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Research Article

Exploring Practitioners' Views on Product Placement: What can Taiwan Learn from the West

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Abstract

To improve Taiwan's media production quality, especially in placement marketing practices, this study explores Western practices and regulations to find what Taiwan can learn from the West. The study first gathered, reviewed, and analyzed past placement marketing studies and literature from Europe and the United States, then conducted in-depth interviews with a scholar who reviews placement marketing violation cases for Taiwan's competent authority (NCC) and American media professionals who had first-hand experience with placement marketing practices. The interviews revealed how Americans had executed the placements at various levels during the entire production process, from preproduction to postproduction; it also informed that their placement practice is natural and subtle creatively and how Americans combine product placements in the content with on-screen graphic overlays to gather consumer data. The study also exposed a curiously interesting product placement phenomenon with Taiwanese news media and how they get away with the current laws and regulations.

Keywords: product placement, marketing practice, practitioners, regulation, Taiwan

1.   Introduction

The Western world has been practicing product placements in movies and television programs for a long time, such as the fight scene in the first *"Superman"* in 1978, and all the *James Bond* series are

filled with product placements. Product placements are also known as "embedded advertising," where a feature or often a product or service logo would appear in a line of spoken script or a scene, embedded as a background part of the story. Many studies indicate that product placement is a thriving practice and growing as a viable alternative to traditional advertising (Al-Kadi, 2013). The practice of product placement has grown exponentially over that of traditional advertising (PQ Media, 2022). Craig-Leeds *et al.* (2008) stated that "unless regulation severely curtails its growth, product placement in all its forms is certain to become an important mainstream element in marketing communications management" (p. 536).

Compared to the European or US market, the scope of Taiwanese product placement industries appears to be smaller and differently regulated than its counterparts. In Taiwan, the research on product placement is majorly focused on consumer attitudes and effects measurement. The practitioner's viewpoint on product placement is generally not studied sufficiently (Gistri & Corciolani, 2020). This study, therefore, makes a hypothesis that Taiwanese placement marketing practitioners should learn from Western content production, understand their culture, why they do what they do, and, most importantly, how they do it without affecting the audience's rights to content enjoyment, and at the same time not damaging the sponsored brand, or encourage better attitudes towards it.

Recent research on the perception and interpretation of product placements across different cultures is relatively limited (Chan, 2017 et al.). Specifically, very little research on practitioners' views of product placement has been focused on Asian markets. Hence, to fill the literature gap, this study explores what Taiwan can learn from the West regarding product placement. The aim is to provide Taiwanese and extended to other countries' academics and marketers with realistic insights into product placement's potential and limitations. Furthermore, our results might help interested international companies practice their global brand placement and update their marketing knowledge with the context in Taiwan.

2. Literature Review

2.1 Practitioners' Perspectives on Product Placement

Product placement is defined by Balasubramanian (1994) as a paid product message aimed at persuading audiences through the planned inclusion of a branded product into a film or television program. Russell (1998) distinguishes among three types of product placement: screen placement, which contains a visual component, such as a brand logo in the background of a scene; script placement with an audio component, such as mentioning the brand name; and plot placement or connection to the plot, for example, a brand car in *James Bond* films. Guo et al. (2019) recently proposed three common characteristics that can be summarized according to previous definitions of product placement, including planned and deliberate integration, the ability to deliver an intention to persuade unobtrusively, and purposeful integration for money or other valuable assets.

The previous product placement studies have been examined from three scopes: the content, the consumers, and the practitioners. According to Gistri and Corciolani (2020), research on product placement practitioners can be grouped into industry-focused studies and practitioners' ideas and practice studies. Industry-focused studies mainly examine how product placement deals have been arranged in a specific context, describing the involved actors, their roles, and the relationships among them. On the other hand, practitioners' practice studies investigate practitioners' attitudes and ideas regarding product placement practices.

Chang et al. (2009) proposed three models for how practitioners participate in the process through which products are inserted in films and television programs: serendipitous, opportunistic, and planned placements. Serendipitous placements are primarily used to fill screen space irrelevant to a script; marketing partners generally initiate opportunistic placements that review scripts and suggest potential placement opportunities to clients; and planned placements occur whenever a

corporate brand is significantly incorporated into a script.

Concerning obstacles to the development of the product placement industry, Craig-Lees et al. (2008) found three themes emerged from practitioners' ideas: (1) frustration with the different ideas placed on the value of product placement among advertising agencies and media agencies, (2) media agencies tend to place value on placement as seconds on screen, and (3) keeping a balance between program content and overexposure to commercial products.

Practitioner-focused research aims to explore professionals' expertise and perspectives and contribute to the divide between academics and industries. Given this, understanding these fundamental actors' updated views related to the practice of product placement is essential. However, the practice in which professionals outside the US execute product placement has hardly been examined thus far (Gistri & Corciolani, 2020).

2.2 Current Status of Product Placement

Product placements started significant research attention in 1993, have flourished since 2004, and are still gaining importance these days (Guo et al., 2019). A system review of the product placement literature showed that three specific directions were identified in previous research: in movies and television programs, in-game placements, and advertising disclosures (Guo et al., 2019). Advertising disclosures are an emerging research area focusing on the effectiveness of product placement disclosures in response to viewers' ethical concerns. These directions present a general understanding of the current status of product placement. With the growing importance of sophisticated technology, for example, new games related to virtual reality and augmented reality platforms are developing to engage more targeted audiences (Sharma & Bumb, 2022). Wang and Chen (2019) compared the effects of prominence, dialogic engagement, and perceived control of virtual reality on the effectiveness of product placement. They suggested that product placement in virtual reality videos resembles that of interactive media and found that prominence moderated the effect of dialogic engagement on brand recall.

On the other hand, the impact of product placement is now gradually shifting to other forms of entertainment sources, such as social media and influencer marketing. A study compared the effects of luxury product placement posted by influencers as opposed to product placement on Instagram posted by the luxury brand itself. The results of this study showed that the associated brand's credibility plays a significant role in forming the perceived credibility of the influencers as well (Jin & Muqaddam, 2019).

2.3 Regulations of Product Placement

Product placement policies vary across countries. In the U.S., the Federal Communications Commission (FCC) has been regulating undisclosed commercial messages since 1927, and broadcasters must identify the sponsor at the time of the broadcast. Placement marketing has been around since the 1980s, when "a 'marketplace' philosophy was adopted, which exempted broadcasters from [content obligations], reflecting the belief that market forces best serve the public interest" (Schejter, 2006, p. 98). In this manner, broadcasting regulation promises commercial speech protection, usually mentioning the sponsor's name on program credits (Kuhn *et al.*, 2010). With media digitalization happening since the 90s, placement marketing has gradually evolved from its subtle existence to a massive world of advertisements today.

According to Balasubramanian (1994), the regulatory provisions for product placements in the U.S. vary from being scarce to absent. Film product placements are not regulated (Ong, 2004). In contrast, broadcast/cablecast media must comply with the Communications Act (Cain, 2011). Under Section 317 of the Communications Act of 1934, as amended, 47 U.S.C. § 317, the FCC's regulations require broadcasters to disclose whether matters are aired in exchange for money, services, or other valuable considerations to their audiences. Furthermore, the FCC adopted a rule, 47 C.F.R. § 73.1212,

which declares the responsibilities of broadcasters to identify such sponsors when airing the program (FCC Requirements, n.d.).

While some countries have more liberal attitudes toward product placements, such as the U.S., others have rigorous ones. Compared to the U.S., Europe, and the U.K. are more scrupulous in their product placement regulation. In 1989, The Television without Frontiers (TVwF) Directive was the first framework of standard rules established for the European Union's television broadcasts. In 2010, the TVwF directive amendments were incorporated into a single text. They became the Audiovisual Media Services Directive (AVMSD), which is now the cornerstone of media regulation in the E.U. (Katsarova, 2019, p.2).

Esser (2009) emphasized that public-service ideology influenced European television development, intending to protect democracy and benefit society. The E.U. media regulation became concerned about the threat of American consumerism and sought to adequately forewarn audiences of the promotional content of the broadcast program. Furthermore, product placement must always be editorially justified in the E.U. and the U.K. For example, tobacco and tobacco-related products are all banned. Unlike European laws, U.S. policies allow the placement of tobacco and alcohol. The E.U. also enacted requirements to signal the presence of a paid placement in a program, especially in children's programs (De Pauw et al., 2018).

However, Gibson and Smithers (2006) argued that these restrictions, such as those in the U.K., are unlikely to have any influence on children's exposure to product placement because 70% of children's viewing takes place during adult programs rather than in the children's program covered by restrictions noted above. On the other hand, Eagle and Dahl (2018) pointed out that these restrictions do not extend to other platforms such as video and online games, nor do they consider social media such as Facebook and YouTube.

In Taiwan, the National Communications Commission (NCC) published "Regulations for the Distinction between Television Programs and Advertisements, Product Placement Marketing, and Sponsorships" in 2019. The regulations strongly prohibit selling, promoting, or psychologically influencing the audience to make purchase decisions within a television program and make a clear distinction between program advertising and placement marketing. They also further defined that placement marketing is presented according to the content's needs, blended within the story, presented naturally, and is legal. Most importantly, they prohibited placement marketing within the news and children's programs and forbade products and services of cigarettes, alcohol, cross-border matchmaking, and prescription drugs.

Research on the views of Western practitioners in Taiwan's academic and media industry is limited. However, practitioner-focused research is most relevant to this research, particularly on practitioners' concerns and skills, further bridging the gap between academics and practitioners and directing future studies. Therefore, this study intends to contribute to the existing literature by examining the views of Western practitioners. Based on the literature, three research questions serve as a guide for analyzing this study:

– What marketing strategy of product placement can Taiwan learn from Western practitioners?
– What creative content can Taiwan learn from Western practitioners?
– What obstacles are facing Taiwan in the product placement industry?

3. Method

3.1 Data Collection

This study involved two phases. First, secondary data, including academic literature and legal documents that were made available, were collected. Second, qualitative in-depth interviews were conducted with a Taiwanese scholar and three participants in the product placement industry in the

U.S. Most entertainment products, for example, TV programs and films made in the U.S., are distributed worldwide. The dominance of the U.S. in product placement decision-making and best practices suggests that the U.S. placement practitioners would have considerable global influence (Craig-Lees et al., 2008; Gistri & Corciolani, 2020).

In this project, the three industry participants are considered knowledgeable about product placement and have personally been highly involved. Participants A and B had approximately five years of product placement experience during production and postproduction, respectively. Participant C had about 13 years of experience and was involved in preproduction planning, script analysis, and postproduction implementation. Furthermore, each American participant has more than 20 years of experience in the media industry. During the interviews, each American participant was asked about their experiences with product placement advertising, their concerns about the FCC's sponsorship regulations, if there were any, and their thoughts about embedded advertisements in the U.S. as a consumer. The Taiwanese communication scholar, a placement marketing complaint review committee member in NCC, was interviewed about her experience in reviewing a tremendous amount of product placement cases reported by the citizens of Taiwan.

Specifically, the study is based on the analysis of in-depth interviews with media production professionals working with commercial broadcasters in the U.S. Individual interviews were conducted with each participant, with a duration of half an hour to one hour. A semi-structured interview guide was initiated to help organize the interview while at the same time maintaining a considerable amount of flexibility. The interview was divided into four parts: 1) practitioners' views of advertising and product placement in general, 2) related questions regarding the execution of product placement and previous experiences, 3) regulations concerns, and 4) new platforms and trends in product placement. The interview guide was revised as the interviews progressed, and the order of questions was rearranged based on participants' responses to ensure the interview process ran smoothly.

The corpus consists of three interviews conducted in Taiwan via Google Meet from August 10 to November 12, 2022, and the Taiwanese scholar was interviewed in person on December 23, 2022. Following Munsch's idea (2021), the data collection proceeded like a spiral process, which continued until the research reached a saturation point, with no more new information emerging about the research topic. In the first phase, 2 participants were interviewed, followed by transcribing and coding these interviews. The interviews were taken in 2 phases until data saturation was achieved. The data saturation was confirmed when no new codes emerged.

Echoing Rosenthal's (2016) point of view, generalizability is not the fundamental target of in-depth interviews of this project, but the primary aim is to build a deeper understanding of the meaning behind the practice of product placement, through an appreciation of the practical experiences, views and perceptions of practitioners; thus, smaller samples are more ideal. We believe that we get enough information from the informant to capture the complexity of the practice of product placement fully.

3.2 Data Analysis

In this study, the first author conducted all four interviews. All interviews were recorded and transcribed verbatim for qualitative data analysis. The use of thematic analysis is particularly informative for this research because it identifies and describes core themes across all data. The rationale behind the choice of utilizing this specific analytic technique was that it would be best able to describe the experiences of the practitioners.

An inductive thematic analysis approach was conducted whereby transcripts were read and re-read to develop main themes, notes were continuously made, and the themes were compared and contrasted across the interviewees. The main steps of this study were suggested by Braun and Clarke (2006) as follows: 1) familiarizing the entire data set, 2) generating initial codes, 3) collating codes into potential themes, 4) reviewing themes, and 5) defining and naming themes.

During the first coding process, the transcripts were carefully analyzed, and line-by-line coding was done on which constant comparison methods were used to ensure accuracy in the analysis process. This involved reading all transcripts to identify issues raised by participants, giving each issue a code name, and listing all codes and code definitions in a codebook. In the second-order coding, an effort was made to shift from descriptive codes to interpretive codes to develop broader connections among participants' experiences. These codes were grouped to identify significant themes and were adjusted after each interview.

The unit of analysis majorly focused on descriptions of practical experiences and thoughts of product placement but also perceived causal relationships. Researchers led data interpretations with regular discussions to find the key themes and their meanings. The discussions not only focused on theme-based content analysis of the interviews but also constructed placement practitioners' shared interpretations of the role and process of product placement in their everyday work. We discussed any differences in interpretation and refined themes until the authors agreed. Based on the analysis, three main themes emerged from the data: view on brand marketing strategy, creative consideration, and obstacles facing product placement.

4. Results

4.1 Brand Marketing Strategy

With the growth of digital media and the advancement of content delivery systems over the last three decades, and to compensate for the effects of consumers' growing ability to skip traditional commercials, in the U.S. today, it is rare to consume entertainment content without spotting a brand in the content. As previously mentioned, Chang et al. (2009) categorized product placements into serendipitous, opportunistic, and planned practices. The research found that American practitioners most frequently execute opportunistic and planned product placements. The opportunistic practice involves many facets during content creation and production. One way to practice is to study the script and find placement scenarios during the production planning stage after the script is written and before the production shoot. A practitioner would categorize products based on size, shape, and type, read and visualize the product from within the script, find locations, and analyze what products can go where in the story based on their target audience type.

The practitioner who uses the script to plan for product placement is the key person who presents ideas to stakeholders, coordinates with the production team, and makes the placement a reality. It is likely to require the role of a senior-level creative director or a production director inside an agency who can visualize and present an imaginary demo to carry this out.

[I] would talk to the cinematography team and say, "[The stakeholders] are thinking of adding this product here." And I'd have a whole demo that I'd show them because it won't be there on set. So, you'd have to [visualize for them] how it can be there. (Participant C)

Another way to practice placement is to study the already filmed shots during the post-production stage, looking for a suitable space for implementation.

Maybe it was a space for a billboard that happened to be between two talking heads in a park, and I would add a virtual billboard behind them. [I would] try to make it so it was integral to the scene, not just a background clutter, because then we would get more money for it. (Participant C)

A special software initially designed for sports events is also used to insert branded logos and products into filmed materials. Participant C was involved in developing the software to embed products inside a video or a film clip.

The only thing that it needed was considered a "parallax change." [The software needs] to have some movement in the frame so that [it] could examine the different pixels and figure out the 3D environment. (Participant C)

The practitioner combined advertising text with the 3D product to make it into a 3D object and placed it in the frame. The software would make a reference point based on the parallax move and

the shot's angle. So, the practitioner could have one shot with a parallax move and another with crosscutting shots. Moreover, with the information from the "movement frame," the software would figure out the placement in the 3D environment from the "static frames." The practitioner would compose the environment once, with the back-and-forth movement in the shot, and the software would know the difference to calculate and generate the movement for the placed object.

Depending on the footage, sometimes it may not even need to use the software. Participant C mentioned that the Bruce Willis movie *"Live Free or Die Hard"* had a shot where the camera panned out to show how bad the traffic is; it is a shot that seemed insignificant but turned out to be the money shot.

There is a moving [box] truck,…[with] nothing on the back, so I said (Thumbs up) "PRIME REAL ESTATE!" And you look for the number of seconds in the shot… There were two shots in the director's cut, and it came out to almost five seconds, which is premium costing on it. (Participant C)

Product placement, as aforementioned, is a form of sponsorship. In the U.S., television programs have aired on-screen graphic overlays to conduct viewer surveys about the products in the program content. The purpose is to gather data utilizing the TV top boxes that send the IP information and enhance product placement within a few seconds.

[During the post-production stage,] I would create graphics overlays which may say, "Would you like to try the new 'Writtenbacher White Cheddar Cheese Popcorn?'" and people would use their remote to answer "yes" or "no." And as soon as they press that remote button, that data goes straight to the advertiser. (Participant B)

There are many ways to do product placement. It would require experienced graphic and compositing professionals to do the actual work in post-production or someone in the creative or production team to analyze the script and visualize the possibilities during the pre-production and scripting stage, which is endless.

4.2 Creative Considerations

Chang et al. (2009) proposed that one of the models of how practitioners participate in the process is through planned placements. American practitioners execute planned placement after the script is written and before the production shoot. Using this model for product placement, the production crew would search for appropriate branded props in a scene's background, such as a Mercedes car or a Panasonic TV. However, one of the reasons why product placement was practiced is because the TV channel ran out of commercial slots for sponsors.

We were doing product placement with MTV's programming because there was not enough real estate in the commercial breaks for all the sponsors we were trying to wedge in there. The Coca Pepsis' are really easy to place because they are recognizable brands that would just be randomly sitting on a table. (Participant A)

A product in a scene is completely blended into the story's background, and the script and the camera still focus on the character and the story's development. It is supposed to live in the audience's subconscious. The keyword for a sponsored product in a scene is to be as "natural and subtle" as possible.

When we set up a scene, we would make choices not only by the product's brand [but] sometimes by the product's unique shape. The placement aesthetics are subtle in the background because it is more of a passive advertising plan rather than a prominent one. (Participant A)

For example, one may see the main character in the kitchen drinking from a coffee mug with a Starbucks logo on it while the actor is doing his act; behind him is a Chef Clean dish detergent, a Tatung doll on a shelf, and a Brita water pitcher on the counter. Even though the Chef Clean logo and the Tatung doll are blurry in the background, the Brita logo is blocked by another object. However, it may still be recognizable by the pitcher's shape in the blurry background. The audience may only see ⅓ of the Starbucks logo on the mug because the actor faces another direction, per the storyline requirement. That is good enough to place products as a prop. Because anyone could have a

Starbucks mug in the kitchen, and any of the above-described items could live in the background of anyone's everyday life.

4.3   Obstacles

The third theme to emerge from the data related to obstacles to developing the product placement industry. Despite the numerous product placements in films and programs, when a placement is not planned thoroughly or is unexpected during pre-production, there could be missed opportunities that cannot be done or fixed in post-production. In the case of *"Marley & Me,"* the European advertiser would want a different product brand placed in the scene when the movie got to Europe.

Marley, the dog, opened the [Purina] bag and ripped the bag apart. And for the Europeans, they had [Pedegree, for example]... We were going to "resurface" that bag, and we were very high in the conversations until I said, "Let me go get a box of Purina and a box of Pedegree... and look at the Purina that they shot and the Pedegree." And the food was a completely different shape, color, and everything. So, we wound up talking them out of that contract. But the client would not have been happy if they saw the wrong food on the floor. So, it would have just been better to leave it alone. (Participant C)

Doing product placement digitally in movies using post-production software is more advantageous than planned pre-production placement because the lifespan of products and movies are different. When doing it digitally, branded products can be changed according to film release time, location, and type:

At the time, you had East Coast releases, West Coast releases, Airline releases, Cable releases, Television releases... You had all these different releases now you could increase the runway for your advertising dollars. (Participant C)

The principal of product placement is advertising, which needs to target the receiving audience. If placements were planned during preproduction and the original plan did not include all the release versions, like how it was with *"Marley & Me,"* the scene would be locked and tied down by that one branded product. It cannot be modified for audiences outside the United States. Other benefits of doing placements digitally in post-production have to do with sales:

You didn't have to close your advertising contract before production. You'd just have to know that you would put something in a scene and devise a real estate. So that the something that you put in is not just background noise; it's actually part of the scene. (Participant C)

As Craig-Lees et al. (2008) found, one of the obstacles is different ideas placed on the value of product placement among advertising and media agencies. Participant C expressed that advertising account executives are reluctant to pursue placement marketing opportunities for three reasons. First, with all these digital platforms out there now, they need more time to persuade a prospect to sell a visualized, refined placement advertisement. They would rather sell the traditional 30-second spot:

They felt that the shelf life for the movies gets shorter each year. There are so many revenue streams; there is Netflix, Showtime... Everybody is doing their own thing, and it is on subscription... [Sales] had a very short window, by the time it was in the movies to hit cable, and regular television, with all these other [releases] along the way, between the time that it went from the movie theatre to the time that it went to television, you had the same people selling the 30-second commercial for that spot. (Participant C)

Besides the short time-span allowance, the second reason is when the account executives do not have visualization capabilities:

The people selling the advertising could not wrap their heads around that, and they were so afraid of losing the 30-second spot once these things got to television. There was such a barrier for them to sell it properly. (Participant C)

The studios would want to keep the revenue stream because they have all the production crew and equipment to support. There is much money to be made with product placement. However,

Craig-Lees et al. (2008) found that frustration with the different ideas placed on the value of product placement or the unfair distribution of revenue streams among advertising and media agencies is one of the many obstacles American ad salespeople confront today.

Besides the creative obstacles, Taiwan's placement practitioners face a unique challenge. Like in the West, Taiwan's NCC regulations do not allow news programming to do placement advertising. However, as Taiwan's viewers see, they are everywhere. The most often seen cases are restaurants and eateries being reported on the news and disguised as "news" with the restaurants' names and signs redacted. Nevertheless, NCC cannot do anything about it because there is no evidence of monetary exchange between news channels and advertisers. When this kind of "news" is airing, Taiwanese audiences gather clues, such as locations noted with on-screen graphic labels, the chef's name, and the dish of the day, using their "second screens" (i.e., smartphone or tablet) to find out exactly which restaurants they are reporting (Participant D).

In America, *the Food Network* does all the food-related shows. Taiwan also has special food-related programs, but the audiences know that those are "paid programs"; therefore, those programs lose credibility. Instead, Taiwanese audiences would rather "hunt" for restaurants reported on the news only because the news is more "fair and unbiased" (Participant D).

5. Discussion

This study found that Taiwan's NCC regulations enacted in 2019 are very similar to the E.U.'s AVMSD regulations enacted in 2010, as suggested by Schejter (2006), "the more a country resists commercialism in broadcasting in general, the less inclined it is to legalize product placement in commercial broadcasting" (p.112). The study may suggest that because Taiwan does not have as much capitalist consumerism as the United States, Taiwan's NCC adopted the E.U.'s AVMSD model––a more rigorously enforced model compared to the United States––to regulate placement marketing in Taiwan for the interest to protect the viewers' rights to enjoy audiovisual content.

However, production teams must avoid using the same brand when executing prop placement and postproduction segment sponsorship for better aesthetics. This statement contradicts the aforementioned "sponsorship graphics," as Participant B described in the case of *"Writtenbacher White Cheddar Cheese Popcorn."* As America is a capitalist country focused on consumerism, Europe is more careful in guarding its viewers against American consumerism by having regulations to forewarn its audiences. Since Taiwan has adopted European regulations, Taiwan's NCC may likely frown upon the same logo appearing too many times together––once in the content and once as the graphic overlay in the corner, because this would result in an overly obvious and superfluous visual presentation; just as Craig-Lees et al. (2008) mentioned to keep a balance between program content and overexposure to commercial products.

Taiwan's TV stations, however, can sell popular program segments for sponsorships. At the beginning of a *sponsored segment*, they would show the full-frame sponsor trademark while having a voice-over announcement that says, *"The following segment is brought to you by Sony,"* for example; sometimes, there will be a tagline as well. Once it gets into the sponsored segment, there would be a small static Sony logo in the corner of the screen, and it would stay there for the whole segment until the bumper comes in and goes into a commercial break; often, the first commercial would be the sponsor's commercial. The graphic overlay logo must be at the smallest readable size by the audience and not disturb their consuming experience; therefore, it must not be animated. If it animates, the audience's eye would continuously look at that corner, and it becomes a visually disturbing experience.

The key to segment sponsorship is its rarity. For instance, if a half-hour program has three segments, the channel only allows the middle segment to get sponsorship. The study recommends having only one sponsor per segment and up to two sponsors within one hour. This strategy ensures that it does not disturb the consuming experience for the viewers. "Rarity" is also a good sales pitch for a higher price.
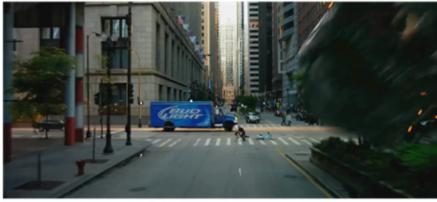
The conversation with Participant C gave the study the understanding that product placement advertising is sold in seconds as its unit, as Craig-Lees *et al.* (2008) found. Five seconds of on-screen time is considered "prime real estate" and would earn top advertising dollars. The statement means product placement scenes go away quickly; one may easily miss them if not paying attention. Furthermore, because the time frame is so short, it is another reason to do product placement digitally, where practitioners can easily control the timeline and insert the product with the 3D composite tools provided by the specialized software.

Counting product placement using seconds as a unit is merely a quantitative measurement. The benefit of such a measurement method is the ease of business negotiation and communication. However, most non-practitioners may need to pay more attention to product placement as an art form. It should be treated and examined with qualitative measures as well.

When Participant C talked about the software using parallax moves to determine the positions and angles of the 3D virtual products, it reminded us of the qualitative traits of the crash scene in the fourth *"Transformers"* series, *"Age of Extinction,"* which featured Bud Light (beer), Blue Cross Blue Shield (BCBS, insurance), and Good Year (tire) brands, as shown in Figure 1 below.

The scene is set up in what looks like Manhattan's financial district, with American flags in the background. As the camera pushes forward while the Bud Light truck crosses the intersection before the collided explosion, it gives the brand premium exposure. Then, you see the spaceship roll and land on a sedan. The shot reveals the BCBS logo in the corner, on the side panel of a phone booth amid flowing smoke. Then, the man who came out of the sedan had to say to Cade Yeager, "You better have insurance!" Then the camera changes angle to look at Yeager with a Good Year truck behind the movie's main character, another premium brand exposure. Two of the featured brands, BCBS and Good Year, are accident-related brands, which ideally suit the crash scene: When a person has a car accident, he or she would need car insurance to pay for car repair, where he or she may need to choose one brand of a tire over another.

"Transformers: Age of Extinction" (Figure 1) was released in 2014, and its product placements are opportunistic, as per Chang *et al.* (2009). The three brands, Bud Light, Good Year, and BCBS, are executed digitally with software that tracks parallax moves because, given the scene's setup, any of these brands could be easily replaced with any other brands of similar products, especially if the movie would be released in other countries. The colors of the featured brands are more vibrant than they naturally should be, making them more visually distinguishable. However, the BCBS logo on the phone booth must be presented behind the smoke to make it look more convincing due to the smoke in the accident environment.

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The crash of the spaceship hitting and exploding of Bug Light truck in a scene where looked like the financial district in lower Manhattan, NYC. American flags are in the background.

Spaceship landing on the sedan with Blue Cross Blue Shield insurance company logo on the phone booth amid smoke.

The "money shot" of Bud Light beer

Man comes out of sedan: "OK sir, you better have insurance!" Yeager turns around looks at Man, Good Year logo on background truck. "Insurance? It's a freakin' spaceship!"

Product placements in a crash scene of *"Transformers: Age of Extinction"* (2014) directed by Michael Bay. Screenshot and markup by first author. Use the short link or scan QR code to watch this clip on YouTube: https://bit.ly/2LX1Bre

Figure 1: Opportunistic Placements "Transformers: Age of Extinction"

As Participant A mentioned earlier, "The Coca Pepsis" or the beverage brands are easy products to place, as anyone at any time would want to have drinks to quench their thirst throughout the day. Comparing today's movies to the '90s, before the software was developed, product placements were done more often as "planned placements" (Chang *et al.*, 2009), as shown in Figure 2 above, featuring 7Up and Dr. Pepper. In the "Forrest Gump" placement case, Dr. Pepper was already part of the original storyline. However, 7Up was there to support the scene's background. Both brands were planned placements where the art directors had to research the historical packaging of the beverages and have those drink props recreated, just like in the 1960s. However, this kind of planned placement would not likely be changed digitally. So, they had to present the products as true to history as possible.

FORREST (V.O.) Now, the real good thing about meeting the President of the United States is the food. They put you in this little room with just about anything you'd want to eat or drink. And since number one, I wasn't hungry, but thirsty...

Forrest begins to guzzle the Dr. Pepper.

FORREST (V.O.) ...and number two, they was free, I musta drank me about fifteen Dr. Peppers.

The beverage placements in *"Forrest Gump"* (1994) directed by Robert Zemeckis, screenplay by Eric Roth. Dr. Pepper was part of the story but 7Up was placed to serve as the scene's backdrop. Screenshot and markup by first author. Use the short link or scan QR code to watch this clip on YouTube: https://bit.ly/40F5wf1

Figure 2: Planned Placements in *"Forrest Gump"* (1994)

Figure 2: Planned Placements in "Forrest Gump" (1994)

In addition to the creative challenges Taiwan faces, news channels doing placement marketing under the table is particularly concerning to Taiwan's NCC because they do not have any advertising sales evidence to prove that the news channel has placement advertising within the news programs. The NCC is currently trying to find a way to prove that the news channels have violated the law. However, do they want to? As there are currently fourteen 24-hour news channels servicing this tiny island, all fiercely compete for eyeballs against each other. Catching them violating the law also cuts off their revenue stream for survival.

The study suggests that the only way to curb the under-the-table placement practice may be to recommend to the authorities to penalize because the content of "restaurant opening" and "fancy foods" is entertainment, not news. The only food-related stories that are newsworthy or should be on the news are food safety issues that would affect the health of Taiwan's citizens. However, if NCC implements such regulations on food or restaurant placement in news programs, it may reduce the revenue stream for the news channel. Even though news channels are best to be independently operated without funding from organizations, especially political parties, government, and military organizations, Taiwan has laws to ensure they do not collect funds from the mentioned entities. Nevertheless, with Taiwan's complex media history, all the mainstream news networks are still politically biased. This phenomenon is also seen in American mainstream news networks.

6. Conclusion

Previous studies showed no regulation for product placements in the United States. However, this study found that the freedom of product placement resulted from the conflicting laws of the FCC sponsorship rules and regulations, Trademarks and Copyright laws, and the Fair Use doctrines. Given the emphasis on consumerism in the American value system, which is a very different culture compared to Taiwan, where people will only buy what they need and spend no more than they have,

this study concludes that in capitalist America, encouragement of consumerism is the driving vehicle of these conflicting laws. The lack of regulatory control is also why there is so much placement advertising in America. Taiwan, therefore, moved forward to look at the European placement marketing-related histories and regulations.

Specific concerns focus on situations where the characters using a brand or a product type (i.e., tobacco and alcohol) portray the product's use as desirable to vulnerable groups such as children and youth (Eagle & Dahl, 2018). Taiwan's NCC should treat such placements by regulating their airing time to later in the evening. However, the internet, YouTube, and video games are beyond what the NCC can control today.

While this study examines Western and Taiwan's product placement regulations, we found that Taiwan has adopted a stringent product placement law like the European model. Nevertheless, too many news channels compete for viewership; therefore, they are doing product placement, perhaps under the table, which no one has any evidence to say or report. At the same time, the news channels know that their audiences would prefer to use their mobile devices to gather disguised information behind redacted images, thinking it is a better method of information consumption. It is a strange phenomenon that results from an unbalanced media structure.

On the other hand, Taiwanese television programs and filmmakers can learn the aesthetics and artistry of natural subtlety in Western placement advertising and from the various American practices––from preproduction planning to postproduction compositing–– analyzing the script, doing preproduction planning, and using 3D tracking software to place brands in the background more subtly. The background elements can also be planned during the preproduction and production stages by communicating with all necessary personnel about the placement plan. For example, a billboard in the background can be digitally inserted or framed by photography during production to achieve desired results.

7.   Limitations and Future Research

This study has certain limitations, primarily related to the qualitative method of this study. While the participants were active players in this industry, only a tiny sample and a limited number of interviews were conducted. In-depth interview work needs to have statistical generalizability. Therefore, a survey is suggested to capture the view of practitioners.

The interviews in the study were conducted solely with U.S. practitioners. Unavoidably, the participant comments have a decidedly American flavor. The current study takes an initial step toward identifying the key factors contributing to product placement success in the U.S.; other countries' views of the use and efficacy of product placement also need to be explored in future studies.

Earlier examples of product placement were more focused on film and television, and product placement is on the rise in other platforms. Therefore, there is also a need to research product placement in video games, VR, and AR platforms. Thus, examining product placement practices in different countries, media, and points in time is essential.

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