Asian Social Science; Vol. 11, No. 15; 2015
ISSN 1911-2017 E-ISSN 1911-2025
Published by Canadian Center of Science and Education

The Effect of Product Placement Advertisement Legalization on Firms' Sales Growth: Evidence in Korea

Chang Seop Rhee[1] & Hyunjung Rhee[2]

[1] School of Business, Sejong University, Seoul, Korea (1st author)

[2] Graduate School of Cinematic Content, Dankook University, Gyeonggi, Korea (Corresponding author)

Correspondence: Hyunjung Rhee, Graduate School of Cinematic Content, Dankook University, Gyeonggi, Korea. Tel: 82-10-8738-7725. E-mail: bonoanimi@gmail.com

Received: January 4, 2015 Accepted: March 1, 2015 Online Published: May 15, 2015

doi:10.5539/ass.v11n15p151 URL: http://dx.doi.org/10.5539/ass.v11n15p151

Abstract

This study investigates the effect of PPL (Product Placement) advertisement in Korea on listed firms' sales growth in an empirical way. Most existing literatures argue that PPL advertisement brings negative impacts on sales of PPL products theoretically. It is difficult to find studies of examining the effect of PPL advertisment to sales growth empirically. Thus, from the listed firms' financial data, this study examines the change on sales pre and post PPL advertisement legalization periods in Korea. Korea is selected for the sample of this study, because Korea provides a good research setting for watching the PPL effectiveness; PPL advertisement has been legislated in Korea since 2010. In the past, the way to advertising through broadcasting was very limited so that some advertisements were illegally prevalent, but the PPL legalization allows that the advertisers more freely expose their products in various ways. For testing the effectiveness of PPL advertisement after the legalization, unique dataset of listed firms in Korea are collected. As a result, this study supports that there is a significantly negative association between PPL advertisement legalization and firms' sales growth rate. This negative association is still robusted when firms increases their advertsiment expenses. This implies customers are possible to receieve a negative impression from direct exposure of PPL advertisement. This result warns about the riskiness of exposing products indiscrimately through media content.

Keywords: advertisement strategy, advertising expense, product placement, PPL, sales growth

1. Introduction

In recent years, Korean media content including TV drama and TV shows has made a cultural boom in overseas countries under the name of "Korean Wave (Chua & Iwabuchi, 2008)." This movement led Korean government supportive interventions on entertainment industry aimed for producing "quality media content" (Kwon & Rhee, 2014). Korean broadcasting industry has likely to be high level of capital dependence on advertisement comparing with major G7 countries (Byun & Lee, 2013). Accordingly, Korean government gradually eases off the restrictions on advertisement, and one of the most representative case is to legalize PPL (Product Placement) in 2010. PPL is an advertising strategy which exposes specific products or brands within the public TV channels. Before the PPL legalization, it is prohibited to expose the products' logos or brands directly on TV screen in Korea. Although actors can wear a genericided brandnew shoes on TV but the logo of the product must be hidden; they usually cover the logo or brand name by carton sealing tape or paper stickers. Nevertheless, the those products have been affected on their sales growth; many of those "unintended PPL" products on TV shows has been usually listed in top ranks on search portal sites after the exposure. This implies that the PPL advetisement method is able to stimultate many TV show viewers' curiosity about the PPL products (Yu, 2003).

The legislation about PPL advertsiment in 2010 makes the brand names display more explicitly in broadcasting media content. Consumers do not need to make an extra effort to find about the product which they have seen on TV. However, according to the survey data from Trendmonitor (www.trendmonitor.com), as the frequency of PPL exposure increases, viewers' general advertising affinity about PPL products decreases (Acrofan Editorial Department, 2014). This could imply that deregulation of PPL advertisement makes the effectiveness of PPL less influential. This study tests whether PPL legalization makes an signifinace influence on the effectiveness of PPL advertsiment through the quantitative data analysis. Many of the existing literatures have argued that PPL advertisement legalization brings negative impacts on image of PPL products to viewers theoretically. However,

the empirical studies examining the effect of PPL advertsiment to firms' performance are very few. Thus, in this study, listed firms' financial data are collected and the changes on sales before and after PPL advertisement legalization are examined.

Korea especially provides a great research setting to examine the effectiveness of PPL advertsimenet due to the influence of the PPL advertisement legalization in 2010. In the past, advertisers are allowed to only expose their products in very limited ways such as notifying numer of sponsoring company names in the very last part of TV shows (Noh et al., 2014). After the legalization, advertisers tend to use PPL advertising more explicitly; some of shows even include product use directions in the dialogues. Since it is difficult to find studies have done with the association between PPL legalization and firm performance. This study would suggest a new strategic direction to the advertising and broadcasting industry. For testing the effect from the PPL advertisement legalization in Korea, unique dataset of listed firms in Korea are collected.

The remainder of this paper is as follows. In section 2, prior studies are reviewed and developing hypotheses are introduced. In section 3, the research method and sample are described and in section 4, our empirical findings are presented. Finally, in section 5, conclusions and implications from the findings are drawn.

2. Background and Hypothesis Development

2.1 Definition of Product Placement

The definition of PPL is an advertising form of exposing specific products or brands within a play paying for price to the movies or TV programs (Ahn, 2002; Baker & Crawford, 1995; Clark, 1991; Karrh, 1998, Lee & Kim, 2000; Lee & Nam, 1999). The advertisers expect the effect of public relations from natural settings of PPL showing their hidden advertising messages or images (Balasubramanian, 1994; Cha, 2001; I. Lee, 2000; A. Lee, 2004; Nebenzahl & Secunda, 1993). Thus the advertisers hide their PPL advertising in visual sets such as props and background or in actors explaining about sponsored products or mentioning certain brands in a play (Y. Lee, 2005; Park, 2004; Steortz, 1987; Russel, 1998). Eventually, PPL is marked by unavoidable advertising to the customers because the products place in a quiet way in the contents such as movies or TV shows (Korean Broadcast Advertising Corp., 2005).

The effect of PPL has been proved through the middle 20th century Hollywood movies; ACE comb, which James Dean used for sweeping his hair in the movie 'Rebel without a cause (1955)', was in fashion among young men; M&M Chocolates obtained result of raising its rate of sales about 65% above from PPL in 'E.T. (1982)'; and there are a lot more beneficiary cases of PPL like Coke, Raybans and so on (Kim, 2013; Nebenzahl & Secunda, 1993).

In case of Korea, indirect advertisement, including PPL, was prohibited in principle until 2009, but it substantially had been enacted from sponsorship notification system. Then from 2010, indirect advertisement has been legally allowed for the purpose of advertising market extension, alternative financial resources for broadcasting industry, and reinforcement of the capability in broadcast-production (H. Lee, et al., 2011). In Korean Broadcasting Act, the PPL related provision was built – proclaimed in 2009, and enforced in 2010, and its detailed regulations of enforcement such as permissible ranges and proper ways were newly arranged through enforcement ordinance. The Korean Broadcast Advertising Corporation (KOBACO), in the initial step of the act, classified indirect advertising expose standards into 5 levels: 'if the brand is exposed', 'if the product exposed', 'if the product exposed by supporting actors', 'if the product exposed by main actors', and 'if the product or brand effectiveness to the storyline'. This, in other words, can be read that indirect advertisement has different effectiveness depending on exposure degree and expression type (Kim & Bong, 2013; S. Lee, 2014). The current the expose level for indirect advertisement is classified into three levels of 'if the brand or product is simply placed', 'if characters interact with the product', and 'if the brand or product relate to the storyline'.

2.2 Hypothesis

Existing literatures argue that indirect advertisement is very efficient to promote viewers' interests on PPL products (Yu, 2003; Lee, 2014). Yu (2003) reports that the advertsiment effect on PPL products is more effective when PPL products' logos or brands are veiled rather than are unveiled. Also, S. Lee (2014) mentions that some advertisers attempt to cover their products' logos or brands intentionally for drawing viewers' interests on the products.

Studies on PPL advertisment have not produced conclusive empirical results but many theory or survey studies argue that PPL advertisment diminishes viewers' curiosity from excessive exposure of PPL products. Thus, the negative association between PPL legalization and firms' sales growth in Korea is predicted. Hence, the first hypothesis is as follows:

H1: PPL legalization is negatively associated with fims' sales growth.

Many companies make huge expenses on advertisement of their products for boosting up their sales. In other words, firms' sales soars as advertsement expenses increases. Then, advertisment expenses should be positively associated with advertsements expenses. However, if PPL advertisment brings negative impacts on firms' sales, PPL legalization with advertisment expenses growth is still negatively associated with firms' sales growth.

H2-1: Advertsement expenses is positively associated with firms' sales growth.

H2-2: PPL legatlization with increment advertsement expenses is negatively associated with firms' sales growth.

3. Research Methodology

3.1 Regression Model

To test out hypotheses on the association between PPL legalization and firms' sales growth, this study constructs an indicator variable (*PPL*) that equals to one if PPL is legalized (PPL advertisement); zero otherwise (The other indirect advertisement). Also, it adds advertisement expenses growth (ΔADE) and interaction term of advertisment expenses and PPL legalization ($PPL*\Delta ADE$) to examine the association between advertisment expenses growth and sales growth before and after PPL legalization. This study uses control variables which can affect sales growth as follows. To control firm size (*SIZE*), it takes the logarithmic value of total assets. Market to book ratio (*MB*) and return on assets (*ROA*) are a measure of firm's performance which can affect firms' sales growth. Leverage (*LEV*) and operating income's volitility (*OIVOL*) can also affect to firms' sales growth. Lastly, it adds year dummies (*Year Dummies*) and industry dummies (*Industry Dummies*) to control year effect and industry effect.

$$\Delta Sales_{t+1} = \beta_0 + \beta_1 PPL_t + \beta_2 \Delta ADE_t + \beta_3 PPL_t * \Delta ADE_t + \beta_4 SIZE_{t+1} + \beta_5 MB_{t+1} + \beta_6 ROA_{t+1} + \beta_7 LEV_{t+1} + \beta_8 OIVOL_{t+1} + Year\ Dummies + Industry\ Dummies + \varepsilon \quad (1)$$

Where

Dependent Variables

$\Delta Sales_{t+1}$ = Firms' Sales growth. $(Sales_{t+1} - Sales_t)/Sales_t$

Key variables

PPL_t = An indicator variable that is equal to one if PPL is legalized (PPL advertisement); zero otherwise (The other indirect advertisement).

ΔADE_t = Advertisement Expenses growth. $(ADE_t - ADE_{t-1})/ADE_{t-1}$

$PPL*\Delta ADE_t$ = Interaction term of PPL_t and ΔADE_t

Control Variables

$SIZE_{t+1}$ = Natural log of the total assets in t+1.

MB_{t+1} = The logarithmic value of market to book ratio in t+1.

ROA_{t+1} = Return on assets in t+1.

LEV_{t+1} = Leverage; Liabilities scaled by total assets in t+1.

$OIVOL_{t+1}$ = The standard deviation of operating income scaled by average total assets from at least past two years up to five years in t+1.

Year Dummies = Year dummy variables.

Industry Dummies = Industry dummy variables.

3.2 Sample Selection

The empirical analysis is based on a sample of Korean firms from 2003 to 2012. This study extracts sales and advertisement expenses data from the Korea Information Services Value (Hereafter KisValue) database. As of April of each year, it selects companies that satisfy the following criteria (1) financial statement data with positive book value of equity available on KisValue database; (2) all of the proxies are available; (3) firms in non-financial industry; (4) fiscal year ended December 31. This process yields final sample of 11,006 annual firm-year observations from KOSPI / KOSDAQ listed companies between 2003 and 2009. Table 1 shows the sample distribution by year by industry for the hypotheses tests. It presents the observations by year in [Panel A] and by number of industry in [Panel B] respectively.

Table1. Sample Distributions

[Panel A] Sample Distribution by year

Year	Number of Observations	Percentage (%)
2003	908	8.25
2004	953	8.66
2005	995	9.04
2006	1,060	9.63
2007	1,113	10.11
2008	1,176	10.69
2009	1,210	10.99
2010	1,254	11.39
2011	1,146	10.41
2012	1,191	10.83
Total	11,006	100.00

Note. This table show sample distribution of 11,006 firm-year observation used in the main empirical tests. Industry definitions are based on the KSIC-9 (Korea Standard Industrial Classification).

[Panel B] Sample Distribution by Industry

Industry	# of Observations	Percentage (%)
Agriculture, Forestry, and Fishing	42	0.38
Mining Industry	4	0.04
Manufacturing	7,404	67.28
Electricity, Gas, Steam, and Water Business	98	0.89
Waste Disposal, Recycling, and Environment	42	0.38
Construction	465	4.22
Wholesaling and Retailing	889	8.08
Transportation	198	1.80
Lodging and Eatery	10	0.09
Publication, Broadcasting, and Information services	1,000	9.09
Property and Leasing services	21	0.19
Expert, Science, and Technology services.	577	5.24
Maintenance Services	116	1.05
Education Services	73	0.66
Arts, Sports, and Leisure Service	57	0.52
Group and Personal Repair services	10	0.09
Total	11,006	100.00

4. Result

4.1 Descriptive Statistics

Table 2 provides descriptive statistics for the variables. Due to skewness, the variables are winsorized at the one percent level. Mean (median) of sales growth is 0.128 (-0.045). Average (median) of advertisement expenses growth is 0.644(-0.333). Average of PPL is 32.6%. PPL advertisement is legalized in 2010. Among total sample years (2003 to 2012), year 2010, 2011, and 2012 are belongs to the PPL legalization periods. Mean (Median) of control variables (*SIZE, MB, ROA, LEV, and OIVOL*) are generally consistent with prior evidence.

Table 2. Descriptive Statistics

Variable	Mean	Std. Dev.	1%	5%	10%	25%	Median	75%	90%	95%	99%	N. of Obs.
ΔSales	0.128	0.381	0.076	-0.669	-0.332	-0.202	-0.045	0.076	0.213	0.455	0.744	11,006
ΔADE	0.644	2.681	0.006	-0.958	-0.821	-0.652	-0.333	0.006	0.480	1.726	3.934	11,006
PPL	0.326	0.469	0.000	0.000	0.000	0.000	0.000	0.000	1.000	1.000	1.000	11,006
SIZE	25.547	1.415	25.262	23.208	23.710	24.030	24.575	25.262	26.225	27.476	28.515	11,006

MB	1.297	1.261	0.897	0.167	0.276	0.351	0.543	0.897	1.559	2.618	3.727	11,006
ROA	0.051	0.089	0.046	-0.233	-0.095	-0.047	0.011	0.046	0.094	0.157	0.201	11,006
LEV	0.464	0.247	0.448	0.051	0.109	0.158	0.273	0.448	0.618	0.766	0.884	11,006
OIVOL	0.047	0.043	0.035	0.004	0.009	0.012	0.020	0.035	0.060	0.096	0.132	11,006

Note. This table presents descriptive statistics of the mean, median, and distribution of main variables used in this study. All variables are winsorized at top and bottom 1% of the pooled data. *ΔSale*: Sales growth. *ΔADE*: Advertisement expenses growth. *PPL*: An indicator variable if PPL is legalized; 0 otherwise. *SIZE*: Natural log of the total assets. *MB*: The logarithmic value of market to bbok ratio. *ROA*: Return on assets. *LEV*: Leverage; Liabilities scaled by total assts. *OIVOL*: The standard devidation of operating income sacled by average total assets.

4.2 Univariate Analysis

Table 3 gives the Pearson correlations among main variables. In this table, advertisement expenses growth is postively correlated with sales growth in 1% significant level. However, PPL legalization is insiginificantly associated with sales growth. Control variables are positively or negatively associated with sales growth in 1% significant level. However, the implication of the univariate result is limited. Therefore, this study performs multivariate regression analyses to examine the overall association between PPL legalization, sales growth, advertisement expenses growth, and other variables. The result of multiple regression analysis is reported on 4.3.

Table 3. Pair-wise Correlations among main variables

	ΔSales	*ΔADE*	*PPL*	*SIZE*	*MB*	*ROA*	*LEV*
ΔADE	0.154						
	(0.000)						
PPL	0.006	0.000					
	(0.496)	(0.965)					
SIZE	-0.057	-0.074	0.118				
	(0.000)	(0.000)	(0.000)				
MB	0.115	0.057	0.052	-0.087			
	(0.000)	(0.000)	(0.000)	(0.000)			
ROA	0.293	0.004	-0.008	0.122	0.087		
	(0.000)	(0.690)	(0.430)	(0.000)	(0.000)		
LEV	0.215	0.066	-0.025	0.138	0.111	-0.010	
	(0.000)	(0.000)	(0.009)	(0.000)	(0.000)	(0.309)	
OIVOL	0.113	0.092	-0.056	-0.317	0.304	-0.039	0.032
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
N. of Obs.	11,006	11,006	11,006	11,006	11,006	11,006	11,006

Note. Table 3 presents Pearson correlation among PPL legalization, sales growth, advertisement expenses growth, and other variables. Please refer to the note of Table 2 for the definition of the main variables and control variables. T-statistics are reported in bracket.

4.3 Multivariate Analysis

Table 4 presents the result from the overall association between PPL legalization (*PPL*), advertisement expenses growth(*ΔADE*), and sales growth(*ΔSALES*). Model (1) in Table 4 shows that the coefficient on *PPL* is negatively associated with *ΔSALES* at one percent or less of significant level (t-stat = -9.00) including control variables. The negative association implies that PPL advertisement makes negative influence on firms' sales growth after PPL legalization. This is an empirical result of supporting H1. Also, it supports the argument of prior thory and survey studies that PPL advertisement is less effective. Model (2) reports that advertisement expenses growth is positively correlated with sales growth. It implies that firms' sales increases as they make more advertisement expenses. In Model (3), the negative association between *PPL* and *ΔSALES* is still robust after it controls for advertisement expenses. Also, it includes the key interaction variable of *PPL*ΔADE* in Model 3. This study finds that the key interaction term (*PPL*ΔADE*) is negatively associated with *ΔSALES* at five percent of significant level (t-stat=-2.22). The explanation of the negative association is that PPL

advertisement is less effective to increase sales when the companies make more advertisment expenses. In order to check multicolliearity problem, variance inflation factor (VIF) is reported in Table 4. The maximum VIF of model (1), (2), and (3) are 4.08, 1.29, and 4.12 respectively. Since maximum VIF is lower than 10, there is a quite low possiblity of the multicollinearity problem in the models (Rhee et al., 2012).

Table 4. Regression results for Analyst Coverage and Audit Hour

Independent Variable	Dependent Variable = *ΔSales*		
	Model (1)	Model (2)	Model (3)
Intercept	0.518 *** (4.12)	0.376 *** (2.98)	0.494 *** (3.93)
PPL	-0.122 *** (-9.00)		-0.118 *** (-8.72)
ΔADE		0.005 *** (4.27)	0.007 *** (4.78)
*PPL * ΔADE*			-0.006 ** (-2.22)
SIZE	-0.029 *** (-11.61)	-0.029 *** (-11.43)	-0.029 *** (-11.44)
MB	0.007 ** (2.55)	0.007 ** (2.38)	0.007 ** (2.41)
ROA	1.343 *** (35.43)	1.345 *** (35.53)	1.345 *** (35.53)
LEV	0.333 *** (24.52)	0.332 *** (24.47)	0.331 *** (24.42)
OIVOL	0.629 *** (7.48)	0.619 *** (7.36)	0.616 *** (7.33)
YEAR DUMMY	Included	Included	Included
INDUSTRY DUMMY	Included	Included	Included
Adjusted R-Squire	17.83%	17.96%	17.99%
MAX VIF	4.08	1.29	4.12
N. of Observation	11,006	11,006	11,006

Note. This table presents the results of regressions of the analyst coverage and audit hour with a set of control variables. See the notes of Table 2 for the definitions of the variables. T-statistics are reported in bracket. ***, **, * indicate, respectively, the significance level at the 1%, 5% and 10% level or better. The regression equations are as follows.

5. Conclusion

This study aims to explore the effectiveness of PPL advertisement with an empirical approach. From the result of regression analysis, this study finds a negative association between PPL legalization which allows direct advertisement and sales growth. This suggests that in the current Korean market, PPL advertisement is less effective than other indirect advertising methods. This can be read as viewers are possible to receive a negative impression from excessive product exposures in media contents. The result of emparical analysis supports the prior theoritical studies which warn about a negative influence from the abuse of PPL advertisement.

This study, however, may have limitations under following caveats. First, there is always the possibilities of that the result value is depended on measurement criteria or time period and there may be other omitted factors which bias our empirical results. Second, most firms do not disclose their specific lists of advertisements so that the portion of PPL advertisement expenses among total advertisments costs is difficult to be estimated accurately. If each firm's expenses allocated to PPL advertisement are not practically proportional to its total advertisement expenses, it is challenging to argue that the suggested result can be generalized into a broader set of firms.

Despite these caveats, this study contributes to the literatures by investigating the effectiveness of PPL advertsiments empirically. The empirical results academically support the understandings of the effect of PPL legalization. In practice, the result of this study would be useful to advertisers for building strategies.

Authors Information

Chang Seop Rhee is an assistant professor of School of Business at Sejong University in Korea. His research interests include International Financial Reporting Standard, equity valuation, and management earnings forecasts. E-mail: crhee2@sejong.com. (1st author)

Hyunjung Rhee is a visiting professor of Graduate School of Cinematic Content at Dankook University in Korea. Her research interests include marketing strategy in the cinematic content industry, marketing plan based on art and cultural contents, and content service model planning. E-mail: bonoanimi@gmail.com. (Corresponding author)

References

Acrofan Editorial Department. (2014, June 13). *PPL present: more exposure, less liking.* Retrieved from http://www.acrofan.com/ko-kr/commerce/news/20140613/00000021

Ahn, J. (2002). *A Study on PPL (Product Placement) Effects of Multi-media Advertisement* (Master's thesis, Konkuk University, Seoul, Korea). Retrieved from http://www.riss.kr/link?id=T8854645

Baker, M. J., & Crawford, H. A. (1996, winter). *Product Placement.* In A. B. Edward, & A. K. Wagner (Eds.), *Proceedings of the 1996 winter marketing educator's conference.* Chicago: American Marketing Association. Available from British Library Document Supply Centre.

Balasubramanian, S. K. (1994). Beyond Advertising and Publicity: Hybrid Messages & Publicity Policy Issues, *Journal of Advertising, 23*(4), 29-46. http://dx.doi.org/10.1080/00913367.1943.10673457

Byun, S., & Lee, S. (2013). *A Study on Regulation Improvement and Activation Plan for Virtual & Indirect Advertisement.* Korean Broadcast Advertising Corp., Korea.

Cha, D. (2001). A Study on the Effectiveness of Product Placement(PPL) to Brand Remembrance and Brand Attitude. *Communication Studies, 16*, 45-68. Available from National Assembly Library in Korea.

Chua, B. H., & Iwabuchi, K. (2008). *East Asian Pop Culture: Analysing the Korean Wave*. Hong Kong: Hong Kong University Press.

Clark, K. R. (1991, June 10). Group goes after brand name film props. *Chicago Tribune*. Retrieved from http://articles.chicagotribune.com/1991-06-10/business/9102210690_1_product-placement-broadcast-networks-and-television-standards-and-practices-divisions

Karrh, J. A. (1998). Brand Placement: A Review. *Journal of current Issues and Research in Advertising, 20*(2), 31-49. http://dx.doi.org/10.1080/10641734.1998.10505081

Kim, H. (2013). *A Study on PPL Advertisement for Development and Management of Financial Resources for Stage Art* (Master's thesis, Se-jong University, Seoul, Korea). Retrieved from http://www.riss.kr/link?id=T13228268

Kim, T., & Bong, Y. (2013). Effectiveness of Product Placements in TV Programs Determined by Content Properties and Presentation Manners: A Quasi-experimental Study through Web-based Surveys. *The Korean Journal of Advertising, 24*(8), 203-227. Retrieved from http://www.earticle.net/Article.aspx?sn=205972

Korean Broadcast Advertising Corp. (2010). *Virtual and Indirect Advertisement Sales Presentation Sourcebook.* Korean Broadcast Advertising Corp, Korea.

Kwon, H., & Rhee, H. (2014). How Government Policy Affects to Entertainment Industry?: Case Study of Korean Film History. *The Journal of the Korean Contents Association, 14*(7), 386-394.

Lee, A. (2004). *A Study on the Effects of PPL on the Hotel Image* (Master's thesis, Yeon-Sei University, Seoul, Korea). Retrieved from http://www.riss.kr/link?id=T9744699

Lee, D., & Nam, G. (1999). Estimate Attitude toward Brand Placement in Films. *Chung-Ang University Advertisement & Marketing Research, 7*(1), 1-33. Available from National Assembly Library in Korea.

Lee, H., Lee, S., Shin, M., & Lim, J. (2011). The Co-orientation Model for the Perceptual Difference of Broadcasters and Independent Productions about PPL (Product Placement). *Korean Journal of Broadcasting and Telecommunication Studies, 25*(1), 205-241. Retrieved from http://www.dbpia.co.kr/Journal/ArticleDetail/1428925

Lee, I. (2000). *A Study on the Image Commercialization of Celebrities in Mass Consuming Society* (Master's thesis, Bu-san University, Bu-san, Korea). Available from National Assembly Library in Korea.

Lee, J., & Kim, H. (2000). Effect of Product Placement(PPL) on TV Program. *Korean Journal of Journalism & Communication Studies, 2*, 182-201. Available from National Assembly Library in Korea.

Lee, S. (2014). A Study on the Legal Conflicts between Indirect Advertising and Announcement of Sponsors. *Korean Association for Adversising and Public Relations, 100*, 292-317. Retrieved from http://academic.naver.com/view.nhn?doc_id=78300556

Lee, S., Song, M., Moon, W., & Shin, M. (2014). The Influence of PPL's Expression Type and Audiences Characteristics on Advertising Effects. *Korean Association for Broadcasting & Telecommunicaion Studies, 87,* 75-106. Retrieved from http://www.dbpia.co.kr/Journal/ArticleDetail/3471028

Lee, Y. (2005). *A Study of PPL Influence in accordance with Situations and Characters upon Viewer's Recall, Attitude and Activity: Based on a Case Study of the Audi Placement in TV Drama "All-In"* (Master's thesis, Yeon-Sei University, Seoul, Korea). Retrieved from http://www.riss.kr/link?id=T9744699

Nebenzahl, I. D., & Secunda, E. (1993). Consumers' Attitudes toward Product Placement in Movies. *International Journal of Advertising, 12*, 1-1. Retrieved from http://www.internationaljournalofadvertising.com/ArticleViewer.aspx?ID=5414

Noh, D., Park, J., Kang, S., & Lee, S. (2014). *A Study on Effective Regulation Plan for Sponsoring System in Accordance to the Indirect Advertisement Legislantion.* Korean Broadcast Advertising Corp, Korea.

Park, J. (2004). A Study on Legal Regulation of Product Placement in Television Program. *Broadcasting & Communication, 5*(1), 73-96. Retrieved from http://www.dbpia.co.kr/Journal/ArticleDetail/1013467

Rhee, C., Choi, W., & Bae, S. (2012). The Effect of Managers' Real Earnings Management Activity on Audit Hour and Audit Fee. *Korean Management Review, 41*(4), 643-673. Retrieved from http://kiss.kstudy.com.oca.korea.ac.kr/journal/thesis_name.asp?tname=kiss2002&key=3079320#

Russel, C. A. (1998). Toward a Framework of Product Placement: Theoretical Propositions. *Advances in Consumer Research, 25*, 357-362. Retrieved from http://www.acrwebsite.org/search/view-conference-proceedings.aspx?Id=8178

Steortz, E. (1987). *The Cost Efficiency and Communication Effect Associated with Brand name Exposure within Motion Pictures* (Unpublished master's thesis). West Virginia University, West Virginia, USA.

Yeom, S., Jung, B., & Lee, K. (2012). *Broadcasting Advertising Market Model Development depends on the Legal Changes*. Korea Information Society Development Institute, Korea.

Yu, S. (2003). Indirect Advertisement Effect on Mosaic of Brand Containing PPL. *Journal of Media Economics & Culture, 1*(4), 35-73. Retrieved from http://www.dbpia.co.kr/Journal/ArticleDetail/2953738