A Cross-Cultural Generalizability Study of Consumers’ Acceptance of Product Placements in Movies

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By applying a generalizability theory approach, the study shows that product placement acceptability of ethically charged/controversial products is generalizable over different cultures, but not product placement acceptability of neutral products. The universe score shows that attitudes towards product placement for ethically charged/controversial products can be described as “indifferent” (in between “acceptable” and “unacceptable”) consistently over all countries, while neutral products are highly accepted, though the acceptance varies from country to country. The results hold for males and females and are independent of changing product placement acceptance over the years. The findings support cross-cultural convergence of consumer perceptions for problematic marketing and divergence for other issues. Such findings bear some practical implications for international promotional strategies. Furthermore, the study demonstrates the usability of generalizability theory for cross-cultural studies dealing with marketing communication stimuli.

Introduction

Product placements are considered a very efficient tool in the promotion mix. Quite a number of famous examples show a remarkable economic impact of product placements such as the placement of Hershey’s Reese’s Piece candy in the movie E.T. that ostensibly has led to a sales increase of 65% (Balasubramanian et al. 2006). With the growth of the global movie industry, product placement has increased rapidly and worldwide. Product placements provide a cost-effective opportunity for brand exposure to ever-increasing audiences all over the world, and a movie with international distribution can easily reach over one hundred million consumers as it moves from box office to video/DVD to television (McKechnie and Zhou 2003). However, it is not only the size of the audience which makes product placements attractive to marketers. Placements can even be more effective than traditional advertising as they may not be recognized as persuasive and appear as natural part of the movie to its audience. Russell (2002) found positive attitude changes towards products placed in movies although consumers did not recognize the placements. Concerns about the practice of placing products in movies from an ethical point of view derive from the idea of subliminal persuasion of consumers. Such concerns refer particularly to controversial products that are placed in movies although the governments have issued bans on advertising products such as cigarettes (Balasubramanian 1994). Hence, product placement is not only an effective marketing tool; it also provokes strong criticism and opposition by consumer activists and consumer policy makers as the practice of placing particular products in movies is viewed as unethical behavior.

Perceptions of ethical behavior strongly depend on the particular context, i.e., they are influenced by culture and time. Ethical concerns about product placements further depend on particularities of the product as well as of the consumers. If and to what extent consumers from different cultures share the same ethical concerns towards product placements has been on top of a variety of studies (e.g., Karrh et al. 2001). Some of them have replicated a design proposed by Gupta and Gould (1997) in different cultures. The authors basically suggest that the acceptance of product placements varies from culture to culture. However, only Gould et al. (2000) provide a formal test of cross-cultural differences and come up with mixed results. Indeed, the assumption of cross-cultural differences is questionable from a more substantial standpoint as it contradicts the idea of increasing convergence of consumption patterns in the world.

The present study contributes to the product placement literature by investigating if the acceptance of product placements is generalizable over culture,
products, consumers, and time. For that purpose, replication data from seven different cultures which were gathered between 2000 and 2006 was used. Those past studies provide data on different products, the ethicity of products, and the gender of consumers. The empirical approach in the present study is based on generalizability theory which allows developing a formal measure of the cross-cultural generalizability of product placement acceptability.

Hence, the purpose of the study is twofold. The main contribution of the study is to investigate whether the acceptance of product placements differs over cultures, time, products, and gender of consumers, and to what extent it differs, i.e., how generalizable the cross-cultural acceptability of product placements is when considering those additional variables. The second contribution is a methodological one. The study applies a generalizability theory approach in order to investigate this issue. Doing this, the study extends the work of Sharma and Weathers (2003), Durvasula et al. (2006) and Muncy and Gomes (1992) by demonstrating the usefulness of generalizability theory in cross-national studies. The results add to the literature on the ethicality of product placements by relating to the discussion of issue-, culture-, time- and person-dependent perceptions of ethical behavior. The results further provide implications for marketers who apply product placements to their communication strategy and for public policy practitioners who are concerned about the current regulation practice for product placements.

**Background**

Generalizations typically refer to the dimensions of time, place, issue and person. Those are also central for the present study as all dimensions are addressed and investigated regarding their cross-cultural generalizability of product placement acceptability. All of those dimensions may have a potential to influence ethical perceptions and evaluations. Ethical frameworks of various marketing scholars have regarded cultural environment, ethical issue and personal characteristics as main determinants of ethical judgments (besides business and economic variables such as organizational environment) (Ferrell and Gresham 1985; Hunt and Vitell 1986). In the following, the research questions are developed for each of those determinants.

**The Impact of Culture on Product Placement Acceptability**

Authors of previous studies dealing with the acceptance of product placements have suggested that culture is an important determinant of product placement acceptability. Indeed, product placements travel across cultures in movies, and audience members of different cultures see and interpret them (Gould et al. 2000). The process of meaning transfer of products and product placements is a cultural phenomenon (McCracken 1986; Russell 1998). Not only those meanings are likely to vary on a cross-cultural basis, also ethical codes and beliefs can be culture-specific, although some of them stretch across countries (Langlois and Schlegelmilch 1990). Culture, however, is a complex construct that describes the common values and attitudes of a group of human beings and provides a “mental software” (Hofstede 2001) through which the physical and social world is perceived by the members of the group. Culture is often equated with nation or country, particularly when empirical studies are based on an approach such as the one captured in Hofstede’s studies (Hofstede 1980, 2001). There are certainly many layers of cross-cultural differences when comparing countries. Yet, there are also important cross-cultural similarities. Those similarities are of particular interest when it comes to the question of convergence or divergence of consumption patterns and tastes across nations. Levitt (1983) has argued that an increasing globalization of markets would lead to homogenous wants and needs of consumers. Indeed, much of the world’s promotion activities are converging with the development of global media vehicles, supra-national common advertising regulations and implementations of global marketing strategies. Many marketers have therefore inferred a convergence of consumption patterns, particularly for younger consumers: cross-border music channels and global communications (just to mention a few reasons) have formed and encouraged similar values regardless of the younger consumers’ country of origin (De Mooij 2003). Younger consumers are the major audience of movies and the main target group for product placements in movies. But are younger consumers’ perceptions, beliefs, and attitudes with respect to such promotion practices converging in the same way as their consumption patterns and tastes? The answer to this question is not only a substantial issue but has important consequences: if placements are created on the assumption of converging attitudes, while the attitudes in fact remain divergent, then many global promotion strategies will fail. This leads to the first research question.

**RQ1:** Is product placement acceptability generalizable over different cultures?
The Impact of Product Type on Cross-cultural Product Placement Acceptability

Several advertised products have been consistently suggested as being “controversial” leading to less acceptance than neutral products (Waller et al. 2005). Fam and Waller (2003) have shown that the degree and reasons for taking offence at such products varied in each of the four countries in their study. Whether such cross-cultural differences are transferable to the acceptance of product placements remains an open question as consumers seem to prefer less obtrusive product placements over traditional commercials (Nebenzahl and Secunda 1993; Karrh 1998).

RQ2: Is product placement acceptability of different products (in terms of ethicality of products) generalizable over culture?

The Impact of Gender on Cross-cultural Product Placement Acceptability

Age and gender are demographic factors that have been proven to influence ethical perceptions (e.g., Kohlberg 1984; White 1999). As the target audience of movie theaters is rather homogenous in terms of age (Karrh 1998), gender seems a more useful factor to look at. Several business and marketing studies have examined the ethical orientation of men and women. White (1999) suggested that men and women progress at different rates in terms of moral development. Indeed, some studies proved that women have different ethical perceptions in business matters (Peterson et al. 1991; Burkowski and Ugras 1998), are more ethically sensitive (Chonko and Hunt 1985), or have higher ethical standards (Dawson 1992). However, other studies have shown that there are no differences between men and women (Hegarty and Sims 1978; Singhapakdi and Vitell 1991). A study by Fritzche (1988) found women to be somewhat more ethical than men but only regarding certain practices. In summary, it is not clear if gender brings about differences regarding ethical perceptions on product placements in movies across cultures.

RQ3: Is gender related product placement acceptability generalizable over culture?

The Impact of Time on Cross-cultural Product Placement Acceptability

As mentioned above, culture describes the common values of a group of human beings which permeates their attitudes and guides their behavior. Those values are stable, yet flexible over time; otherwise, social change would not occur. Changes of values and the environment are apparently interrelated. Dramatic and fast changes (such as the global warming phenomena) may alter cultural values more rapidly and dramatically than slow and marginal developments. The field of product placement has developed quite rapidly in recent years (Karrh et al. 2003) and therefore ethical perceptions may have changed rather fast as well. When comparing data from various countries that have been collected at several points in time, differences may not necessarily be due to cultural variations but to temporal changes.

RQ4: What is the influence of time versus culture, i.e., is differentiation or generalization of product placement acceptability due to time or due to culture?

Applying Generalizability Theory to Cross-cultural Studies

Empirical generalizations are fundamental elements of the progress of scientific knowledge (Rossiter 2001, 2002). Replications and meta-analyses are common methods in order to develop empirical generalizations. A related yet distinct concept is provided by generalizability theory (G theory) that tries to assess how one can generalize the data collected towards a “larger universe” of observations (Rentz 1987). G theory has been developed in order to assess the generalizability of measures. In contrast to classical test theory, G theory recognizes multiple sources of error and their weight can be estimated. In most applications, the first source of error is the subject. As we usually expect a good measure to provide variance of the results of different subjects, the variation is expected to be high. Therefore, this source is called the facet of differentiation (i.e., strictly speaking it is not a source of “error”). Further sources of error such as items of multi-item scales, time of measurement, and the interaction between those factors, however, are expected to show low variance. These are facets over which one wants to generalize and therefore they are called facets of generalization. G theory allows estimating the contribution of the variance of each facet; those results provide information on the degree of generalization or differentiation of each facet. Furthermore, the facets are to be determined by the researcher and can be altered. In our example, one may assume that countries are the facet of generalization and suggest that cross-cultural variation of product placement acceptability is low while other facets (such as products) can show high variation. A distinct view of a G study would be to select products as facet of
generalization and to test the variation of product placement acceptance over different products.

The flexibility of G theory allows investigating the generalizability of measures over a variety of aspects, although the classical approach of generalizing measures over items and dimensions predominates and examples for cross-cultural or stimulus-centered studies (e.g., using advertisements instead of individuals as facet of differentiation) are scarce. We are only aware of two studies (Sharma and Weathers 2003; Durvasula et al. 2006) that investigated cross-cultural differences of measures using G theory by focusing on items and dimensions. This study extends the work of those authors by demonstrating the usefulness of G theory in cross-cultural studies with (promotional) stimulus centered measures. Muncy and Gomes (1992) have argued that classical test theory may be appropriate for marketing communication studies that differentiate people while G theory is the superior approach for studies that differentiate promotional stimuli (such as product placements) as G theory takes into account altering sources of variation. As we are interested in the generalizability of the acceptance of product placements of different products over countries, the study does not consider individuals as source of variance. Furthermore, the data for this study are based on single-item measures of the acceptance of product placements for each product. Therefore, the items are not assumed to contribute to the variation of the results.

Some Relevant Principles of G Theory

Because the technique of G theory has been presented in detail elsewhere (e.g., Shavelson and Webb 1991; Brennan 2001), an in-depth discussion is not provided here. However, since the assessment of generalizability in this study depends on whether facets are treated as random or fixed and designs are nested or not, and as the study wants to provide generalizable results in terms of generalizability coefficients, a quick discussion of those concepts is provided in the following.

Assuming that we want to apply G theory to the facets country, product, and gender, we can treat the study as a three-factor mixed ANOVA design with the following sources of variability: countries (C), products (P), and gender nested within countries (G:C), countries by products interaction (C x P) and gender-within-country by product interaction (G:C x P). While countries and products are fully crossed (i.e., each product is evaluated in each country), gender is nested within countries as the evaluations of each gender are available for each country but not across countries. Furthermore, the last source of variability is confounded with the (G:C) x P x C three-way interaction and the error term as there is only one observation per cell. Also gender-within-countries (G:C) is confounded with the variation due to the interaction (G:C) x C. Those variance components can easily be estimated with common statistical packages (PROC VARCOMP in SAS or the variance component procedure in SPSS).

G theory assumes that all conditions within each facet are selected at random; otherwise, the concept of generalization is not appropriate. Apparently, gender and the ethicality of products are not random factors but fixed and cannot be considered as a source of variation in an ANOVA design. Cardinet et al. (1981) have suggested to treat such factors as random and include them in an n-facet design first. Then, the factor should be treated as fixed and separate analyses for each condition (level) of the factor (female vs. male; ethical charged/controversial vs. neutral products) in an n-1-facet design should be performed. By this, differences between both designs can be compared. The source of variation for each gender or ethical charged/controversial vs. neutral products are: country (C), products (P), and a country-by-products interaction (C x P), which is confounded with the error.

The extent to which scores of a facet of differentiation can be generalized over the facet of generalization is given by the generalizability coefficient. The coefficient puts in relation the variance due to the facet of generalization to the sum of this variance plus the variance due to error (relative error) or the variance due to the facet of generalization and due to error (absolute error). The relative error is appropriate when a relative interpretation of the scores is made, and the absolute error is appropriate when scores are interpreted in an absolute sense. Most marketing decisions rely on relative errors (Rentz 1987). For the purpose of our study, the absolute coefficient is provided since we try to show how the products are evaluated on the product placement acceptability scale in absolute values. Provided countries (C) are chosen as facet of generalization and products (P) as facet of differentiation, the generalizability coefficient based on relative error (Ep) and on absolute error (Φ) is calculated as follows:

\[
(1) \quad Ep = \frac{\sigma_p^2}{\sigma_p^2 + (\frac{\sigma_{error}^2}{k})} \quad \text{and} \quad \Phi = \frac{\sigma_p^2}{\sigma_p^2 + (\frac{\sigma_{error}^2}{k})}
\]

If we want to compute a universe score for a generalizable result, e.g., the product placement acceptability score of a particular country (C1), the following
regression equation can be applied (Cronbach et al. 1972, p. 106):

\[ \mu_{c1} = \mu + \Phi(X_{cp} - \mu) \]

where \( X_{cp} \) is the observed mean for a particular country over all products, \( \mu \) is the grand mean of the sample over all products, and \( \Phi \) is the related generalizability coefficient. If the generalizability coefficients indicate high generalizability, a universe score provides an absolute value of product placement acceptability that is generalizable over all facets of generalization of the study.

Method

Gupta and Gould (1997) have proposed an approach to measure consumers’ acceptance and ethical concerns regarding product placements in movies. Their study has been replicated in the following years by themselves and other researchers who applied the same questionnaire to consumers in seven different countries. Those countries are: the USA, France, Austria (Gould et al. 2000), Australia (Brennan et al. 2004), China (McKechnie and Zhou 2003), Germany and Bulgaria (Mouskourova et al. 2006).

The questionnaire in those studies covers questions at a global level (i.e., not specifically for any particular movie) on the ethicality of product placements for thirteen products. Respondents have to evaluate those product placements featured in movies on 3-point acceptance scales (1=unacceptable, 2=indifferent, 3=acceptable). Although the scale is very simplistic, it has the advantage that the item is easily understood in different cultures. Gupta and Gould (1997) further argue for the three-item scale by referring to previous research that indicates in evaluating objects people tend to think in bounded terms such as “acceptable” or “not acceptable” (Givon and Shapira 1984).

The thirteen products were chosen by Gupta and Gould (1997) because they have already been used in product placements at that time. The products fit into two categories, ethically charged/controversial and neutral products. Ethically charged products are “products which arouse ethical concerns and differences across consumers regarding their marketing and consumption” (Gupta and Gould 1997, p. 38). Three products were determined as ethically charged products based on the controversies in the popular press: guns, cigarettes, and alcohol. Also past studies have classified those products as “controversial” (Waller et al. 2005). Ten other products were classified by the authors as neutral products (soft drinks, fatty foods, healthy consumer products, candies/snacks, sunglasses, cameras, stereo equipment, surfing equipment, cars, and racing cars). The last three of the neutral products have been altered by authors of two replication studies, as the use of those products is less common in the countries where those studies have been made. Mouskourova et al. (2006) used sport shoes instead of surfing equipment in their study of Bulgarian and German consumers. McKechnie and Zhou (2003) used sports equipment instead of surfing equipment, racing bicycles instead of racing cars, and mobile phones instead of cars in their study of Chinese consumers.

Furthermore, all studies provide data for the influence of gender. Table 1 gives an overview of the nature of the samples in those studies. The student samples are fairly comparable when it comes to age and gender. Only the sample by Mouskourova et al. (2006) included some non-students and the sample is slightly older, although the consumers are still younger than the population average and represent typical movie goers.

Results

The columns to the left in Table 2 show the computation of the variance components for a product by country-design where ethicality is nested within products and is treated as random factor. The results correspond to a one-facet crossed design of country by products, which are both assumed to be random factors. MINQ (minimum nor quadratic) unbiased estimators were used as they have more desirable characteristics for small samples than ANOVA methods that can produce negative variance estimates (Rao 1972).

Apparently, products contribute most to the variance of the acceptance of product placements. The variance component of products is five times higher than the variance of countries. Indeed, the generalizability coefficients for the facet “country” are above the suggested value of .9 \((\text{Ep}^2=.984, \phi=.956)\) which supports cross-cultural generalizability. The results remain stable when dropping the three products that have been altered in some previous studies. The answer to research question 1 is that product placement acceptability is generalizable over different cultures.

At the same time, the results suggest that product placement acceptability is not generalizable over different products. In order to investigate the impact of product type, separate analyses of one-facet crossed designs for neutral and ethical charged/controversial products are performed, i.e., ethicality is treated as fixed factor. The results are shown in the right col-
Table 1
Nature of the Sample of Respondents in Previous Studies

<table>
<thead>
<tr>
<th>Study</th>
<th>Country</th>
<th>Sample Size</th>
<th>Gender (% of Females)</th>
<th>Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gould et al. 2000</td>
<td>USA</td>
<td>1012</td>
<td>50.9</td>
<td>89.1% are 25 years or younger</td>
</tr>
<tr>
<td></td>
<td>France</td>
<td>204</td>
<td>48.5</td>
<td>99.5% are 25 years or younger</td>
</tr>
<tr>
<td></td>
<td>Austria</td>
<td>240</td>
<td>47.9</td>
<td>75.8% are 25 years or younger</td>
</tr>
<tr>
<td>McKechnie and Zhou 2003</td>
<td>China</td>
<td>107</td>
<td>51.2</td>
<td>89.1% between 18 and 25 years</td>
</tr>
<tr>
<td>Brennan et al. 2004</td>
<td>Germany</td>
<td>106</td>
<td>54.0</td>
<td>61.0% between 16 and 29 years</td>
</tr>
<tr>
<td>Mouskourova et al. 2006</td>
<td>Bugaria</td>
<td>105</td>
<td>54.0</td>
<td>66.0% between 16 and 29 years</td>
</tr>
</tbody>
</table>

Table 2
Estimates of Variance Components for (E:P) x C Design and C x P Design with Ethicality as a Fixed Factor

<table>
<thead>
<tr>
<th>Source of Variation</th>
<th>Ethical charged/controversial</th>
<th>Ethicality as Random Factor</th>
<th>Ethicality as Fixed Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Source of Variation</td>
<td>Variance Component</td>
<td>Percent</td>
<td>Variance Component</td>
</tr>
<tr>
<td>Country (C)</td>
<td>.028</td>
<td>15.05</td>
<td>.020</td>
</tr>
<tr>
<td>Ethicality:Products (E:P)</td>
<td>.141</td>
<td>75.81</td>
<td>.050</td>
</tr>
<tr>
<td>(E:P) x C, error</td>
<td>.017</td>
<td>9.14</td>
<td>C x P, error</td>
</tr>
<tr>
<td>Total</td>
<td>.186</td>
<td></td>
<td>Total</td>
</tr>
<tr>
<td>Ethpc2 (C)</td>
<td>.946</td>
<td></td>
<td>Ethpc2 (C)</td>
</tr>
<tr>
<td>Phi (C)</td>
<td>.897</td>
<td></td>
<td>Phi (C)</td>
</tr>
</tbody>
</table>

The results in Table 3 indicate very stable results when comparing females with males. Gender contributes only slightly to the overall variance. Products seem to contribute more to the variance for females than for males; however, the variance components of products reveal no significant difference between gender. The answer to research question 2 qualifies the answer to the first research question: while the acceptance of ethical charged/controversial products is generalizable over countries, the acceptance of neutral products is not.

The generalizability coefficients drop below the acceptance level when we try to generalize product placement acceptability of neutral products (without “fatty products”) over countries (Epc2=.840, Phi=.606). The answer to research question 3 can be answered as follows: gender-related product placement acceptability is generalizable over countries.
Table 3

Estimates of Variance Components for (G:C) x P Design and C x P Design with Gender as a Fixed Factor

<table>
<thead>
<tr>
<th>Source of Variation</th>
<th>(G:C) x P</th>
<th>C x P</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Variance Component</td>
<td>Percent</td>
</tr>
<tr>
<td>Country (C)</td>
<td>.028</td>
<td>14.14</td>
</tr>
<tr>
<td>Products (P)</td>
<td>.140</td>
<td>70.71</td>
</tr>
<tr>
<td>Gender x Country (G:C)</td>
<td>.006</td>
<td>3.03</td>
</tr>
<tr>
<td>C x P</td>
<td>.010</td>
<td>5.05</td>
</tr>
<tr>
<td>Gender x Country x Products (G:C) x P, error</td>
<td>.014</td>
<td>7.07</td>
</tr>
<tr>
<td>Total</td>
<td>.198</td>
<td></td>
</tr>
</tbody>
</table>

The results above have shown that there is a need to differentiate between cross-cultural product placement acceptability of ethical charged/controversial and neutral products. In a second step, we investigate whether the differentiation holds for females and males by performing the analysis reported in Table 2 separately for females and males. The results in Table 4 support the above pattern when looking at each gender separately. When dropping the products that have been altered, the results remain stable. They change, however, after additionally dropping the product “fatty foods” from the group of neutral products. The variance component of country for neutral products increases to over 59% for females and to over 65% for males, while the generalizability coefficients of countries worsen (Ep^2=.789 and Ф=.533 for females; Ep^2=.840 and Ф=.548 for males). The variance components of countries differ significantly between neutral and ethical charged/controversial products (for females: chi-square=10.402, df=1, p<.001; for males: chi-square=5.862, df=1, p=.015). Hence, the conclusion of the cross-cultural generalizability of product placement acceptability of ethical charged/controversial products remains stable when considering women and men separately as does the need to differentiate product placement acceptability of neutral products between countries.

Research question 4 asks if cross-cultural acceptance of product placements in movies is confounded by acceptability changes over time. The variance compo-
nents shown in Table 5 reveal comparable results for (2) a country by product-design and (1) a time by product-design (where time is measured by the year of publication of the study). As data from different countries are collected in different years, the overall effect can be influenced by both factors simultaneously. In order to disentangle the effect of time and culture, the results from (2) data over all countries and all years are compared with results from (3) data from three countries that are collected in 2000, (4) data from two countries that are collected in 2006, and (5) data of the five countries that are collected in either 2000 or 2006. The findings show that cultural differences are negligible when considering data from the same year ([3] and [4]). However, when taking the group of countries with the oldest data from 2000 and newest data from 2006 together (5), the variance component of countries increases and is bigger than in the group of all countries together (2). The results support cross-cultural generalization of product-placement acceptability but not a generalization over time. Research question 4 can be answered as follows: generalization of product placement acceptability is due to cultural differences but not due to temporal changes.

The universe score for the generalizable scores of the group of ethically charged/controversial products is 1.938 which is close to the answer “indifferent.” For neutral products, the universe score is 2.640. However, the lack of cross-cultural generalizability requires a differentiation between countries, resulting in the following observed means: 2.872 for USA, 2.821 for France, 2.778 for Austria, 2.456 for Australia, 2.554 for China, 2.481 for Germany, and 2.533 for Bulgaria. Despite the variance of those scores, the overall result shows that product placement acceptance for neutral products is rather high and almost in all countries closer to the answer “acceptable” than to the answer “indifferent.”

**Discussion**

The empirical generalization using G theory in this study shows that acceptance of product placements in movies is generalizable over different cultures when it comes to ethically charged/controversial products. However, the results do not support a cross-cultural generalizability of neutral products. The results qualify the assumptions of previous studies that have suggested general cross-cultural differences of product placement acceptability. Furthermore, the results of the present study are stable and generalizable over both genders. The cross-cultural results are not confounded by temporal changes, although the results show that product placement acceptability has changed over time.

The universe score further shows that product placement acceptability of ethically charged/controversial products can be described as “indifferent,” i.e., on average consumers perceive those placements neither as acceptable nor as totally unacceptable. The result is generalizable over all countries. For neutral products, the scores have to be differentiated. The scores show that the overall acceptance of product placements of neutral products is rather high in all countries with the highest scores in the U.S. and France and the lowest scores in Australia and Germany.

**Implications for Research and Practice**

The results have some theoretical, methodological and substantial implications for cross-cultural research and product placement research.
First, convergence and divergence is an important issue in cross-cultural consumer behavior research. There is evidence for both diverging and converging consumption patterns (De Mooij 2003). The results of this study show that both phenomena occur in the case of the acceptability of product placements across different cultures. Cross-cultural acceptance is convergent for ethically charged/controversial products, but divergent for neutral products. The results are in line with the observation that both cross-cultural convergence and divergence of consumption patterns exist. The results further suggest that the line between both phenomena depends on ethical concerns. Apparently, people from different cultures have a common sense when it comes to unacceptable marketing strategies, but they tend to differ in their attitudes and perceptions towards the “unproblematic” marketing activities. Further research is needed to investigate this assumption, for instance, by cross-cultural comparisons of other critical marketing applications such as overpriced products, deceptive advertising, etc. Such results provide insights for marketing practitioners on the appropriateness of cross-cultural standardization or differentiation of communication and promotion strategies.

Second, conclusions on cross-cultural differences that are based on comparisons of only two countries can be misleading. Considering a broader basis of countries and using G theory that takes into account several variance components jointly leads to more appropriate results for cross-cultural comparisons. Above all, the measures provided by G theory can lead to conclusions on overall generalizability, i.e., the generalizability coefficients show that we can generalize the results related to ethically charged/controversial products over all countries, not just the ones used in the particular study. By this, G theory has a clear advantage over the use of ANOVA as it provides a concrete number of the degree of generalizability.

Third, G theory provides a promising approach in order to investigate (promotional) stimulus-centered measures in a cross-cultural context. Stimulus-centered measures are of particular importance in studies dealing with communication stimuli such as advertisements or product placements (Muncy and Gomes 1992). If those measures are based on an average value rather than on multiple scores from different items, a G study can be applied even without the most common criteria of variance sources (items, dimensions) in order to test more substantial variance components such as stimuli (here: placements for varying products) and culture.

Fourth, product placement—though an international phenomenon—should be understood as an issue where culture plays a role. So far, the research which is predominated by studies conducted in the U.S. has to be questioned with respect to cross-cultural generalizability, at least when it comes to studies that deal with the acceptance and evaluation of “neutral” products. In a broader sense, the study supports the need for more cross-cultural comparisons of results in order to evaluate the generalizability of scholarly research. The concrete results, however, give some interesting information on the acceptance of product placements. The universe score for ethically charged/controversial products may be surprising as it shows that consumers are on average rather indifferent towards placements of alcohol, cigarettes and guns. Furthermore, the acceptance of placements for other products is rather high. Apparently, consumers’ opinions and perceptions are not perfectly in line with the strong criticism and opposition by consumer activists and consumer policy makers towards product placements. They should make consumers aware of their own concerns about product placements in order to influence the overall high acceptance of a marketing tool they are opposed to.

Fifth, general attitudes towards product placements are an important determinant of the effects of product placements (Balasubramanian et al. 2006). The results, therefore, lead to some important considerations for marketing practitioners as well. While product placements for controversial products may be a risky promotional activity in terms of effectiveness, placing neutral products in movies seems to be unproblematic as there is a broad acceptability. However, cultural peculiarities have to be considered in that case. Interestingly, Fam and Waller (2003) found that advertising effects for controversial products can vary from country to country and have therefore reminded international marketers to take care of cultural values and practices. The results of this study show a different picture for product placements in movies as there is a cross-cultural convergence of attitudes when it comes to placements of controversial products. This may be due to the fact that movie goers are less cultural diverse than the general audience of advertising and that the overall degree of non-acceptance of controversial products in placements is much higher than in the advertising study, allowing for less variance over different cultures.

Finally, product placements have been identified as effective promotional tool since they have an impact even if consumers do not recognize the placements in movies (Russell 2002). Such unconscious processes stress the ethical dimension of product placements. Although the overall acceptability seems rather high,
placements of controversial products are less accepted than those of neutral products. Hence, marketers can either ignore the results by relying on the fact that placements may not be recognized or they may take consumers’ concerns into account and refrain from using placements of controversial products. In the long run, the first option seems a risky one given the fact that policy makers may regulate such practices in the future. For instance, the EU considers passing a law that requires movie makers to announce product placements at the beginning of the movie. Consumers who become aware of product placements in movies may develop a critical overall attitude towards placements and an unfavorable attitude in particular towards controversial products that are placed in movies.

**Limitations**

Although the concept of G theory provides generalizability beyond the random sample of countries and products—which has been mentioned as major limitation in previous studies (e.g., Gupta and Gould 1997)—the study meets some other limitations. Most of them are due to the particularities of previous studies included in this generalization study. Those studies applied a three-point acceptability measure for reasons of comparability. Although there are certain advantages of such a measure in terms of understandability, a scale with more points would have provided better analytical results. Furthermore, the samples in previous studies were mainly younger consumers as they are typical movie goers. Although older movie goers are the minority in the audience, a total exclusion of older movie goers puts some further restrictions to the results. Asking people questions that refer to all movies turns out to be another limitation as it neglects a “country-of-origin” effect of the product placement medium which is in most cases a Hollywood-movie. The general acceptance of Hollywood movies (as compared to the movie industry of countries outside the U.S.), however, may vary from country to country as well.

Basically, the limitation that always exists in G studies is the fact that some sources of variance have not been investigated. For instance, occasion (i.e., context of measurement) has been identified as a major source of variance in previous G studies (Brennan 2001). Further research should investigate whether such other sources account for additional variance. Furthermore, the countries and products are very heterogeneous which enhances the credibility of the variance of the measures although the sample size of the study is rather small. Still, a bigger sample would provide more precise estimates of variance components.

**References**


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