



Marketing Trends

- Public relations spending is up
- Advertising spending is up
- Marketers are devoting more resources targeting Hispanic consumers
- Blogging has been adopted by the mainstream media and business
- Social values are more prominent in corporate marketing campaigns
- Product placement in television and movies appears to have reached an all-time high with brands woven into program plots and reality shows!
- Organic certified products have a growing following
- Retailers are driving more marketing spend and purchasing online
- Retailers are expanding private labeling to build their brands and not simply as “knock-offs” to create generic alternatives to popular consumer brands

Over the coming months *Marketing Coach* will look into many of these trends to review what is driving them, the implications for corporate marketers and how consumers are responding to and influencing them.

Brands on TV

Product placement on television programs has long been a practice of consumer product companies. While a long-time practice in the movies, product placements on television is spreading with inventive integration into programming, increasing 46.4% over 2003 according to PQ Media.

Over the past year, this practice has reached new heights! We were wowed when Oprah gave away 276 Pontiac cars to her entire audience. This resulted in feature stories in many major magazines and nightly news across America and cover stories in city newspapers from coast-to-coast.

New ways to incorporate brands into prime-time were fully exploited through reality TV when *The Apprentice* (NBC) involved its contestants in weekly stunts like creating new toys for Mattel and other projects that involved staging events that showcased Yahoo and other advertiser brands. *Extreme Home Makeover* (ABC) and *Queer Eye for the Straight Guy* (BRAVO) casts make frequent references to products being deployed in making over families in need or unkempt men, respectively. Product placements and mentions range from construction tools and home furnishings to hair products and clothing. *American Idol* (FOX) judges drink branded soft drinks on-air

and *Survivor* (CBS) contestants and Fantasy League players win branded prizes.

Compensation for product placement can either be a trade of product for the placement or, more commonly, an advertising fee is charged. According to movieplacement.com, there are many benefits to pursuing product placement in addition to television commercials or in lieu of them. While a typical commercial can cost \$392,500 for a one-time spot viewed only in the US, a product placement during a similar program could cost only \$22,000 with viewers seeing your brand in 20 countries. The duration of the brand visibility covers the life of the TV program in reruns, syndication and on DVD release with long-term viewing.

There is a small and profitable niche that works with the entertainment sector responsible for cutting these deals and managing placements on-air. Companies interested in pursuing product placement can find a product placement agency, entertainment marketing firm or work through an advertising or marketing agency that has a product placement specialist or group. If you need a resource, Entertainment Resources and Marketing Association (ERMA) can help you find a selection of product placement experts.