

Mediation Role of Attitude towards Product Placement in Social Media

Abstract

The present paper empirically examines consumer attitude and behavioral intention structures in social media context, particularly focusing on Gen Ys who are the world's largest population group. Three antecedent factors (i.e. perceived relevance, perceived value and perceived credibility) were closely examined for their influences on attitude towards product placement (App) and purchase intention. App was proposed to serve as a mediator between these antecedent factors and purchase intention. The mediation results indicated that perceived relevancy and perceived credibility affect purchase intention in two ways: directly and indirectly through App. Meanwhile, perceived value only has a significant direct effect on purchase intention. Consumers considered perceived relevance and perceived credibility as antecedents to App, but not perceived value. The findings provide useful insight to both marketers and academicians in planning for their promotion strategy.