to say: “We have long-term friendships with the people we work with. We don’t just place a product in a movie if we think it is cool, only if we know the people involved in the movie then we’ll get involved ourselves. However, in a movie such as Sex and the City, we might do it no matter what”. What Carsten refers to in the latter part of this quote is that some placement opportunities might be too good to miss and could lead to a slight bending of principles.

8.2.4 Summing up

Some of the most interesting points regarding the process and control of PPL activation are:

- As in many others industries, brand holders get what they pay for when it comes to PPL activation. More money on the table means more control over the process.
- Many Danish brand holders can’t afford to obtain activation rights on placements and are therefore often left to alternative ways of activating such as internal branding.
- When asked how their attitude is towards PPL activation control issues, there were mixed signals coming from the interviewees.
- Strong networks are crucial in the industry, and this may be an incentive for brand holders to collaborate with specialized agencies.
- There doesn’t seem to be a recipe for success when it comes to combining a product or brand to a set of activation elements. It is case specific.
Next, the results from the effectiveness and measurement part of the interview guide will be analyzed.

8.3 The effectiveness of product placement activation and how to measure it

A Tuborg representative, one of the interviewees to this thesis, states that generally activation of product placements should be about making money and winning market shares. Most people, including most of our interviewees, would agree with this point, but the problem is how do brand holding companies measure the effect of their activation and when are they satisfied with them?

As with a lot of marketing efforts it can be extremely difficult to accurately pinpoint specific efforts to effects on sales. This is also true when it comes to the activation of product placements since after all the activation process contains the same palette of possible marketing tools as any other marketing campaign.

In this section of the analysis of the conducted interviews we will first of all look at whether or not the interviewees believe that all placements of brands and products can benefit from being activated. That is to say whether or not there can be an effect from the activation of any given placement. Then we will have a look at how activation efforts can be measured and furthermore the success criteria for activation campaigns.

8.3.1 The effect of product placement activation

As stated earlier in the activation analysis, 92% of all interviewees believe PPL is more effective when activated, but as we shall see this doesn’t necessarily mean all PPLs should be activated. “Do you have to activate every time? Well, not necessarily every time. You could perhaps choose one driver a year to do it with”. These are the words of one of the interviewees from the media agency Kuahnsi, and from this statement we can read that it is not necessary to activate all placements just for the sake of doing it but that companies should focus on a limited number of placements that should then be activated. This will probably create the biggest effects since activating a large number of placements may have the unwanted effect of confusing the consumers and overexposing the brand or product in question. Other interviewed companies have the same opinion on this matter, and there also seems to be agreement on the fact that not all placements require the same amount of activation. This means that the before-mentioned “driver”
may be activated through a campaign involving a wide array of activation elements, while other placements could benefit from using only a limited number of elements. The representative from Kuahnsi adds that you have to ask yourself: “are we activating through a 360 degrees campaign model, or are we for example only activating through a public relations angle or are we simply doing a small premiere-activity for a loyalty club?” The effect may be positive or negative in all cases but it is important to lay out a strategy that seeks to maximise the effects of the placements.

Another interviewee, this time from the media agency CO-TV, has a more definite believe in activation as he states that:” In harsh terms the use of product placement is worthless if not activated. It is not something that creates a value that a brand will be willing to pay for”. According to CO-TV the activation of a product placement will therefore almost always have an effect compared to a stand-alone placement. The biggest problem for product placement industry actors on the Danish market is the fact that the market itself is extremely limited, and as we have seen a lot of companies simply don’t have the resources to pay for placements in the first place. This has the effect that some companies might find it not worth the effort to activate placements. On the other hand if the effects of product placement lie within activating them then this may be a very good argument to actually get more involved in the activation process.

8.3.2 Measuring the effects of product placement activation

Agencies have developed specialised tools for the measurement of the effects of product placements that are meant to explain to stakeholders (especially clients) that what they are doing does have an impact in things such as sales and brand awareness. Propaganda GEM for example uses the PREVA model.

When considering the activation of product placements, however, it seems that there is no need for fancy new measuring methods, because as the majority of interviewees agree, activation efforts are just like any other marketing efforts with the exception that activation efforts always exploit the brand or product’s connection to a media. This means that brand holders and agencies can take to more traditional ways of measuring the effects such as questionnaires on brand awareness, number of press clippings, number of unique website visits etc. It is important to mention that while traditional these measurements methods still hold uncertainties for the companies, since it is extremely difficult to pin point exactly why the measurements have
changed. The digital media revolution has made measurement a bit easier for brand holders though, and feedback on blogs, electronic surveys and number of hits on Google often serve as measurement tools.

The interviewee from Media Works states: “The measurements methods of PPL are difficult. The measurement of effects comes from those who activate them (PPLs) because product placements as stand-alones do not have any direct effect unless you’re able to incorporated the product or brand everywhere (in the movie for example) such as Dell Computers or Apple.” Of course the budgets available for Dell and Apple product placement managers and agencies are exceptionally large even on a global scale, which means that probably just about all Danish brand holders would be unable to follow their examples.

One of the Kuahnsi representatives says that measuring the effects of product placement activation is the same as measuring all other kinds of marketing efforts. However, a company such as Louis Poulsen that does not have either the rights or the sufficient budget to execute an activation campaign is able to activate placements on a more indirect scale. For example the interviewee from Louis Poulsen talks about the effects on clients when Louis Poulsen sales representatives mentions that one of their products featured in the newest James Bond movie, or the already mentioned effect on employee morale from such a placement. The measurements that can be done on such “indirect activation” is perhaps more intangible such as clients’ view on the company’s image and employee satisfaction.

Summing up on this section it is apparent that the effects of activation efforts are generally speaking more easily measured and can be done through traditional methods. The public relations agency Mannov will for example use things like number of press clippings and event attendance and Kuahnsi might use surveys or focus groups. However, this doesn’t mean that companies can expect to obtain complete transparency since even with traditional marketing effect measurements it is difficult to determine what actually caused the changes.

8.3.3 Criteria for success in product placement activation

As just outlined in the above section the measurement of product placement activation has many
parallels to more conventional measurement methods. Therefore a lot of the criteria for success established by brand holders and agencies are similar to those of any other marketing tool. Criteria for success can be either tangible or intangible and are always dependant on the type of activation efforts employed. As mentioned in an earlier section the most beneficial activation efforts for a placement will vary from case to case. Similarly the appropriate and sought after criteria for success will also vary. Tangible criteria for success may be things such as increased sales on a certain product, an increased number of unique websites visits or an increased number of job applications send to the company. The more intangible criteria for success may on the other hand be concerned with increased goodwill from clients, improved public image or a better-perceived work environment by employees.

The criteria also differ in terms of the period of time needed to reach them. They can be both short- and long-term, with the short-term examples being things such as an increased number of newsletter subscribers immediately after an activation campaign or they can be more long-term such as Brand Lab’s efforts to establish long-lasting relationships and networks between themselves and their own clients but also between end-consumers and clients.

In conclusion, when measuring the effectiveness of PPL activation it is difficult to pin point exactly what made the difference for the success or lack of same of a campaign.

8.3.4 Summing up
Some of the most interesting points regarding the measurement of PPL activation are:

- There is an overall consensus on the fact that it is extremely difficult to point out exactly what part of an activation campaign has led to i.e. increased sales.

- Many interviewees compare the measurement of PPL activation to all other and more traditional marketing measurement.

- Even though almost all interviewees believe activation to have a positive effect on the exploitation of a PPL, they also state that not all PPLs need activation. Picking out a “driver-placement” each year and focusing on activating this could be a good solution.
• There are almost as many ways of measuring activation effectiveness as there are activation elements, but as a general rule of thumb it can be said that digital media such as blogs and electronic surveys can be very helpful tools.

8.4 Advice on the activation of product placements

After each interview we asked the interviewees to please give a few advices to brand holders considering PPL and the activation of PPL. The advices put forward were diverse, but certain reappearances did occur.

A large number of the interviewees mentioned that one of the most important issues is for companies to avoid unnecessary exposure at any cost. Brand holders shouldn’t get involved in activation just for the sake of doing it and they should carefully consider which placements to activate and which to let standing alone. The fear is that overexposure can have negative effects on the brand or product because consumers will be able to see through the activation efforts as simply being tools for convincing them to spend more money or they will merely get tired of constantly having to hear about it and see it in the media. As the interviewee from sports fashion company, Umbro, says about companies, they have to “learn to say no!”

Another important piece of advice concerns the timing of the activation campaign (and the placement itself for that matter). A deal concerning the placement of a mobile phone in a TV soap opera for 3 consecutive seasons, as a very exaggerated example, may be completely irrelevant for a manufacturer of mobile phones since the chances are that after the first season the model in question will be obsolete and therefore more or less worthless and uninteresting for potential clients. Further, if the placement of a certain brand or product isn’t activated while the media it features in is still relevant the opportunity will be missed.

A third piece of general advice from the interviewees is to try and maintain as much control throughout both the placement and activation processes. As we have seen this is easier said than done due to factors such as the directors’ right to the final cut and the importance of budgets (how much money is on the table), but perhaps what is meant is that companies should, for their
own sake, try to be as involved in the process as possible. In the long run this may establish strong relationships to the right people within the industry and thereby creating a better foundation for the brand holder in future campaigns.

8.5 Part conclusion on activation analysis
The analysis of PPL activation showed that 92% of all the interviewees believe that PPL is most effective when activated. This is because activation is seen as a method to exploit the connection between the brand and the media even further.
A PPL should, however, not always be activated but only on certain occasions. Therefore brand holding companies should choose a “driver-placement” each year and activate it, to minimize brand confusion etc.
An issue with activation is that Danish brand holding companies do not have resources for large activation campaigns, unless the PPL is used as a platform. This is because most of the interviewed companies do PPL for free, excluding themselves for activation rights. Furthermore, there can be difficulties in measuring the results of an activation campaign. However it is advised to incorporate digital media in the activation process to enable the brand holding companies to measure the results easier.
In addition to the aforementioned issues, it is evident from the analysis that there is no recipe for success when it comes to combining the PPL with activation elements. It is case specific and depends on the creativity of the brand holding company.

Last, PPL and activation should not be considered only as external communication, but also as a mean for internal communication and internal branding, because of the proposed morale effects PPL and the activation hereof can have on employees.

9.0 Integrated Activation – A strategic approach to activation
In section 5.1 we introduced the concept of activation as an organisation’s choice to effectuate coordinated and structured marketing and communications tools in order to support their product placements. We defined how the authors of this thesis view activation and illustrated its role in
the product placement industry. The last part of the activation theory section was then dedicated to the different types and shapes activation efforts can take. This was done to create an overview of the great variety of activation activities available to an organisation and to try to apply theoretical labels to the activation typology that serves the purpose of simplifying and grouping the activities for an easier reading experience.

As we saw in the analysis of the conducted interviews almost all interviewees (companies and agencies) recommended that new entrants in the PPL market also think in terms of activation due to the reason that PPL is simply more effective when activated. In this section we shall introduce and deal with an integrated strategic approach to activation of product placements the can aid companies to obtain maximum effects from activation. We have dubbed this approach Integrated Activation (IA) and it is based on the concept of Integrated Marketing Communications (IMC) (Pickton & Broderick, 2005 and Fill, 2006). There are no major differences between the two concepts but the authors have chosen to follow up on the activation terminology used so far in the thesis with the intention of minimizing confusion and sustaining coherence.

IA was originally developed for one single organisation to use, but the authors argue that in the case of the PPL industry both the brand holder and the agency should be fully involved in and in accordance with the IA way thinking. As we have seen most Danish brand holders use agencies to facilitate PPLs and Pickton & Broderick (2005) argue that a complete integration of activation efforts for a campaign will not take place if only one of the parties is involved.

We shall start this section with an introduction to the IA concept, followed by a concise portrayal of the background of IA and what trends have influenced its development. After this we take a look at both the drivers or opportunities and the implications for brand holders in regards to IA. In an attempt to nuance the authors’ proposition that brand holders and agencies should use IA we have next a section referring to some of the criticism that IA has received over the years. Finally we comment on the link between IA and Danish brand holding companies thinking about getting involved in PPL.

9.1 IA introduction
Activating a product placement gives an organisation a huge variety of promotional activities to
choose from. It can choose to activate through TV-commercials, newspaper ads, viral marketing etc. All the activities described in section 5.3, digital- and analogue-based, can be utilized and traditionally many organisations and academics have viewed these activities as separate, individualistic methods of communication used to deliver particular messages to particular audiences (Fill, 2006). Integrated Activation proposes that this view on activation is inefficient and misses out on potentially vital synergetic effects. IA further proposes that the greatest results from activation will be achieved through the integration of all the elements involved in the activation campaign. If all the separate activities are viewed as being a part of a unified whole there are several advantages to be obtained for the brand holder. The overall idea is that if all the activities support each other and work in synergy then the overall effectiveness of the activities will increase. In conclusion, IA should be considered a management philosophy, a strategic and integrated way of thinking about activation, and not a pre-determined check-list that allows companies to implement IA right away.

9.2 IA Background
The theory behind integrated activation is that there are synergies to be obtained by fully integrating the scope of activation efforts that are aimed at a certain target audience.

This way of looking at an organisation’s activation efforts is rooted in the 1980’s, but has seen significant development since then due to a number of global tendencies that have had a major impact on the general marketing business environment. Schultz and Schultz (2003) suggest three such tendencies that have affected the development of integrated activation since its origin. These are:

- Technological development
- Increasing emphases on branding as “the major competitive differentiating tool”
- Globalisation

The rapid technological development especially within the field of computers and the Internet has made it possible for organisations to get closer to their target audiences than ever before. Greater knowledge about customers through data collection and manipulation is of significant importance to a company wishing to conduct a truly integrated activation strategy. The more you know about
your target audiences the more likely you are to succeed in sending the right message to the right persons at the right time. In the most recent years, a new era of Internet based platforms have made it possible for consumers to interact and share opinions with other consumers and with the brand holders. These are tools like personal blogs and social networking media such as Facebook and Twitter.

The second tendency mentioned by Schultz and Schultz (2003) is the increased awareness from the side of the companies as to how important a strong brand is for differentiating yourself in a marketplace where copycat companies enjoy low levels of entry barriers. The perceived increased importance of this intangible asset has boosted integrated activation’s popularity because of the fact that creating a stronger brand takes a more formal and coordinated effort. The brand holders need a framework that “guides” their brand in the desired direction.

The final tendency concerns globalisation of the market place that has added to organisations need for changing communications strategies. In the words of Schultz and Schultz (2003) “It became critical to create a unified, consistent and integrated brand strategy while remaining responsive to the unique needs of individual markets and cultures”.

### 9.3 IA drivers for Danish brand holding companies

Having established what major global tendencies have had an impact on the development of IA since its origin, we now turn to the drivers, or opportunities, that Danish brand holders may obtain through dealing with activation as an integrated strategy. Fill (2006) suggests three main categories that each contains a number of such drivers. The categories are “organisational” that relates to drivers that derive from within the brand holding company itself of which the most important is the need for efficiencies and synergies. Synergies can be obtained through IA by driving down the brand holder’s cost base, which in turn can improve profits and productivity. “Market-based” drivers, stem from changes in the market and most importantly the change from traditional transaction-based marketing to relationship-based marketing. In order to make this change the brand holder must be able to enhance trust and commitment from customers, which in turn means that the brand holder’s external communications has got to be consistent and
Drivers for IA in Danish brand holding companies

Organisational drivers for IA:
- Improved efficiency (synergies) can lead to increased profits
- Coordinated brand development. Lets the brand holders manage and direct
  brands more accurately.
- More productive utilization of management time
- Provides direction and purpose for employees. Activation used for internal
  branding may be even utilized even further

Market-based drivers for IA:
- Going from transaction-based marketing to relationship-based
- Developments of networks and alliances. As we have seen this is crucial in
  the PPL industry

Communication-based drivers for IA:
- Activation elements become more effective through consistency and
  reinforcement of core messages
- More effective triggers for brand and message recall
- Less brand image confusion and a greater level of consistency

Source: Own production based on Fill (2006) and Pickton & Broderick (2005)

Figure 24: Drivers for IA

coordinated. As shown in section 4.5 trust and relationships are of crucial importance in an
industry such as product placement.

The third category is “communication-based” that relates to drivers that arise from changes in
communication. From this category Fill (2006) points out the brand holder’s ability to provide a
series of triggers by which “buyers can understand the values a brand stands for and a means by
which they can use certain messages to influence their activities within the relationships they
wish to develop”. Approaching activation as an integrated strategy can aid organisations in
differentiating their communications, by supplying clarity and simplicity.

The authors have singled out the most relevant drivers for brand holders when it comes to
implementing IA in figure 24.
9.4 IA implications for Danish brand holding companies

Even though, as we have just seen, there are a broad variety of drivers of integrated activation and therefore a broad variety of reason for brand holders to pursue an integrated activation strategy, it is not all companies that are equipped to do it successfully. In this section we wish to point out some of the barriers organisations may encounter when trying to adapt to an integrated approach to activation. The authors have identified three categories of implications that are important to prepare for and try to work around if IA is to be successful. Structural implications relate to organisational structure, resource implications are concerned with the resources available to an organisation such as expertise and funds. Finally, we mention the barriers derived from the attitudes of the organisation and its employees towards integration. The implications are listed in figure 25.

### Implications for IA in Danish brand holding companies

<table>
<thead>
<tr>
<th>Structural implications for IA:</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Decentralisation of decision-making may lead to discouragement of integration unless carefully coordinated.</td>
</tr>
<tr>
<td>- Lack of communication. Communication in all functional disciplines within the brand holding company and within the different departments needs to be facilitated horizontally in order for IA to work. Communication with agency must also be facilitated.</td>
</tr>
<tr>
<td>- Functional specialisation and taxonomy. All activities carried out in an activation campaign or not always planned and managed the same place and are often thought of as 100% discrete and separate.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Resource implications for IA:</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Lack of IA planning and expertise. It is often the case that only a few persons in a brand holding company have the specialised skills to acheive IA objectives. These are skills that should span across functional disciplines.</td>
</tr>
<tr>
<td>- Budget adequacy. Obvious perhaps, but insufficient budgets have been rated the second-most important reason for not implementing IA by brand holders (Cleland, 1995). We argue that if PPL is used as a platform for an IA campaign instead of a peripheral marketing tool more resources will be released.</td>
</tr>
<tr>
<td>- Manager ability. Few managers have the required cross-disciplinary skills to manage IA. Since few Danish brand holders have significant PPL and activation experience this is certainly an implication to be aware of.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Attitude implications for IA:</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Organisational mind-set. Specialisation, history and tradition are all barriers when an organisation try to embrace IA. This is certainly true for Danish brand holders, since PPL has traditionally suffered under a taboo-like status.</td>
</tr>
<tr>
<td>- Fear of change. It can be difficult to leap into the unknown. Again, this fear of change has been detected at Danish brand holding companies, but as we have seen it is definitely weakening.</td>
</tr>
</tbody>
</table>

Source: Own production based on Pickton & Broderick (2005)
9.5 IA criticism
The concept of integrated activation has survived for over 20 years as a holistic approach to activation that has the purpose of ensuring consistency in communications from a brand holding company and creating synergies from this consistent use of messages and media. Even though IA is now a widespread approach in marketing practice it still has critics that are not completely convinced of its virtues.

IA has been described as an empty buzzword, a management fashion with out any real content or theoretical basis. Cornelissen & Lock (2000) argue that there is nothing new in the cooperation between communication disciplines and that a blending or alignment of activities (IA) has been applied for a long time. This being said they also state that supporters of IA claim it to be a natural historical development from the old traditional transaction-driven, outbound approach to marketing to the new relationship-driven, interactive and consumer-focused approach.

Other critics have claimed that one of the weaknesses of IA is that the proposed effects cannot be measured in any straightforward way. This is however not only a problem within the field of IA but within marketing in general (Kitchen et al., 2004). Through interviews with media agencies the authors of this thesis have discovered that certain measurement techniques (such as PREVA) are being used when it comes to the effectiveness of PPLs and other marketing communications, but it is uncertain whether or not they measure the true value for the clients or not.

9.6 IA and Danish brand holding companies
IA as a very valuable management philosophy for Danish brand holders interested in doing PPLs is legitimised by a statement coming from the media agency Propaganda: “If a placement in a certain movie contained product X then the creative or advertising department of the brand holding company shouldn’t do a campaign around product Y. If the company was to do that the effect of the placement wouldn’t be anywhere near its potential level!”

In the authors’ opinion this quote from one of the biggest PPL agencies in the world is in
agreement with the IA approach to product placement activation.

92 % of the interviewees agree that PPL functions better when activated. Even though we have seen that Danish brand holders do not currently have a lot of opportunities for activating on PPLs, we believe (as do Bang & Olufsen, Kuahnsi, Propaganda and several other interviewees) that when activating a placement the actual placement should be used as a platform for a broader campaign. If brand holders focus more on PPL as a platform and less like a small peripheral marketing tool more resources would be released for activation.

These resources for activation are spent most appropriately if all elements and stakeholders of an activation campaign are in alignment with each other. This may be made possible through the IA way of thinking.

10 Recommendations on product placement for Danish brand holding companies

This thesis has so far sought to enlighten companies with little or no experience within the field of product placement on the subject through both highly estimated researchers’ theoretical and empirical work and the authors’ own empirical research findings. These have been obtained through interviews with brand holding companies, agencies and scholars with knowledge and a practical understanding of the product placement industry. This part of the thesis corresponds to the third sub-problem from the problem formulation, in the way that the authors will now seek to establish a number of general recommendations for new brand holding entrants to the product placement industry based on the findings and results from throughout the thesis. The aim of these recommendations is not to present them as being universal truths, because as we have seen there are a wide variety of factors that influence whether or not product placement as a marketing tool a relevant for a brand holder. The aim is rather to narrow down all the information gathered throughout the research process into some very relevant and fundamental advice. In other words the recommendations should be able to assist any marketing employee from a Danish brand holding company in deciding whether or not product placement is attractive for his or her
company. They are, however, not complete solutions due to the complex nature of product placement and marketing in general.

The recommendations can be summarized in the following key-phrases:

1) Use product placement as a platform for an integrated activation campaign

2) Collaborate with a specialized agency

3) Carefully consider level of integration and exposure

4) Develop measurement tools for evaluation and control purposes

1) Use product placement as a platform for an integrated activation campaign

After having gathered and conducted extensive research on the topic of product placement, it is apparent to the authors that all stakeholders have a positive view on this marketing tool. All brand holders interviewed for the thesis see PPL as a useful marketing tool, all rating it above average (4) in the quantitative questionnaire. The agencies also, obviously perhaps, express their excitement on PPL, but more interesting is it that from the previously conducted scientific research we have seen that consumers in general share this point of view and that product placement is favoured in comparison to for example TV-commercials, and that placements can make a media setting more realistic. The research conducted by the authors further showed that even though product placement as a marketing tool does not receive huge amounts of resources from Danish brand holding companies today, all interviewees agree that it will evolve and be a more utilized tool in the future. This, together with the fact that a certain amount of deregulation of PPL is taking place within the European Union, leads the authors to recommend Danish brand holders to use product placement in their marketing strategy.

This being said it is important to note that almost all interviewees mentions that PPL alone will almost never lead past the cognitive and affective stages in the minds of consumer. This means that the interviewees believe that at best a stand-alone placement will lead to increased brand awareness and brand image. We believe these two things to be of importance to Danish brand holders, but we believe increased sales and profits from the use of PPL are even more important
and therefore we further recommend brand holders to use product placement as a platform for an activation campaign, that has the potential of leading to increased sales. Using PPL as a platform for a larger campaign may also solve the problem of the very limited resources currently allocated to PPL by brand holders. If a placement is considered the platform and basis for a campaign then brand holders could focus the majority of their marketing budgets on creating the synergies obtainable through a focused and carefully planned PPL activation campaign.

All interviewees have PPL activation experience in some way or another and 92% of them believe that product placement is more effective when activated. This is strong practical evidence, and it is backed by researchers in the field of PPL and branding that believe there are synergies to be obtained by combining placements to some sort of activation campaign. Activation is probably the best chance for brand holders to move consumer all the way to the conative stage in the Hierarchy of Effects model which means that they will be more likely to engage in a purchase situation.

The authors also encourage Danish brand holders to apply an integrated view on activation by which is meant that brand holders should view activation as a means of communicating consistent messages to consumers instead of considering all activation elements to be separate and non-related. An integrated view on activation may create benefits such as improved efficiency, reinforced messaging and less brand image confusion.

All in all the authors of this thesis recommend Danish brand holders to use product placements as a platform and basis in a larger and integrated activation campaign.

2) Collaborate with a specialized agency

All brand holders interviewed for this thesis work together with a media agency in some way or another in their PPL and activation efforts. The reason for this is that Danish brand holders often do not have the resources and the relationships needed to conduct product placement and activation hereof in-house.
Besides being a more affordable solution for Danish brand holding companies, it seems that the biggest advantage of establishing a good relationship to an agency is that these agencies often have the best connections to the production companies, and they are specialized in the sense that they spend all their time working within the field of PPL. Strong networks and trust are both crucial factors in the industry, and even though as we have seen the name of the game is “you get what you pay for”, it seems apparent to the authors that good and strong relationships between the three parties brand holders, agencies and production companies can be equally valuable. Brand Lab mentions that they prefer to conduct almost all their business with people from the industry that they know and trust, and this makes sense when looking at the concern many brand holders express on the lack of control of the activation process. Good relationships and trust is perhaps not the road to complete control, but it will most certainly put both agencies and brand holders in a stronger negotiation position and create more certainty that the placements actually turn out as agreed. A last point to make regarding this is that given that Danish brand holders are most often not in a financial situation that allows for giant investments in PPL such as many globally known brands like Apple and Dell, and therefore they must rely heavier on their connections.

It should be mentioned here, that of course not all brand holder – agency relationships lead to a higher level of control and some brand holders feel that outsourcing the PPL and activation functions to agencies puts them “out of the loop” so to speak.

The alternative to using an agency in facilitating the PPL and activation process is conducting everything in-house, that is internally in the brand holding company. A few Danish companies do approach PPL and activation in this manner for example Fritz Hansen. From the interviews conducted in this thesis also Bang & Olufsen sometimes go around the agencies and deal directly with the production companies, directors etc. B&O are in a position to do this because their products are very sought-after by production companies. However, these examples seem to be exceptions to the rule that most Danish brand holders will benefit the most from drawing upon agencies’ experiences and resources. In figure 26 it is outlined the drivers and implications of conducting PPL and activation through an agency versus doing it in-house.
<table>
<thead>
<tr>
<th></th>
<th>Agency drivers</th>
<th>Agency implications</th>
<th>In house drivers</th>
<th>In house implications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cheapest solution for Danish brand holders</td>
<td>Third party involvement can make brand holder feel “out of the loop”</td>
<td>Build internal capabilities</td>
<td>Insufficient resources</td>
<td></td>
</tr>
<tr>
<td>Specialized knowledge</td>
<td>Control kept in-house</td>
<td>Lack of knowledge</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Experience and connections may lead to a higher level of control of the process.</td>
<td></td>
<td></td>
<td>Lack of experience and connections.</td>
<td></td>
</tr>
</tbody>
</table>

*Figure 26: Drivers and implications for using agencies vs. doing placements in house*

With all this and the current industry situation in mind we do recommend Danish brand holders to use agencies in facilitating the PPL and activation process. If, however, our recommendation to brand holders on using PPL as a platform for a broader integrated activation campaign is followed this may create the basis for conducting PPL and activation in-house in the long-run due to the prospect of such a view on PPL has the potential to build internal capabilities.

3) Carefully consider level of integration and exposure

We have treated the subject of how best to integrate placements in media throughout the thesis, and as we have seen there is no 100 % certain outcome to any placement meaning that a brand holder can’t be completely sure that a placement with a certain prominence and modality in a certain media will create the wanted effect. There are however a few things that can be said on the matter and these are treated below.
The artistic (production) side of the PPL industry will always have a quite good idea about where and how it is appropriate to have placed brands and products feature in a movie, TV-show and the like. It is, however, very often possible to negotiate placement deals with the artistic side of the industry, and agencies are most useful in this kind of situation. An agency such as Brand Lab works hard on continuously improving relations to its stakeholders, and has chosen only to work with people they know and trust. This strategy has the potential to improve their negotiation power towards the artistic side of the industry, and may therefore result in a higher level of influence on how the placement turns out in the end, meaning the prominence and modality of the placement.

As advised by several interviewees, it is recommended that the brand holding company seeks to integrate a placement as well as possible for the sake of exposure and plot connectivity, since this is shown (practically and academically) to be the most effective. As also advised, it is recommendable to seek quality rather than quantity, meaning that better integration in few media is preferable to many low integration placements in many different media. Overexposure is a big risk that can be eliminated by thinking strategically and focusing on quality placements.

If a placement can be integrated into an occasion that engages the audience emotionally, a higher level of involvement will exist and hence higher brand recognition may follow. Considering the issue of PPL modality we have shown earlier on that previous research on the matter has shown that the greatest level of brand awareness comes from audio-visual placements that are placements where the brand or product is both shown and mentioned. To obtain an increase in consumers’ perceived brand image we have further seen that this is done most effectively when a placement is connected to a principal character in a movie, show, music video etc.

It may not be easy to control the prominence and modality of a placement, but the equally important issues of best match between brand, media, audience, coverage and setting are aspects that can be managed much easier. This is because the brand holders (and agencies) will as mentioned by several interviewees always receive scripts to movies etc. beforehand, and can therefore analyse them and then choose which of them to pursue. This being said there is no one right way to secure the best brand match and the best setting for a placement. The term “brand
casting” as suggested by (Stock & Tupot, 2006) in section 4.6.4.1 may be the best way for a brand holder to think about this topic.

4) Develop measurement tools for evaluation and control purposes

When controlling and evaluating a campaign it is apparent that managers should look at whether or not the objectives set have been reached. However, there is a large array of ways in which success can be measured. It is important to measure different aspects of the campaign in order to obtain a larger picture of how it worked. Did we increase brand awareness? Did we increase sales? Did we change the target audience’s attitude towards the brand?

To answer the questions above, we recommend that the measurement methods are divided into PPL and activation.

PPL measurement:

Recognition and recall

The effect of a PPL campaign on brand awareness can be revealed by measuring the effects the PPL has had on brand recognition and brand recall. To measure brand recognition the company should test whether the consumer can recognize the placed product (Belch & Belch, 2004) in the media in question. This can be done through questionnaires or focus groups where the consumer is shown the media in which the PPL is included. Afterwards the researcher presents a range of different products to see whether the consumers can recognize which products were included in the media.

Measuring brand recall can be done through aided and unaided recall. Unaided recall can be tested by showing the media in which the placement features and then ask the consumer to mention the brands/products that were included in the media. If this is not possible, the aided recall can and should be used. In this case the media is shown to the consumer and afterwards a product/brand category is shown. Within this group the consumer should then identify which of the brands/products have appeared in the media.
**Image**

Brand/product image is the consumers’ perception of the brand/product and is one of the main effects that PPL has to offer. To measure how the PPL in question has influenced the image of the product/brand, we suggest that brand holding companies analyze the associations consumers get from the brand and product when seeing it in an advertisement. To do this, the brand holding company should, based on a chosen set of associations, see how the consumer responds to and rate each association. An example could be that the company asks the consumer on a scale from 1-5 how cool is our brand/product? Thereafter the consumer should watch the media where the placement is found, and a week later see how/if the brand image has changed. This will enable the company to see if there have been any differences in the perceived product/brand image.

**Financial measurements from product placements**

To financially determine if the placement has been a success and to determine the number of potentially useful contacts, the recall and recognition rate should be computed as done by Propaganda GEM in the PREVA model shown and discussed in section 7.4.1. Although we criticized this measurement tool, it is the closest agencies have gotten to quantify and measure the financial outcomes of PPL. It is important to state that Propaganda only uses recall as a variable, but we suggest expanding this measurement to include recognition as well to calculate an interval of potential useful contacts.

First, the brand holding company should calculate the gross audience and multiply it with the recall rate. Second, this is also done with brand recognition where the recognition rate is multiplied by the gross audience. This is because, as mentioned, that if consumers are low involved (section 4.7.3) they may not be able to recall the placement, but through association with product groups they will be able to identify the placement. Thus the company will have an interval of useful contacts.

Figure 26 below shows the different measures that can be used by brand holding companies to measure the effects of PPL.
### Description of the measurement tool

<table>
<thead>
<tr>
<th>Recognition</th>
<th>Recall</th>
<th>Image</th>
<th>Financial</th>
</tr>
</thead>
<tbody>
<tr>
<td>Determine if the consumer can recognize the PPL that he/she has been exposed to</td>
<td>Determine if the consumer can recall the PPL that he/she has been exposed to</td>
<td>Determine the viewer’s perception of the brand</td>
<td>Models such as PREVA</td>
</tr>
</tbody>
</table>

### Implementing the measurement in practice

<table>
<thead>
<tr>
<th>Recognition</th>
<th>Recall</th>
<th>Image</th>
<th>Financial</th>
</tr>
</thead>
<tbody>
<tr>
<td>Use focus groups and/or surveys. Show viewer the given media where the PPL appears and have him/her list from a selected range of products, which appeared in the media.</td>
<td>Use focus group and/or surveys. Show the viewer the given media where the PPL appears and have him/her first list the products, then list from a product category</td>
<td>Use surveys and/or focus groups pre and post PPL to determine if image and association has been affected</td>
<td>See section 4.7.3 for PREVA explanation</td>
</tr>
</tbody>
</table>

### Figure 26: Measurement suggestions for product placement

It is important to note that although the abovementioned measurements give the brand holding companies a way to quantify PPL, there are many influencing factors that can disturb the results. This could be that the company is already very known in the consumer’s mind, or if the company is marketing its products in different ways simultaneously. Brand holders should also seek to compare the impact of a PPL to what impact they could have gotten from using other marketing tools.

### Product placement and activation combination measurement:

When combining a placement with an integrated activation campaign, the measurement tools are slightly different than when measuring the effect of just the placement. This is because the campaign will be measured as one entity, disabling the brand holding company to individually measure the different components, since the point of an integrated activation campaign is to unify the message sent. Therefore, the brand holding company should measure the brand awareness and image before and after the activation campaign to analyze the effect of the campaign as a whole. Furthermore, sales should be compared to previous campaigns and previous sales quarters, to see
if or how the activation campaign has performed.
One should realize that the measurement tools that are applied in regular advertisement are
perfectly applicable to an activation campaign. This is also mentioned in 8.4.2 where the vast
majority of interviewees mention that measuring an activation campaign is just like measuring
any other marketing campaign.

11 Discussion

After having finished writing this thesis, there are the things that the authors feel could have been
handled and done differently.

After writing the analysis, the authors felt that the results could have been obtained easier if terms
and questions where designed for the interviewees to rank instead of speaking freely. However,
when deciding to do semi-structured interviews, this is obviously a risk.
In regards to the interviewees, we mention that it was originally planned to interview brand
holding companies, but since Denmark is a small market for PPL it was difficult to obtain a
sufficient number of brand holder interviewees. It could further have benefited the overall results
if we would have been able to interview brand holding companies with both high and low
involvement products, to analyze potential differences. Also, getting the opportunity to interview
a company like Fritz Hansen would have given the results an extra dimension, because they are
doing PPL in-house. This would give us an extra dimension as to what the advantages are from
doing PPL in-house.

Besides having difficulties in attaining interviewees, getting the right theory to give us a basis to
conduct the interviews and solve the overall thesis problem was also a great obstacle. Lots of
time was spent combining PPL theory with potential activation theory. This made the overall
structuring of the thesis difficult as well. Especially since the concepts, and also the answers from
the interviews, overlapped at times making it difficult not to repeat previous statements.
The authors could perhaps have categorized the different advertising and marketing elements, and have the interviewees deciding which works the best, however we feel that it would not have resulted in recommending an exact list of elements that works well together, because as mentioned by interviewees, no such list exists. Therefore we believe that the concept of activation works, since it was transferable to interviews, enabling us to receive useful data.

In regards to measurement, the authors should probably have focused more on this aspect since it is one of the questionable aspects of PPL. This could have been done by asking interviewees what was needed to make the measurement tools more valid. Furthermore this could have been discussed more in depth had the authors talked to more marketing scholars, who would most likely be able to give concrete input on how measurement tools could and should function.

12. Conclusion
It has been the purpose of this thesis to find a way in which Danish brand holding companies can maximise their benefits from using the marketing tool of product placements and the activation of product placements through a broader promotional campaign. The point of view of the thesis has therefore been the brand holders.

In order to reach this overall objective the authors presented three sub-problems that would also serve a sort of structural framework for the rest of the thesis:

1) How can product placement and product placement activation be defined and employed as a part of a Danish brand holding company’s marketing mix?

To answer this question the authors first of all defined product placement (PPL) as “The paid and/or unpaid, verbal and/or physical incorporation of a brand or product in any given media”. This definition seeks to cover all aspects of PPL that are relevant to solve the overall thesis problem.

It was hereafter pointed out that PPL will be de-regulated by the EU primo 2010, which can be perceived as a further incentive for brand holders to engage in PPL and therefore also for this thesis to be written.
The next major step of the thesis was to present a range of theoretical and empirical work previously done on PPL by renowned international scholars. We saw that the industry contains four major stakeholders, namely the productions companies, the brand holders, the media agencies and finally the consumers. The production companies represent the “artistic” side of the industry in the sense that they are the producers of media such as movies, music videos and TV-shows. The brand holders on the other hand represent the commercial side together with the agencies who act as facilitators of the PPL process between production companies and brand holders. We saw that both scholars and consumers are positive towards the use of product placements compared to more traditional marketing methods such as TV-commercials.

It was shown that some of the most important aspects of PPL for brand holders to take into consideration are prominence and modality. Together they say something about how the actual placement is integrated in a given media. Previous research has shown that Audio-Visual PPLS lead to higher brand recognition, and a high level of prominence leads to higher brand recall than subtle placements. Other factors that need to be considered are brand match, target audience fit, coverage, setting and celebrity endorsements.

Previous research on PPL has shown that the primary effects of placements are on consumers’ brand awareness and perceived brand image. The authors used the Consumer Decision Model (CDM), the Hierarchy of Effects Model (HoE) and the Elaboration Likelihood Model (ELM) to show how consumers are affected by product placements. Looking at the HoE model we pointed out that using PPL as a stand-alone marketing effort does not have an effect on purchasing behaviour. This is in accordance with previous research by prominent scholars and therefore gave the authors a theoretical basis for concluding that Danish brand holders should use PPL activation as a means of increasing sales.

This thesis defines the activation of PPL as: “The effectuation of promotional activities by the commercial parties of the product placement industry in order to support a product placement”. The role of activation is to further connect a brand or product to a media through a broader promotional campaign. We identified a wide range of possible activation elements available to brand holding companies when seeking to maximise their benefits from activation. The major categories are the digital and the analogue elements. A wide array of elements was presented through sub-categories.
The Activation Process Model showed the process an activation element goes through from being sent out by a brand holder to the time it is received and reacted on by the consumer.

The theoretical part of the thesis has shown that activation has the potential to lead to increased sales for Danish brand holders and is therefore considered by the authors to be the best way for them to benefit from PPL. If the objective of the brand holder is increased brand awareness or image then PPL may be able to do this by itself.

2) How is product placement and product placement activation used and perceived today by industry stakeholders?

We had now established a theoretical basis for our further research. This research was done by interviewing several industry stakeholders from brand holding companies and agencies. However scholars were also interviewed. Furthermore the authors had developed a questionnaire for the interviewees to answer.

It soon became clear that all interviewees look at PPL as a very positive and effective marketing tool, but it was furthermore evident that PPL is nowhere near as widely used in Denmark as in the US for instance. The primary effects of PPL according to the interviewees are increased brand awareness and image, which is in accordance with the previously conducted research mentioned above.

From the interviews and questionnaires there was no consistent answer to what sort of PPL prominence is perceived to be the most effective for brand holders. This seems to be completely case specific. There is more or less consensus, however, when it comes to the use of agencies to facilitate the process. All interviewed brand holders collaborate with agencies in one way or another. This is because the agencies have a lot of knowledge and experience from doing PPLs. They also have the best relationships to production companies and generally speaking they have the best connections. Trust and relationships are considered immensely important in the industry and brand holders therefore benefit from working with agencies.

PPL process bottlenecks are considered to be logistics, lead-time, internal resources and lack of control of the end-result.
Measurement tool for PPL do exist, but are questionable to some degree, which is also confirmed by brand holders.

All interviewees believe that the use of PPL will increase in the future and most believe that it will become more and more sophisticated.

It is evident that most interviewees believe that in order to make the best use of a PPL it should be activated. They agree that activation is the way for brand holders to increase sales. This is in accordance with the theoretical research dealt with above. However, most Danish brand holders don’t have the sufficient resources to properly activate PPLs as they most often view PPL as a peripheral marketing activity. From the analysis we conclude that if PPLs are used as a platform for a broader marketing campaign, then more resources may be released to activate them.

Finally, the interviewees agree that measuring the effects of activation elements is basically the same as measuring any other marketing tools. This means that traditional measurements such as number of press clippings, surveys etc. can be utilized.

3) How can a set of general recommendations on how to use product placement and the activation hereof be developed for Danish brand holding companies?

The first two sub-problems both confirm PPL to be an effective marketing tool that can lead to increased brand awareness and image. They further confirm that through the activation of PPLs brand holders can make consumers go all the way to a purchase situation that will increase sales.

In this final sub-problem the authors introduced integrated activation (IA) as a management philosophy with the purpose of obtaining as many synergy effects as possible from the use of activation. IA proposes that securing consistency in communications both externally and internally can lead to a whole range of benefits for brand holders such as increased profits through synergies, development of networks and relationships and less brand image confusion. Hereafter, four recommendations for Danish brand holders regarding PPL and activation were proposed. The recommendations were all based on findings from throughout the thesis.

The recommendations were summarized in the following key-phrases:
1) Use product placement as a platform for an integrated activation campaign

2) Collaborate with a specialized agency

3) Carefully consider level of integration and exposure

4) Develop measurement tools for evaluation and control purposes

13. Perspectives

In this thesis, the authors have focused on how Danish brand holding companies can increase their benefits from using PPL and PPL activation. The results show how PPL should be utilized and combined with activation campaigns. However, we discovered that there are several loose ends and areas where future efforts and research could tighten them up.

First of all, different agencies mention throughout the thesis that every brand can be placed as a PPL. This sounds, to our knowledge, not entirely correct. For instance, the representative from Louis Poulsen believes that their products are difficult to place, and therefore it can be discussed whether other less marketable brands, say Danfoss thermostats, can be successfully promoted through PPLs. Therefore we believe that it could be interesting to examine if or where PPL has its limits in regards to brands and products.

Second, we have not included the production side in this thesis. It could be interesting to get their point of view on, amongst other things the PPL process, and especially why the Danish and European “scene” is so different compared to the North American scene. This would perhaps give a better indication of where PPL is heading in the future.

Third, we knew from academic journals that measurement tools where not fully accommodated to meet brand holding companies’ demands. We found it interesting therefore that PREVA had been developed to justify the effects of PPL. However, we discovered through interviews that this measurement was not advanced enough to illustrate the true effect and effectiveness of PPL. The author believe that it could be very interesting to follow this path and analyze in depth what the brand holding companies demand from a measurement tool, and thereafter see if it is possible to develop such a tool.
Fourth, we have mentioned in the thesis that PPL can have an effect on internal branding. This is a perspective that the authors had not thought of, making this an interesting new perspective for PPL to take. The authors can definitely see a potential for PPL as an internal branding tool, since this gives employees feedback in a new way. Therefore, to fully understand the effects of internal branding, research could be focused on what employees think of working with a product which features in a certain media, and thereafter see if, for instance, job satisfaction increases.

Fifth, in the thesis the authors have tried to create a list of activation elements that worked well with PPL. This, however, turned out to be extremely difficult since we couldn’t obtain any clear answers on which activation elements functions particularly well with PPLs. It would be interesting for brand holders to obtain further knowledge about this in order for them to minimize failures.

Looking at what the interviewees thought of the future of PPL, one point could be interesting to investigate further.

When John Hird mentions that PPL will become more sophisticated and perhaps enable the companies to choose different product/brand to appear in different versions of the same movie (The Pizza Hut/ Taco Bell example), it could be very interesting to see how, or if this can be done technically by production companies, and if not, how long will it take before this could happen.

References

Books
Andersen, I. (2005). Den skindbarlige virkelighed. CBS.


Lindstrø, Martin (2008): Buyology


**Surveys**


**Websites**


Articles


**Appendix**

Appendix A – Interview guides

Appendix B – Preva presentation

Appendix C – CD Interviews
Appendix D – Interview data
Appendix E – Quantitative questionnaire
Appendix F – Quantitative questionnaire results
Appendix G – Interview transcription

**Appendix A: Interview guide for Product placement**

**Screening questions**

1) Does your company use product placement
2) Do you have any professional experience in dealing with product placement?
3) Are you the key person for dealing with PPL at your company?
4) Why does your company use PPL, and what do you want to achieve?
5) Do you have experience in combining PPL with other marketing disciplines?

**Product placement (PPL) questions**

**General**

6) How many employees do you have in your company’s marketing department, and how many resources are available?
7) How many of these resources are spend on product placement (man hours, money etc.)?
8) Are there people assigned to only work with PPL (if so how many, is it a separate function?)
9) Are you contacted by production companies, directors etc. to conduct PPL or do you take the first step?
10) How effective do you think PPL is?

**The PPL process at your company**

11) Do you implement PPLs yourself or do you work with external partners (e.g. agencies)?
12) Describe the process from start to finish when initiating a product placement
13) Are there any bottlenecks in the current process, and if yes, where?

**Control**

14) Generally speaking, to what extend do you control the process from idea to implementation?
15) How do you ensure the best match between the PPL and media?

**Effectiveness and measurement**

16) How do you measure the effects of PPLs?
17) What are the primary effects from your PPLs?
18) What are your criteria for success when it comes to your use of PPL?
19) In which setting/media do you have the best experiences from using PPLs?
20) With what audiences do you have the best experiences from using PPLs?

**PPL vs. “traditional” marketing**

21) How does PPL affect customers compared to more traditional marketing?
22) Is PPL used as a “stand alone” marketing discipline at your company?
23) Do you think it can stand alone?

**Future perspectives**

24) What are the future perspectives for PPL?
25) Do you think it will be used more often in the future?
26) Will the way of using PPL change (changing market conditions, new technology etc.)?
Activation of product placements

**General**
27) Does your company have any experience from “activating” PPLs through other marketing disciplines?
28) Is the use of activation the same as marketing any product, service or brand?

**The Process & Control**
29) Generally speaking, to what extend do you control the activation process from idea to implementation?
30) How do you ensure the best match between the PPL and media?
31) Who do you cooperate with during the activation process (agencies etc.)?
32) Which marketing elements have you experienced works well in activating a PPL? Which does not work?

**Effectiveness and measurement**
33) How do you measure the effects of activation?
34) What are your criteria for success when it comes to your use of activation?
35) In which setting/media do you have the best experiences from using activation?
36) With what audiences do you have the best experiences from using activation?

**Advice**
37) Please give 3-5 recommendations to companies considering using PPL
38) Please give 3-5 recommendations to companies considering activating PPLs
Appendix A: Interview guide for Product placement – Media Agencies

Screening questions
1) Does your company provide product placement services?
2) Do you have any professional experience in dealing with product placement?
3) Are you the key person for dealing with PPL at your company?
4) Why does your company provide PPL services, and what do you believe PPL can achieve for your clients?
5) Do you have experience in combining PPL with other marketing disciplines?

Product placement (PPL) questions

General
6) How many employees do you have in your company?
7) How many resources are spent on product placement (man hours, money etc.)?
8) Are there people assigned to only work with PPL (if so how many, is it a separate function?)
9) Are you contacted by companies, directors etc. interested in doing PPL or do you take the first step?
10) How effective do you think PPL is?
11) How do you price your PPL services?

The PPL process at your company
12) Do you implement PPLs yourself or do you work with external partners (e.g. film consultants)?
13) Why do you think companies use agencies such as yours when dealing with PPL?
14) Describe the process from start to finish when initiating a product placement
15) Are there any bottlenecks in the current process, and if yes, where?
16) Is it always necessary for a company to use an external partner (e.g. an agency such as yours) when dealing with PPL?

Control
17) Generally speaking, to what extend do you control the process from idea to implementation?
18) How do you ensure the best match between the PPL and media?
19) Do you understand why some clients might have concerns about lack of control over the PPL process?
20) Do you yourself have any concerns regarding lack of control of the PPL process?

Effectiveness and measurement
21) How do you measure the effects of PPLs?
22) What are the primary effects from your PPLs?
23) What are your criteria for success when it comes to your use of PPL?
24) Do you understand if some companies have concerns about using PPL due to lack of reliable measurability and evaluation?
25) In which setting/media do you have the best experiences from using PPLs?
26) With what audiences do you have the best experiences from using PPLs?

**PPL vs. “traditional” marketing**
27) How does PPL affect customers compared to more traditional marketing?
28) Is PPL used as a “stand alone” marketing discipline at your company?
29) Do you think it can stand alone?

**Future perspectives**
30) What are the future perspectives for PPL?
31) Do you think it will be used more often in the future?
32) Will the way of using PPL change (changing market conditions, new technology etc.)?

**Activation of product placements**

**General**
33) Does your company have any experience from “activating” PPLs through other marketing disciplines?
34) Is the use of activation the same as marketing any product, service or brand?

**The Process & Control**
35) Generally speaking, to what extend do you control the activation process from idea to implementation?
36) How do you ensure the best match between the PPL and media?
37) Who do you cooperate with during the activation process (production company etc.)?
38) Which marketing elements have you experienced works well in activating a PPL? Which does not work?

**Effectiveness and measurement**
39) How do you measure the effects of activation?
40) What are your criteria for success when it comes to your use of activation?
41) Do you understand if some companies have concerns about using activation due to lack of reliable measurability and evaluation?
42) In which setting/media do you have the best experiences from using activation?

**Advice**
43) Please give 3-5 recommendations to companies considering using PPL
44) Please give 3-5 recommendations to companies considering activating PPLs
Appendix B

Entertainment Media Valuation System
About us

External research firm, PREVA media, qualifies the integration and provides additional insights and information that help guide Propaganda’s strategies, communications and priorities.

The PREVA media Entertainment Media Valuation System is the result of many years of experience and research in the field of entertainment marketing.

Over the past years we have fine-tuned our evaluation system, tracking all of our clients’ brand integrations and today we feel very confident that the PREVA media system is the most accurate and representative measurement method available for Entertainment Marketing activities.

The approach

The PREVA media Entertainment Media Valuation System is applicable to all major entertainment media - feature films, TV, video games and music videos on a global as well as a local level. Our system offers different approaches ranging from basic quantitative method to a more demonstrative qualitative system.

A fundamental aspects of our approach is the difference between the cost of a placement and the value of the placement. These are substantially different notions.

The nature of product integration is such that costs vary far too greatly and erratically - from one project to another and across product categories - to be a valuable reference.
The system

The Recall Method is based on a global average entertainment audiences’ recall rates.

The goal of this qualitative analysis is to weigh the projected total audience, using the relative quality of the media itself as well as the quality of the exposure, to generate an accurate and realistic final quantification.

\[ \text{Gross audience} \times \text{Recall rate} = \text{Useful contacts} \]

Case study – Audience calculation

Gross audience
1,417,000,000
(3 years projection)

G50 theatrical audience
DVD/VHS
Pay/net television
In-flight/Hotel
Online
Piracy
Case study – The calculation method

Gross audience 1,417,000,000
Recall rate 54.6%

Useful contacts 773,253,000

Effective Media Value USD 14,846,000

Recall rate
Gross audience

Useful contacts

USD 19.2
VPM

=
Appendix D

PPL as a marketing tool  Score
B&0  4
Tuborg (1)  4
Tuborg (2)  4
Propaganda LA  5
Mannov  4
Kuanhsi  5
Propaganda Geneve  5
CC Public Relations  4

Average  4.4

Company average: 4
Agency average: 4.6
<table>
<thead>
<tr>
<th>Question</th>
<th>Statements</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary effects</td>
<td>Increased brand awareness</td>
<td>92%</td>
</tr>
<tr>
<td></td>
<td>Larger audience reach</td>
<td>46%</td>
</tr>
<tr>
<td></td>
<td>Increased image through endorsement/positive brand association</td>
<td>54%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Brand</th>
<th>Increased brand awareness</th>
<th>Larger audience reach</th>
<th>Increased image through endorsement/positive brand association</th>
</tr>
</thead>
<tbody>
<tr>
<td>Louis p</td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B&amp;O</td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kuanhsi</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Propaganda la</td>
<td>x</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Propaganda gem</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Media Works</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>CC Public relations</td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BrandLabJapan</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuborg (1)</td>
<td>x</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Tuborg (2)</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Umbro</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Mannov</td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CO-TV</td>
<td>x</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<p>| x | x | x |</p>
<table>
<thead>
<tr>
<th>Question</th>
<th>Yes / No %</th>
<th>Underlying issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bottlenecks in the PPL Process</td>
<td>Yes</td>
<td>77%</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>23%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Logistiscs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Lead Time</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Internal resources</td>
</tr>
<tr>
<td></td>
<td></td>
<td>End result</td>
</tr>
</tbody>
</table>

- Louis p                         y
- B&O                             y
- Kuanhsi                         y
- Propaganda la                   y
- propaganda gem                  y
- media works                     y
- CC Public relations             n
- BrandLabJapan                   n
- Tuborg (1)                      y
- tuborg (2)                      n
- umbro                          y
- mannov                         y
- CO-TV                           y
<table>
<thead>
<tr>
<th>Company/Agency</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>PPL Process</td>
<td></td>
</tr>
<tr>
<td>B&amp;0</td>
<td>4</td>
</tr>
<tr>
<td>Tuborg (1)</td>
<td>4</td>
</tr>
<tr>
<td>Tuborg (2)</td>
<td>4</td>
</tr>
<tr>
<td>Propaganda LA</td>
<td>4</td>
</tr>
<tr>
<td>Mannov</td>
<td>2</td>
</tr>
<tr>
<td>Kuanhsi</td>
<td>5</td>
</tr>
<tr>
<td>Propaganda Geneve</td>
<td>4</td>
</tr>
<tr>
<td>CC Public Relations</td>
<td>4</td>
</tr>
</tbody>
</table>

Average: 3.9

Company average: 4
Agency average: 3.8
<table>
<thead>
<tr>
<th>PPL Control</th>
<th>score</th>
</tr>
</thead>
<tbody>
<tr>
<td>B&amp;O</td>
<td>4</td>
</tr>
<tr>
<td>Tuborg (1)</td>
<td>2</td>
</tr>
<tr>
<td>Tuborg (2)</td>
<td>2</td>
</tr>
<tr>
<td>Propaganda LA</td>
<td>3</td>
</tr>
<tr>
<td>Mannov</td>
<td>2</td>
</tr>
<tr>
<td>Kuanhsi</td>
<td>5</td>
</tr>
<tr>
<td>Propaganda Geneve</td>
<td>4</td>
</tr>
<tr>
<td>CC Public Relations</td>
<td>3</td>
</tr>
</tbody>
</table>

Average 3,1

**PPL Control**

Company average: 2,7
Agency average: 3,4
<table>
<thead>
<tr>
<th>PPL Measure</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>B&amp;O</td>
<td>3</td>
</tr>
<tr>
<td>Tuborg (1)</td>
<td>3</td>
</tr>
<tr>
<td>Tuborg (2)</td>
<td>3</td>
</tr>
<tr>
<td>Propaganda LA</td>
<td>4</td>
</tr>
<tr>
<td>Mannov</td>
<td>4</td>
</tr>
<tr>
<td>Kuanhsi</td>
<td>5</td>
</tr>
<tr>
<td>Propaganda Geneve</td>
<td>4</td>
</tr>
<tr>
<td>CC Public Relations</td>
<td>2</td>
</tr>
</tbody>
</table>

Average 3.5

![Bar Chart for PPL Measure]

Company average: 3
Agency average: 3.8
**PPL vs. Traditional marketing**

<table>
<thead>
<tr>
<th></th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>B&amp;O</td>
<td>3</td>
</tr>
<tr>
<td>Tuborg (1)</td>
<td>2</td>
</tr>
<tr>
<td>Tuborg (2)</td>
<td>3</td>
</tr>
<tr>
<td>Propaganda LA</td>
<td>4</td>
</tr>
<tr>
<td>Mannov</td>
<td>4</td>
</tr>
<tr>
<td>Kuanhsi</td>
<td>5</td>
</tr>
<tr>
<td>Propaganda Geneve</td>
<td>4</td>
</tr>
<tr>
<td>CC Public Relations</td>
<td>4</td>
</tr>
</tbody>
</table>

**Average** 3.6

---

**Company average:** 2.7  
**Agency average:** 4.2
<table>
<thead>
<tr>
<th>Activation process</th>
<th>score</th>
</tr>
</thead>
<tbody>
<tr>
<td>B&amp;0</td>
<td>4</td>
</tr>
<tr>
<td>Tuborg (1)</td>
<td>3</td>
</tr>
<tr>
<td>Tuborg (2)</td>
<td>3</td>
</tr>
<tr>
<td>Propaganda LA</td>
<td>4</td>
</tr>
<tr>
<td>Mannov</td>
<td>4</td>
</tr>
<tr>
<td>Kuanhsi</td>
<td>4</td>
</tr>
<tr>
<td>Propaganda Geneve</td>
<td>4</td>
</tr>
<tr>
<td>CC Public Relations</td>
<td>4</td>
</tr>
</tbody>
</table>

Average 3,8

Company average: 3,3
Agency average: 4
<table>
<thead>
<tr>
<th>Brand</th>
<th>Mener der skal aktiveres</th>
<th>Mener ikke der skal aktiveres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Louis p</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>B&amp;O</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Kuanhsi</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Propaganda la</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Propaganda gem</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Media Works</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>CC Public relations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BrandLabJapan</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Tuborg (1)</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Tuborg (2)</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Umbro</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Mannov</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>CO-TV</td>
<td>x</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Attitude</th>
<th>Interviewees attitude towards effectiveness of product placement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Most effective when not activated</td>
<td>8%</td>
</tr>
<tr>
<td>Most effective when activated</td>
<td>92%</td>
</tr>
</tbody>
</table>

**Interviewees attitude towards effectiveness of product placement**

![Bar chart showing the attitude of interviewees towards product placement effectiveness.](chart.png)
Appendix E: Quantitative questionnaire for Product Placement and Activation

**Product placement in general**
1) On a scale from 1-5 how do you rate product placement as a marketing tool?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

2) Please list 3-5 advantages/disadvantages of using product placement?

**Product placement process**
3) On a scale from 1-5 how well do you think the process works compared to the results you get?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>
Product placement control
4) On a scale from 1-5 how much control do you have of the PPL process?

<table>
<thead>
<tr>
<th></th>
<th>Very much</th>
<th>Much</th>
<th>Neither much or little</th>
<th>Little</th>
<th>Very little</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of votes</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

Product placement measure
5) On a scale from 1-5 how measurable do you think the effects of PPL are?

<table>
<thead>
<tr>
<th></th>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of votes</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

Product placement vs. traditional marketing
6) On a scale from 1-5 how beneficial is PPL compared to traditional marketing?

<table>
<thead>
<tr>
<th></th>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of votes</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

Activation in general
7) Please list 3-5 advantages/disadvantages from “activating” a PPL?

8) On a scale from 1-5 how important is it to activate a PPL?
Activation process and control

9) On a scale from 1-5 how well do you think the activation process works compared to the results you get?

<table>
<thead>
<tr>
<th>Very important</th>
<th>important</th>
<th>Neither</th>
<th>Not important</th>
<th>Not important at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

10) On a scale from 1-5 do you think you have enough control of the activation process?

<table>
<thead>
<tr>
<th>Very much</th>
<th>Much</th>
<th>Neither much or little</th>
<th>Little</th>
<th>Very little</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

Activation measure

11) On a scale from 1-5 how measurable do you think the effects of activation are?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

Appendix F: Quantitative questionnaire results

Quantitative questionnaire for Product Placement and Activation
Arden Doss Propaganda LA
**Product placement in general**

1) On a scale from 1-5 how do you rate product placement as a marketing tool?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

2) Please list 3-5 advantages/disadvantages of using product placement?

**Product placement process**

3) On a scale from 1-5 how well do you think the process works compared to the results you get?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

**Product placement control**

4) On a scale from 1-5 how much control do you have of the PPL process?

<table>
<thead>
<tr>
<th>Very much</th>
<th>Much</th>
<th>Neither much or little</th>
<th>Little</th>
<th>Very little</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

**Product placement measure**

5) On a scale from 1-5 how measurable do you think the effects of PPL are?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

**Product placement vs. traditional marketing**

154
6) On a scale from 1-5 how beneficial is PPL compared to traditional marketing?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

Activation in general

7) Please list 3-5 advantages/disadvantages from “activating” a PPL?

8) On a scale from 1-5 how important is it to activate a PPL?

<table>
<thead>
<tr>
<th>Very important</th>
<th>important</th>
<th>Neither</th>
<th>Not important</th>
<th>Not important at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

For us, else as a general tool, probably 4

Activation process and control

9) On a scale from 1-5 how well do you think the activation process works compared to the results you get?

<table>
<thead>
<tr>
<th>Very well</th>
<th>Well</th>
<th>Neither</th>
<th>Not well</th>
<th>Not well at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

10) On a scale from 1-5 do you think you have enough control of the activation process?

<table>
<thead>
<tr>
<th>Very much</th>
<th>Much</th>
<th>Neither much or little</th>
<th>Little</th>
<th>Very little</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

Activation measure

11) On a scale from 1-5 how measurable do you think the effects of activation are?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
</tbody>
</table>
Quantitative questionnaire for Product Placement and Activation - Kuanhsi

Product placement in general

1) On a scale from 1-5 how do you rate product placement as a marketing tool?

<table>
<thead>
<tr>
<th></th>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rating</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

5

2) Please list 3-5 advantages/disadvantages of using product placement?

- Instant global reach
- Reach your target group very precisely, e.g. women 40+ (Sex and The City etc.)
- Very high ROI

Product placement process

3) On a scale from 1-5 how well do you think the process works compared to the results you get?

<table>
<thead>
<tr>
<th></th>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rating</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

5

Product placement control

4) On a scale from 1-5 how much control do you have of the PPL process?
(der indgås skriftlige aftaler der definerer hvad der skal vises og I hvor lang tid, om det er nærbilleder mm. Derved opnår man en god forventningsafstemning forud for optagelserne)

**Product placement measure**

5) On a scale from 1-5 how measurable do you think the effects of PPL are?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

5 Very Good.

**Product placement vs. traditional marketing**

6) On a scale from 1-5 how beneficial is PPL compared to traditional marketing?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

5

**Activation in general**

7) Please list 3-5 advantages/disadvantages from “activating” a PPL?

You can raise global awareness about you product prior to a premiere
You creates “added value” to you product / star association
8) On a scale from 1-5 how important is it to activate a PPL?

You might activate 1 out of 10 times.
Massive PR prior to a premiere can also be quite effectfull

<table>
<thead>
<tr>
<th>Very important</th>
<th>important</th>
<th>Neither</th>
<th>Not important</th>
<th>Not important at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

3

Activation process and control

9) On a scale from 1-5 how well do you think the activation process works compared to the results you get?

<table>
<thead>
<tr>
<th>Very well</th>
<th>Well</th>
<th>Neither</th>
<th>Not well</th>
<th>Not well at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

4

10) On a scale from 1-5 do you think you have enough control of the activation process?

<table>
<thead>
<tr>
<th>Very much</th>
<th>Much</th>
<th>Neither much or little</th>
<th>Little</th>
<th>Very little</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

5

Activation measure

11) On a scale from 1-5 how measurable do you think the effects of activation are?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>
Quantitative questionnaire for Product Placement and Activation - Mannov

**Product placement in general**
1) On a scale from 1-5 how do you rate product placement as a marketing tool?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

2) Please list 3-5 advantages/disadvantages of using product placement?

**Product placement process**
3) On a scale from 1-5 how well do you think the process works compared to the results you get?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

**Product placement control**
4) On a scale from 1-5 how much control do you have of the PPL process?

<table>
<thead>
<tr>
<th>Very much</th>
<th>Much</th>
<th>Neither much or little</th>
<th>Little</th>
<th>Very little</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

**Product placement measure**
5) On a scale from 1-5 how measurable do you think the effects of PPL are?
Product placement vs. traditional marketing

6) On a scale from 1-5 how beneficial is PPL compared to traditional marketing?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

Activation in general

7) Please list 3-5 advantages/disadvantages from “activating” a PPL?

8) On a scale from 1-5 how important is it to activate a PPL?

<table>
<thead>
<tr>
<th>Very important</th>
<th>important</th>
<th>Neither</th>
<th>Not important</th>
<th>Not important at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

Activation process and control

9) On a scale from 1-5 how well do you think the activation process works compared to the results you get?
10) On a scale from 1-5 do you think you have enough control of the activation process?

<table>
<thead>
<tr>
<th>Very much</th>
<th>Much</th>
<th>Neither much or little</th>
<th>Little</th>
<th>Very little</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

**Activation measure**

11) On a scale from 1-5 how measurable do you think the effects of activation are?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>
Quantitative questionnaire for Product Placement and Activation – Daniel Beran – Propaganda Geneva

**Product placement in general**
1) On a scale from 1-5 how do you rate product placement as a marketing tool?

<table>
<thead>
<tr>
<th></th>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>Score</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

2) Please list 3-5 advantages/disadvantages of using product placement?

- global reach
- emotional and “cool” factor that no other media platform can provide
- high acceptance, recognition, efficiency
- content and platforms that can be exploited on a 360 degree basis – advertising, PR, sales promo, direct marketing, etc. – reinforce the product placement aspect

**Product placement process**

On a scale from 1-5 how well do you think the process works compared to the results you get?

<table>
<thead>
<tr>
<th></th>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>Score</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

**Product placement control**

4) On a scale from 1-5 how much control do you have of the PPL process?

<table>
<thead>
<tr>
<th></th>
<th>Very much</th>
<th>Much</th>
<th>Neither much or little</th>
<th>Little</th>
<th>Very little</th>
</tr>
</thead>
<tbody>
<tr>
<td>Score</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

**Product placement measure**

163
5) On a scale from 1-5 how measurable do you think the effects of PPL are?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

Product placement vs. traditional marketing

6) On a scale from 1-5 how beneficial is PPL compared to traditional marketing?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

Activation in general

7) Please list 3-5 advantages/disadvantages from “activating” a PPL?

- synchronize all communication vectors following the activation of PPL – piggy back on exclusive, “cool”, aspirational content and take it to the next level of communications
- simultaneous activities around film/TV series launch – global reach, emotional implication and unmatched results
- natural star association to product launch, brand awareness, etc.
- allows to reach all ages, gender, race, etc. – GLOBAL aspect to PPL activation
- allows to also “specialize” and focus on key markets for specific brand and/or product – activate in desired markets; high control factor of activities around PPL

8) On a scale from 1-5 how important is it to activate a PPL?

<table>
<thead>
<tr>
<th>Very important</th>
<th>important</th>
<th>Neither</th>
<th>Not important</th>
<th>Not important at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

Activation process and control

9) On a scale from 1-5 how well do you think the activation process works compared to the results you get?
10) On a scale from 1-5 do you think you have enough control of the activation process?

<table>
<thead>
<tr>
<th>Very much</th>
<th>Much</th>
<th>Neither much or little</th>
<th>Little</th>
<th>Very little</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

**Activation measure**

11) On a scale from 1-5 how measurable do you think the effects of activation are?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>
Quantitative questionnaire for Product Placement and Activation – Camilla Olsen

**Product placement in general**

1) On a scale from 1-5 how do you rate product placement as a marketing tool?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

2) Please list 3-5 advantages/disadvantages of using product placement?

+ A media which the target group is willing to watch
+ Allows integration into very specific content styles and subcultures
+ Enables “image transfer” from the PPL content (such as artist or actor) to the brand
- Limited control over quality/standout of the content
- Requires understanding of the industry (music industry in our case) to be able to function cost effectively and minimize the risk of bad placements

**Product placement process**

3) On a scale from 1-5 how well do you think the process works compared to the results you get?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

**Product placement control**

4) On a scale from 1-5 how much control do you have of the PPL process?

<table>
<thead>
<tr>
<th>Very much</th>
<th>Much</th>
<th>Neither much or little</th>
<th>Little</th>
<th>Very little</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>
Product placement measure
5) On a scale from 1-5 how measurable do you think the effects of PPL are?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

Product placement vs. traditional marketing
6) On a scale from 1-5 how beneficial is PPL compared to traditional marketing?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

Activation in general
7) Please list 3-5 advantages/disadvantages from “activating” a PPL?
+ Can be done effectively if started in time
+ The consumers are interested in the content
- Activating / Leveraging the content can easily make your brand and the content look and feel very commercial, rather than “cool and trendy”

8) On a scale from 1-5 how important is it to activate a PPL?

<table>
<thead>
<tr>
<th>Very important</th>
<th>important</th>
<th>Neither</th>
<th>Not important</th>
<th>Not important at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

For us, else as a general tool, probably 4

Activation process and control
9) On a scale from 1-5 how well do you think the activation process works compared to the results you get?
10) On a scale from 1-5 do you think you have enough control of the activation process?

<table>
<thead>
<tr>
<th>Very much</th>
<th>Much</th>
<th>Neither much or little</th>
<th>Little</th>
<th>Very little</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

11) On a scale from 1-5 how measurable do you think the effects of activation are?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>
Quantitative questionnaire for Product Placement and Activation – CC Public Relations

**Product placement in general**

1) On a scale from 1-5 how do you rate product placement as a marketing tool?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

2) Please list 3-5 advantages/disadvantages of using product placement?
   - Good supporting tool to other marketing
   - Doesn’t have to cost anything compared to advertising
   - Visibility towards a certain target group

   You can’t always control if it’s good or bad publicity
   Not always visibility of the brand name

**Product placement process**

3) On a scale from 1-5 how well do you think the process works compared to the results you get?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

**Product placement control**

4) On a scale from 1-5 how much control do you have of the PPL process?

<table>
<thead>
<tr>
<th>Very much</th>
<th>Much</th>
<th>Neither much or little</th>
<th>Little</th>
<th>Very little</th>
</tr>
</thead>
</table>
5) On a scale from 1-5 how measurable do you think the effects of PPL are?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

Product placement measure

6) On a scale from 1-5 how beneficial is PPL compared to traditional marketing?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

Product placement vs. traditional marketing

7) Please list 3-5 advantages/disadvantages from “activating” a PPL?

8) On a scale from 1-5 how important is it to activate a PPL?
### Activation process and control

9) On a scale from 1-5 how well do you think the activation process works compared to the results you get?

<table>
<thead>
<tr>
<th>Very well</th>
<th>Well</th>
<th>Neither</th>
<th>Not well</th>
<th>Not well at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

10) On a scale from 1-5 do you think you have enough control of the activation process?

<table>
<thead>
<tr>
<th>Very much</th>
<th>Much</th>
<th>Neither much or little</th>
<th>Little</th>
<th>Very little</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

### Activation measure

11) On a scale from 1-5 how measurable do you think the effects of activation are?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

171
Quantitative questionnaire for Product Placement and Activation – B&O

Product placement in general

1) On a scale from 1-5 how do you rate product placement as a marketing tool?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

2) Please list 3-5 advantages/disadvantages of using product placement?

Adv.:
- You can reach an audience, customer segment that you might not normally reach through your regular distribution/marketing channels
- Potential customers get to interact /experience the products, which Bang & Olufsen products are all about
- Cost of Investment is relatively low compared to other marketing tools, but increase significantly if the product placement should be activated
- Product placement activities can be combined with Bang & Olufsen customer activities, for example it can give our customers access to highly exclusive events that would usually not be available for them, ex. the Aston Martin lounge at Le Mans, invitations to fashion/design shows, etc.

Disadv.:
- Difficult to measure the return on investment
- Using product placement actively requires a relatively high amount of manpower - difficult to justify due to the uncertainty of how to measure the effect of product placement (increasing brand awareness <> increasing sale)

Product placement process

3) On a scale from 1-5 how well do you think the process works compared to the results you get?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>
**Product placement control**

4) On a scale from 1-5 how much control do you have of the PPL process?

<table>
<thead>
<tr>
<th>Control Level</th>
<th>Very much</th>
<th>Much</th>
<th>Neither much or little</th>
<th>Little</th>
<th>Very little</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

**Product placement measure**

5) On a scale from 1-5 how measurable do you think the effects of PPL are?

<table>
<thead>
<tr>
<th>measurability</th>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

**Product placement vs. traditional marketing**

6) On a scale from 1-5 how beneficial is PPL compared to traditional marketing?

<table>
<thead>
<tr>
<th>Benefit Level</th>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

4, when there is a certain degree of “activation”

**Activation in general**

7) Please list 3-5 advantages/disadvantages from “activating” a PPL?

I do not see any disadvantages in activation of Product Placement from Bang & Olufsen’s perspective, except for the increased investment that activation entails.

Adv.:
- Increases the brand awareness
- Strengthen collaboration/partnership between matching brands
- By using product placement as a tool in a specific campaign, it can strengthen the overall marketing campaign
8) On a scale from 1-5 how important is it to activate a PPL?

<table>
<thead>
<tr>
<th>Very important</th>
<th>Important</th>
<th>Neither</th>
<th>Not important</th>
<th>Not important at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

**Activation process and control**

9) On a scale from 1-5 how well do you think the activation process works compared to the results you get?

<table>
<thead>
<tr>
<th>Very well</th>
<th>Well</th>
<th>Neither</th>
<th>Not well</th>
<th>Not well at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

10) On a scale from 1-5 do you think you have enough control of the activation process?

<table>
<thead>
<tr>
<th>Very much</th>
<th>Much</th>
<th>Neither much or little</th>
<th>Little</th>
<th>Very little</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

**Activation measure**

11) On a scale from 1-5 how measurable do you think the effects of activation are?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>
Quantitative questionnaire for Product Placement and Activation – Martin Best Tuborg

**Product placement in general**

1) On a scale from 1-5 how do you rate product placement as a marketing tool?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

2) Please list 3-5 advantages/disadvantages of using product placement?

**Product placement process**

3) On a scale from 1-5 how well do you think the process works compared to the results you get?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

**Product placement control**

4) On a scale from 1-5 how much control do you have of the PPL process?

<table>
<thead>
<tr>
<th>Very much</th>
<th>Much</th>
<th>Neither much or little</th>
<th>Little</th>
<th>Very little</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

**Product placement measure**

5) On a scale from 1-5 how measurable do you think the effects of PPL are?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>
Product placement vs. traditional marketing

6) On a scale from 1-5 how beneficial is PPL compared to traditional marketing?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

Activation in general

7) Please list 3-5 advantages/disadvantages from “activating” a PPL?

8) On a scale from 1-5 how important is it to activate a PPL?

<table>
<thead>
<tr>
<th>Very important</th>
<th>important</th>
<th>Neither</th>
<th>Not important</th>
<th>Not important at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

Activation process and control

9) On a scale from 1-5 how well do you think the activation process works compared to the results you get?

<table>
<thead>
<tr>
<th>Very well</th>
<th>Well</th>
<th>Neither</th>
<th>Not well</th>
<th>Not well at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

10) On a scale from 1-5 do you think you have enough control of the activation process?

<table>
<thead>
<tr>
<th>Very much</th>
<th>Much</th>
<th>Neither much or little</th>
<th>Little</th>
<th>Very little</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>
### Activation measure

11) On a scale from 1-5 how measurable do you think the effects of activation are?

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Neither good or bad</th>
<th>Bad</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>33</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>
Appendix G: Summary of interview with Camilla Olsen from Tuborg

Below, one can find the summary of the interview that was lost with Camilla Olsen from Tuborg.

**General**

Camilla mentions that there are not spend many resources on product placement, since this is handled by Kuanhsi. They do however pay for these placements, but doesn’t wish to reveal the amount. Camilla thinks that product placement in general is effective however she feels that she has difficulties in measuring the results of the product placements.

**Product placement process**

Tuborg uses Kuanhsi to implement all the placements, and is generally only contacted to approve of the suggested placements. She feels that there are several bottlenecks such as the problem of predicting the outcome, and that Tuborg does not have any influence on how the placement should be set up. She is starting to be contacted more and more (directly) from Hollywood to place products in films, but since Tuborg does not operate on the American market, this is something they don’t wish to do yet.

**Control**

Control is difficult since Tuborg does not have much influence and that they are often contacted very late in the process making it difficult to plan or supervise what is going on. Furthermore, in regards to control of the end result, it is difficult to ensure that the placement turns out the way Tuborg wants. She mentions that they often do placements, and are promised that it will be noticeable. However after the final cut Tuborg has experienced several times that the placement does not appear as promised and is hardly noticeable. This is however not perceived as such a big issue, since Tuborg works with lots of musicians who often have constraints in regards to the commercial exploitation of their art. She mentions a problem with the band Depeche Mode, where they refused to play at a venue unless they were taken off the Tuborg commercial banner.

**Measurement**
Tuborg receives specific numbers regarding recall rate, number of contacts etc. from the measurement system PREVA. However she feels that these numbers are not completely reliable, making Tuborg use methods such as “Google’ing”, reading chat boards, and blogs. The general effect of product placement is creating awareness of the placed product or brand.

**Product placement vs. Traditional marketing.**

Camilla believes that for Tuborg, product placement will never be a main marketing tool, but recognizes that this is different from company to company. She also feels that product placements should be activated, since it is difficult to notice a product in a media.

**Appendix G: Summary of Ole E. Andersen interview**

Generally activation is seen as a necessary activity because of the subtle way of product placement. In most cases, product placement is an implicit way of communication which demands some supportive promotional activities. Activation is done to increase the effect of the product placement to ensure that viewers notice the placement. There are not any direct sources/articles that deal with activation of product placement, meaning that combining traditional advertising with product placement is a way to get around this issue. Activation activities consist of many different things. One of many is PR, because it is considered to be of higher reliability than traditional advertisements. A company should be aware of the fact that not all activation is good, and it depends on the strategy of the company. Some companies do not wish to reveal that they are using product placement, because it might may them seem too commercial and lose credibility. Therefore the company may use PR or other more respected communication forms to make sure that the company looks dependable. Another problem with activation, and product placement in general is, that the resources are scarce and it is difficult to get people to participate in interviews.