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**The evolution of product placement**

By

*Antoniya Pavlova, Yulun Zhang and Jónas Óli Jónasson*

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Frans Melin  
Assistant Professor

Heads of master course Strategic Brand Management (BUSN21), part of master program International Marketing and Brand Management.  
Lund School of Economics and Management

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# The evolution of product placement

*Antoniya Pavlova, Yulun Zhang and Jónas Óli Jónasson*

## Abstract

In this journal the evolution of product placement was analyzed with the help of an extensive literature review showing the history of the phenomenon. The beginning was the product placement in general which was used in movies, TV shows, music videos, etc. Due to the increasing amount of distrust from customers, marketers had to come up with new techniques in order to still catch the attention of their target group. That was the beginning of celebrity product placement (celebrity seeding), where different famous persons are being used to promote different brands. This marketing tool was successful for many years, but the same issue as with product placement appeared- customers not trusting the advertisement. This led to the rise of the new trend- Influencer marketing. In it marketers can use both high-profile and regular people for their promotions.

Keywords: Product placement, Celebrity product placement, Celebrity seeding, Influencer marketing

## Introduction

Along with the rapid development of mass media and the decrease in the efficiency of traditional advertisements, product placement is expanding rapidly nowadays. Traditional advertisements are suffering bottlenecks, that it is increasingly hard to get and maintain public's attention. Survey data indicates that 90% of the people would change channels to skip TV ads when they use their digital video recorders (Williams, Petrosky, Hernandez, & Page Jr, 2011). Recently, the trend in advertising is making commercials less aggressive, to reduce audiences resistance and make commercials more targeted in the meantime. The product placement, as a kind of recessive advertisement, well represents this trend. Just like a description of it, "when is an ad not an ad? When it is a product placement" (Neer, 2004, p.3).

According to the Business Dictionary, product placement is "an advertising

technique used by companies to subtly promote their products through a non-traditional advertising technique, usually through appearances in film, television, or other media" (product placement, Business Dictionary).

The first product placement appeared in 1873 in the adventure novel written by Jules Verne and William Butcher, *Around the World in Eighty Days*, in which some transport and shipping companies were mentioned (product placement, Wikipedia). Although it began to exist very early, product placements become only dormant after the Depression because of lack of organization and negative public opinions, that media content surrender to commercialization (Williams et al. 2011). Afterwards, product placements re-catalyzed in 1960s and grew rapidly since then (Balasubramanian, Karrh, & Patwardhan, 2006).

Celebrity seeding, as a branch of product placement, is day by day popular and

frequent. Without any doubt, it has grown to be an important subset of commercials. According to Pavely (2016), celebrity seeding is a symbiotic industry formed in tandem with the rise of celebrity persona, a marketing machine attempting to harness the power to influence. It means getting products to the celebrities and seeking these products to get public attention, thereby disseminating their brand message to the adoring fans of celebrities (Pavely, 2016).

The rapid growth of celebrity product placement roots in the sharp expansion of media and the constantly growing influence of celebrities. Celebrities are getting more exposure nowadays because of the development of media. From traditional media channels like newspapers, magazines, broadcasts and televisions, new media channels like websites, video games, social media like Instagram, blog and Facebook, people can easily get information about celebrities. The results of booming entertainment and sports industry, increasingly number of movies, teleplays and sport events, also contribute highly to the exposure of celebrities. We are in a society obsessed with celebrities, who have been recognized as powerful influencers, that information from every aspect about them has a great influence to general public. Just as the comments of Charlotte Newcombe, who is responsible for celebrity seeding at License to PR, "Consumers are fascinated with what their favorite celebrities are doing, wearing, eating and using and the affinity consumers have to these celebrities can greatly influence their purchase choices" (cited in Pavely, 2016).

This paper begins by examining definitions and approaches of product placement and celebrity seeding in the literature. Then a discussion about their features and practical applications by making comparisons

between them is going to be presented. The analysis of successful and unsuccessful cases of celebrity seeding follows after an explanation of the history of product seeding and how to make product seeding successful. In the end, the paper concludes with a discussion and the research implications of the tendency of celebrity seeding drawn on the research and case study, and on discussion of the new emerging trend of using regular people in the place of celebrities

## **Literature review for product placement**

Product placement was initially the most preferred way of advertising by different marketers. And by reviewing all the current literature information all the main reasons for that would be analyzed. This review is also being conducted in order to fully understand the meaning of product placement and see what it is missing. By going this explanation to why nowadays celebrity seeding is becoming so widely used will be provided.

Product placement with many patterns of manifestation has some other alternative terms, like product brand placement, in-program sponsoring, branded entertainment, and product integration (Williams et al. 2011). Balasubramanian (1994) defines that product placement is a paid message about products communicated into movies or television programs through intended but unobvious input. Corniani (2001) claims that product placement acts as a corporate communication tool operated within a specific budget by allowing people to implant placements in films with defined terms in contraction. The message conveyed by product placement includes visual, auditory, and plot components, for which viewers will not delete or avoid advertisements with zipping or zapping,

which is the common problem associated with traditional advertisements (Kuhn, Love & Pope, 2004). According to Stephen and Coote (2005), product placement is providing exposure about brand information, and showing brands that are being used or consumed in their natural settings to potential target consumers in popular mass media. Product placement is used to increase product awareness and people's knowledge about product attributes (Haugtvedt, Machleit, & Yalch, 2005). Similarly, Kuster, Pardo and Suemanothamthe (2010) argue that the approach of product placement can theoretically increase the consumers' awareness and knowledge about the product. According to Newell, Salmon and Chang (2006), product placement is when products are visually presented in audio track or mentioned by people when they are related to the content of the entertainment media indirectly. Hudson and Hudson (2006) claim that viewers' beliefs and their behavior can be positively influenced with the help of product placement. According to the American Federal Trade Commission, product placement's definition is a promotion form in which advertisers are placing branded products into television programs for a certain fee or other consideration (Powell, Hardy, Hawkin and Macrury, 2009). According to Ginosar and Levi-Faur (2010), product placement is the outcome of combination between advertising and entertainment, a purposeful product plug by integrating commercial content with noncommercial settings. According to Eterovic and Donko (2012), product placement is not a simple prediction, but rather based on psychological rules that can be data mined in potential.

Regarding the purpose of product placement, explanation in business dictionary shows that companies hope audiences take note of the products used by

the characters through product placement, and think more strongly about using the products themselves (product placement, Business Dictionary). Auty and Lewis (2004) hold the view that the presence of products in entertainment media aims at acting as a reminder to audiences. Panda (2004) and Cebrzynski (2006) explained that the purpose of product placement is involving target audience in a natural process, making them get exposed to the brands and products when they watch movies, television programs, or other content vehicles. It is a marketing practice in advertising and promotion for commercial purposes, by inserting brand names, packages, or other trademarks of products into media vehicle like films and television plays (Williams et al. 2011).

What today is the problem for many brands is that consumers start to see product placement as something that is not trustworthy and they might even see it as something that would make them not want to use the brand. So this is one of the reasons for the popularity of the product seeding, because people still are not always sure if the celebrity is being paid for using the product of certain brand or they are going in just because they like the brand.

In the following section a more detailed comparison between product placement and celebrity seeding would be conducted in order to see what are their main similarities and differences, and how they are affecting the customer's decision-making process.

## **Comparison between product placement and celebrity seeding**

### *1 Similarities of product placement and celebrity seeding*

*1.1 Both product placement and celebrity seeding belong to recessive advertisement,*

*which is characterized by low audience resistance and unavoidability, especially when compared to traditional advertisements.*

According to Kelley and Michela's (1980) attribution theory, which can be used to interpret individuals' complicated motivational activities, the persuasion effect suffers a lot when message receivers infer that message senders have a prejudice. The resistance and avoidance of general audience to traditional advertisements well represents this theory. Recessive advertisement, in contrast, is much easier to be accepted by audience and has better effects. The reason lies in that products or brands were used and showed naturally, rather than abruptly, in recessive advertisement. As for product placement, brands and products usually get inside content, making them inseparable parts of the story plot. As for celebrity seeding, sometimes it is even hard to distinguish if celebrities are being paid to show products in public or they are just using the products they enjoy. Survey data shows that 60% of the viewers have positive feelings when they recognized brands placement, and 45% of the people even claimed that this could contribute to their purchasing decisions (Williams et al., 2011).

Apart from contributing to public acceptance, the features of product placement and celebrity seeding mentioned above also make it difficult for people to keep away from recessive advertisement nowadays. And due to the development of media, entertainment and sport industries, and our celebrity-obsessed social value, product placement and celebrity seeding are increasingly frequent. From product placement in movies, teleplays, to celebrity seeding in music awards, film festivals, social media like Instagram, or even just

photographs taken by the paparazzi, our lives are bombarded by recessive advertisement. All these contribute to the great influence of product placement.

*1.2 Both product placement and celebrity seeding are multi-directional, multi-angel and repetitive advertising.*

Product placement can be divided into a number of categories, like story implantation, role implantation, prop implantation, line implantation, etc. (JianNing, 2010), by which it provides plenty of information. The demonstration of products repeats and covers many aspects, from brand logo to product features, and even instructions about how to use the products. As for celebrity seeding, a noticeable example is the cooperation between celebrities and fashion brands. Pictures posted by celebrities themselves or taken by paparazzi not only help to improve brand awareness, but also show that celebrities serve as models for brands in celebrity seeding. Furthermore, the carriers for product placement can be shown repeatedly to a broad market. They will serve as advertisements when every single time, every single person watches them. All of these contribute to the cost effectiveness and the effect of product placement.

*1.3 Both product placement and celebrity seeding are targeted and thus have high efficiency.*

By analyzing the market environment and properties of the carriers that advertisements were implanted in, people can predict the target audience and their value orientations precisely (Xiangtao, 2008). This makes advertisers be well aware of their audiences' lifestyles, preferences, values and consumption habits, and makes the adjustment of their advertisement design

according to these concepts. As for celebrity seeding, which is a symbiotic product and also enjoys the benefits of fans economic, it does matter to predict and position the target audience groups. As Kirsty Barr (cited in Pavely, 2016), the director of licensing PR agency MiPR Global, said, "We do our own research by brainstorming as a team and looking at who's on trend, who's in the news, who meets the product criteria".

Unlike the uncertainty of the traditional advertisements' audience group and effect, the audience touch status for product placement is easy to predict. This makes product placement targeted and thus wields great influence. According to Nicolas Loufrani (cited in Pavely, 2016), the CEO of Smiley, brands take the power of celebrity seeding seriously "because it gives brands massive global audience reach from some of the world's most influential tastemakers".

## *2 Differences between product placement and celebrity seeding*

*2.1 The features for product placement and celebrity seeding are different. Product placement is embedded with and usually indivisible from its carrier, whereas celebrity seeding is more like a personal choice in daily life*

Most traditional advertisements are disruptive to audiences, by popping up and interrupting people's normal viewing. They are independent of their carriers from contents and logics, that means the carriers will not be affected without the traditional advertisements between them (Bin, 2008). However, unlike traditional advertisements, product placement is usually an inseparable part of story plots. Scenes about products and their information were embedded in movies and television plays. They are essential components of props, plots, sets

and characters. Besides advertising function, product placement also has narrative function, which is even more obvious. If scenes of product placement were removed from their carriers, the integrity and the intrinsic logic of contents will suffer badly.

Celebrity seeding is kind of a way that shows celebrities' personal choices in their everyday life, after the gifting of products to celebrities (Celebrity Seeding And Endorsements, n.d.). All decisions are up to celebrities themselves, and sometimes it is even confusing for people to make a conclusion about whether it is celebrity seeding when celebrities show up with products or brands. That is also a reason why celebrity seeding is more covert and ensnaring.

*2.2 The attraction for audience is different. For product placement, it is mostly derived from advertisement carriers, whereas for celebrity seeding, it is from personal charisma*

Audience rating is a key factor for advertisement effect. The carriers for product placement are diverse, such as films, television programs, art exhibitions, music and video awards, film festivals and many others (Celebrity Seeding And Endorsements, n.d.). Correspondingly, the attraction for people's attention comes in many ways. Even in one single film, we can find product placement implanted in different scenes and different roles. Therefore, the attraction for audience derives from the content itself, characters' charisma and actors' personal influence. In other words, product placement is kind of an aggregation effect.

However, for celebrity seeding, its audience attention and effect is mostly related to

celebrities' personal influence power. According to Charlotte Newcombe (cited in Pavely, 2016), celebrities are recognized as powerful influencers and celebrity seeding can serve as an endorsement for brands, making brands appealing to the mass consumer and taking a relatively unknown brand into the mainstream quickly.

### *3.3 Examples of product placement*

Weaver (2007) analyzed some product placements cases in his article, such as wine tourism was advertised in Napa Valley in California in the film *Sideways*, the Ritz-Carlton hotel chain promoted Sealy mattresses by product placement on Internet. Williams et al. (2011) concluded that product placement serves as a quality association in accordance with the descriptions it used for products and brands, and they also give a number of examples for product placement: LG phones with *The Office*, the appearance of MSN in *Bridget Jones' Diary*, the online short films of BMW, Harold and Kumar's trip searching for the White Castle, Checkers and Rally's Hamburgers promoted by Will Ferrell in the NASCAR comedy *Talladega Nights*, etc.

### **History of celebrity seeding and how to make it successful**

Celebrity product placement or celebrity seeding as it is sometimes called, is not a new concept, but rather has been around for many years, more precisely from the 18<sup>th</sup> century. First known case of a celebrity that was used in order to influence customers was done by Josiah Wedgwood, who started providing his wares to Queen Charlotte of England. He received the title "Potter of Her Majesty" and this created a great publicity for his products, which he started calling "Queen's Ware" (Holiff, 2005).

Nowadays companies still heavily using

celebrity seeding in order to influence their consumers. In the previous segment of the journal the product placement was compared with celebrity product placement in order to not confuse the two further in the text. Now a brief comparison between celebrity product placement and celebrity endorsement would be conducted for the same purpose. Both of them provide the "borrowed equity" effect, but the difference is that in celebrity endorsement popular figures are used in commercials. Today's consumer does not trust commercials anymore, because they know that stars are being paid in order to take part in them and this ruins the creation of trust, which today is extremely important for every company. On the other hand celebrity seeding offers to the marketers much more subtle and effective way to reach the customers (Holiff, 2005).

There are three basic techniques that can be used in celebrity seeding: gifting the talent, product seeding and barter relationship.

Gifting the talent means that the celebrities get free gift bags at different events with the products of the company. This is not the best option concerning the amount of control that the marketer has over who gets the bag and if that person can influence their target market and also the company cannot use it in their own publications. The positive aspect is that these companies get high level of exposure and it is good to be connected to such kind of events, like the Oscars (Holiff, 2005).

Product seeding is when products are spread more widely in anticipation of securing a promotional benefit and starting a trend. Here the marketers have more control over the types of celebrities, but on the other hand they have no control if the person is going to use their product or not. This is the



oldest type from the three techniques and is still widely used today (Holiff, 2005).

The last one, the barter relationship is a relationship where individual celebrities agree to join such programs and use the companies' products in exchange for valuable products. In this way the companies have the highest amount of control of whether or not the celebrities are going to use their product and are going to be seen going so (Holiff, 2005).

But in order for such a program to be successful the company should not just choose from one of these techniques and start implementing it right away. There are many other aspects that should be researched and analyzed before that moment.

First point is to see even if celebrity seeding makes sense for your company. For example if you are a high end, luxury product then yes this marketing tool would be for you, but if you are a more everyday product that has a low level of involvement from the consumers during the decision-making process, then maybe product seeding is not the best for you and it would just be an expensive, time consuming and ineffective investment in the end (Womeninpr, 2013).

Second point is to identify the type of celebrity that would be the best influencer for your target group. Third is that you should make sure to create the "wow" effect if you want for your program to be successful. Celebrities get countless amounts of gifts every day, so the company should try to stand out in some way from the masses in order for the celebrity to notice it and to be willing to start using it (Womeninpr, 2013).

Next point is that you should be aware that

before you get ROI (return of investment) from this program you have to send a lot of free gifts and services to the celebrities and you should have the resources for that (Womeninpr, 2013).

Last part is that the marketers should learn how to gently get feedback and some kind of follow up from the celebrity for the quality of their product or service (Womeninpr, 2013).

### **Successful cases of celebrity seeding**

One example of a really successful celebrity seeding that led to great media exposure, without the company even having to pay was done by Thule in 2014. They gave as a present one of their high end super-pram to Kate Winslet for her third child. The company knew how active the actress is and how much she loves running with her children and that what their product was for to help active parents enjoy a run with their children. The actress used their product right away and was photographed by the media using the gift and was in many different media channels the next day. This led to many different other both celebrities and non-celebrities to order it right away, which increased their demand for the product substantially (Welandar, 2016).

Second example was done by a popular baby product company that gave away many different gift bags in an event; part of that bag was their popular safety tub. One celebrity that got the bag was Tori Spelling that few months later was seen on her TV show "Tori and Dean: Home Sweet Hollywood" to use it with her son. The company used the photo from the TV show and sent it to different media outlets in order to show that their product was being used by Tori Spelling (PR Gal For Hire, 2009).

Last example, was when a healthy potato

chips company decided to use product seeding technique and to send to different celebrities their latest products with a note saying that they can give them more free samples and that they can supply them with the product on their next set. One of the chosen celebrities answered that she really liked the product. The company then used this response and sent it to “US Weekly” for their new feature that they were working on “What celebrities eat to stay in shape”. A photo of their product and the celebrity was included in that article and people started associating their product with the star (PR Gal For Hire, 2009

### **Unsuccessful cases of celebrity seeding**

Not all the celebrity seeding programs work out some of them fail due to inappropriate behavior by the celebrity, by false advertising in general about the features and benefits of the product, simply by choosing the wrong celebrity for your company or by celebrities having many different contracts with different brands and not being able to fully follow the rules in all their contracts. The first example of an unsuccessful case is for QuickTrim Company that used Kim Kardashian for their advertising and as their spokesperson. She claimed numerous times that by using the products of the company she was able to lose the extra weight that she had recently gained in 2010. The company promised that in a healthy and quick way people can get in shape and Kim supported that claims. Later it was proven that it is not the case and, moreover, that products are dangerous for the customers and they can even create a lot of health problems. In 2012 both the company and part of the Kardashian family (Kim, Khloe and Kourtney) were sued for 5 million dollars by several costumers who felt misled by the promises both from the company and from the family, that was using the social media

and other channels to explain how they use the products and how useful they actually are (Haup & Kotz, 2012).

Second example is from the company Raymond Weil that paid Charlize Theron to wear only their watches for two years. But during this period Theron also had a contract with Dior perfumes and she was seen on several occasions to wear their watches. Moreover in one charity ad she had to wear other jewelries that were not part of the Weil collection. These lead to her breaking some of the rules from her contract. On the other hand it was difficult for customers to connect the star with the brand which was their initial idea for hiring the star to be their spokesperson, because if even she is not only wearing their products then why should the customers trust in what she is saying (BuzzFeedNews, 2013).

The last example that will be used here is from Total Flex Home Gym that signed a contract with Jean-Claude Van Damme. The star was supposed to be their new face in their new advertising campaign, but when he came in order to shoot the video he was not ready at all. He had not learned his lines and also he did not know how to use the equipment. What made the situation even worse is that during this time he had a reality show and the crew was with him and was filming his every move. During this time the crew filmed him saying that he cannot be part of the advertising campaign whose products he does not like and want to use. This was later aired on his reality show and the company sued him for 25.2 million dollars for breaking his contract with them and ruining their image in the media (BuzzFeedNews, 2013).

**New trend normal people being used for product placement**  
During recent years a trend has been

emerging due to the emergence of online social networks (OSN). These OSNs include Facebook, Instagram, Snapchat and YouTube. All of these networks can be used in a clever way for product placement. This method is called Influencer marketing.

Influencer marketing is a new trend in marketing. It focuses on inspirational persons that provide product placement through their networks. The focus is placed on a specific market segment instead of the market as a whole. Inspirational persons tend to have a high presence among people because of their original content they post on social media. This creates an opportunity for marketers. Influencers can have a social reach from as little as 1000 followers and upwards of millions.

Influential marketing can be split into two types: earned influencer marketing and paid influencer marketing. (Forbes, 2016). Earned influencers are brand loyal people that don't get paid for their content. For example, Apple has many advocates that use their products on a daily basis and when they buy new Apple products they endorse it because they love Apple. On the other hand there are paid influencers where brands pay people to post content about their product or service that looks like original content. The cost of these advertising is usually based on audience reach and number of followers.

This new way of marketing is a more direct way for brands to target the right audience. Influencers can have something to say about a product, paid or non-paid, and can reach consumers, with messages about products coming from people they already know. But recent studies have shown that marketers are shifting away from high-profile people like celebrities and sports stars to influencers that have a smaller audience (Performancein, 2016). This shows just how significant

influencers are in marketing these days. The study has shown that influencers on Instagram are preferred by 38% of marketers compared to 23% that favor high-profile people.

This shows that in recent times the likes of Tiger Woods and Kim Kardashian are being omitted in favor of influencers with audience as little as 1000. By shifting away from high-profile people to influencers, marketers get a level of authenticity and creativity that cannot be matched by a high-profile person (Performancein, 2016). Influencer marketing is often split into four main activities:

- *Identifying influencers:* In the recent year this activity has switched places and influencers themselves are signing up for services, such as takumi.com, that allow them to engage in product placement deals.
- *Marketing to influencers:* This is the way for advertising firms to let influencers know about their services
- *Marketing with influencers to reach other influencers*
- *Marketing through influencers:* By marketing through influencers, firms increase market awareness of the firm.

Influencer marketing can be used to increase brand awareness, social conversation about brands or simply just to drive direct sales of products, either online or in-store. When influencers have a good reputation for quality content they get more credible. This creates a way for marketers to measure how well influencers are performing. Measuring includes number of views, likes and comments that all adds to the value of an influencer (Wikipedia, 2016). The value of how effective an influencer can be is valued with:

- *Number of followers:* This indicates how many consumers each influencer can

reach. This number can be as low as 1000 and upwards of millions

- *Authenticity*: How original is the content? The more original content, the more effective the campaign will be.
- *Follower trust*: Influencers have to maintain a strong relationship with followers to gain trust over time.

Services that connect influencers with marketers are getting more popular. These services work as a middleman to connect brands with the right influencers. For this an influencer has to meet some conditions to sign up, e.g. have a minimum number of followers, likes or number of posts. The brand can setup deals that influencers can partake in. These deals can be as easy as posting a photo in a new Ralph Lauren jacket or a cup of coffee from Starbucks. The company behind the brand can set a condition that they are looking for an influencer with 1,000-10,000 followers, aged 20-25 and to have at least on average 200+ likes on each post. The influencer that meets these requirements can then accept these terms and post an authentic image or video. Followers of that influencer see original content from a person they know, so the engagement is much higher than if a high-profile person was used for the same content (Performancein, 2016).

A great example of a successful influencer campaign was in 2015 when Lord & Taylor got 50 Instagrammers to post a picture on the same day, wearing the same dress. Over a weekend Instagram users were flooded with pictures of the dress and when the weekend was over, the dress had sold out. Each post had a minimum of 500 likes and the post with the most likes had around 13,000. The follower audience sees an influencer they know wearing something they like. This campaign was not just intended to sell out this dress but also to

raise awareness of a new collaboration called Design Lab collection, where Lord & Taylor partners up with designers all around the world (adweek, 2015).

On the other hand we can take unsuccessful examples where the influencers did not get the same traction and engagement. A US company named CB2, that makes modern furniture, decided to start a large campaign called "Apartment cb2" that relied on feedback from Pinterest (a social network where you post things you like, design, clothes or recipes, etc.) on how the apartment should be designed. The campaign took place on Pinterest where they had five designer influencers post ideas about what should be in a room and how it should look and the post that got the most likes won that room. The campaign was a hit and miss, resulting in lower engagement than previous posts from the same influencers. This can be blamed on lack of knowledge on the authenticity of the content. The campaign cost \$1M and only got around 12,000 repins (where users repost a post they like) and 7,000 likes, that were used as votes for each room. Each influencer had an average of 986 repins on their profile before the campaign but only on average 123 repins on campaign content. But why did it not perform as it should have? The main reason was poor selection of influencers and the authenticity of the content. Each influencer had a good follower base, but only two out of five had sufficient engagement to run such a campaign. The content on the other hand was not authentic; each post had a catalog feel to it, large logo and heavily processed images. This is unappealing to followers and resulted in lower engagement numbers.

### **Is the tendency going to continue?**

With large online social networks being more and more popular, this trend is taking

over regular marketing. The brands message is shifting from regular advertising to people talking about the brand. People in this case being influencers. New networks like Snapchat and Instagram are taking the power of regular advertising and shifting it to a more direct way of delivering a message, through content that is authentic and followers remember.

In a survey that eMarketer did amongst marketers, 84% said they were planning to launch a campaign with influencers in the next 12 months (eMarketer, 2015). There is a large supply of influencers that could be doing more marketing campaigns but marketers are not engaging with influencers enough. This leads to the cost of doing an influencer campaign is below its ROI (adweek, 2015). This problem is a huge opportunity for new companies that are connecting influencers with marketers.

On the other hand there is a high demand for of high-profile influencer marketing that leads to higher prices for branded content. In 2013, NeoReach, a self-service influencer marketing platform, had a going rate of a branded content that got 3M views for around \$400. This year the same content with that exposure has a going rate for \$10,000 - \$15,000 and prices keep going up (alistdaily, 2015). But this example is a large exposure one.

A survey made in 2007 shows that every day in America, people are exposed to 5,000 advertisements (NY times, 2007). That survey was 9 years ago before all of today's shift to social networking. That high number of ads makes people unconsciously ignore ads, a phenomenon called "banner blindness" (Benway & Lane, 2016). As much as 86% of people suffer from banner blindness. That is a terrible phenomenon for regular marketing, but a great opportunity

for influencer marketing.

In these times, you either follow trends or you get left behind. There is a shift by millennials from traditional TV and magazine ads to a more content aware marketing (alistdaily, 2015). This type of advertising does not interrupt the consumers experience, it is placing the brand and product in an organic environment where the consumer is going through things that is of interest. That leads to a more enjoyable experience for consumers and marketers get better results MDG Advertising states that 70 percent of online users want to see a product introduced through content rather than traditional advertising (MDGadvertising, 2014).

Influencer marketing is also targetable and measurable. All of these ads go through digital networks, where every like, view, comment and visit can be measured and analyzed. That is a huge difference from the traditional marketing space where people are more relying on feel than numbers. Social native ads are projected to surpass \$36 billion by 2021 (Business Insider, 2016). Based on that information, influencer marketing is going to be even bigger in the near future.

## **Conclusion**

With the continuous and rapid development of technology, consumers are able to outsmart the marketers that use the traditional forms of advertising like the "30 seconds commercial". Nowadays users have the opportunity to skip (zapping) commercials and they fully use that power. For decades it was believed that marketers are being played as pawns in a game of chess by the consumers. But what was shown with this journal is that that was not the case. Marketers from the end of 1970s have predicted the emergence of these new technologies and have been re-inventing and

implementing additional tools in their arsenal in order to still be able to reach the customers. One of that added tool was, as was mentioned, the product placement. This instrument in the beginning was extremely successful with a 12.6% compound annual growth rate from 2006 till 2011, turning into 7.39 billion dollars industry. But customers started noticing and understanding the idea of product placement and many of them started to not trust it. Some were even feeling in some way frustrated from the brands that were using product placement, because they were feeling like they are being manipulated by the brand (Begy & Talwar, 2016).

That was the time when many brands started to use not only product placement, but added an additional technique- celebrity seeding. This is when companies use a celebrity to promote their products. The most important part of this technique is that customers cannot be completely sure if the star is being paid to use the product or he/ she just enjoys it. As was mentioned above, before implementing this tool marketers should be aware and take into consideration many different aspects. Some of them include the decision which star to use in order to reach their target group, which of the 3 mentioned techniques to use (gifting the talent, product seeding and barter relationship), in celebrity seeding can be used for their brands, if they have the needed resources in order to sustain such a program (Mat Dom, Ramli, Lim Li Chin & Fern, 2016). But as was shown above even if a brand takes all the needed additional steps this does not always guarantee that the celebrity seeding would be successful and it is not going to affect the image of the brand. Indeed there are many successful cases of companies that with not that much effort had great results, like the case of Thule with the actress Kate Winslet, but still this is a risky tool and the company

should be sure that it is worth the risk.

At the present time a new trend is emerging due to the development of social media platforms like Facebook, LinkedIn, Instagram, YouTube and many others. This new trend is called user-generated content (UGC), which means that the consumer now creates and shares his/her own thoughts. In our time everyone can use a certain product and share their experience with the world and this could be done in minutes (Momeni, Cardie & Diakopoulos, 2015). What is even more now YouTubers and vloggers are increasing their influence over the consumers and brands see that and want to use them, this is called influencer marketing. Most brands want to befriend the most successful and the most influential once of them, for example Jenna Marbles, Zoella or Tyler Oakleys, all of which have millions of subscribers on every social media platform that they are present on (Farnhill, 2016). The influencer marketing has two broad categories, one is the one mentioned above-paid influencer marketing, but the other one is the one that marketers do not really have control over- earned influencer marketing, which is when the brand loyal user posts different information about the brand.

After all the research that was done during the making of this journal it was found out that this new trend, with the influencer marketing is going to continue. It is even going to change the traditional way of marketing completely and the old way might even cease to exist. The thing is that today this form is still emerging and is not so expensive, but in the future if it is going to take over the traditional marketing this means that the costs for implementing it would go up as well. Marketer would start to put all of their efforts into this new way of marketing and new forms of gorilla marketing and other marketing tools would

emerge as well.

We are living in the highest technological age in the history and new technologies are created every day. People's decisions, needs, wants and desires change as well with every generation. As we saw in a short period of time the way brands promote themselves has changed and developed so many times, that it is only expected that something new would come in the marketing world very soon. In order for a brand to succeed in this ever changing environment marketers should catch up and even predict such changes, and have more of a proactive and not a reactive way of marketing.

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