

**PRODUCT PLACEMENT IN RUSSIA****Фролова Е. А.****Научный руководитель Каширина В. М.*****Институт управления бизнес-процессами и экономики***

Advertising has always been and remains one of the most effective ways to promote products. But over time, direct advertising is less effective - and marketers do not deny it. The new generations have grown up with the constant bombardment of advertising, and are finding ways to avoid it. Of course, it is easy just to leave the room while a commercial is on and do something small that needs to be done. As the public finds new ways to avoid advertisements, advertising firms must figure out ways to get their brands to the public. Their solution: product placement.

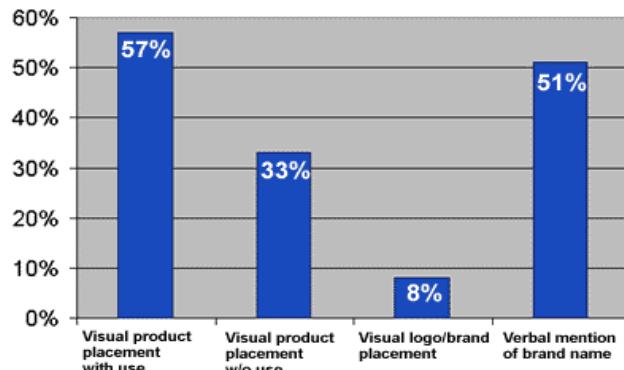
Product placement is a form of advertising in which brand name products, packages, signs and corporate names are intentionally positioned in motion pictures and television programs. Placement can be in the form of verbal mentions in dialogue, actual use by a character, visual displays such as a corporate logo on a vehicle or billboard, brands used as set decoration, or even snatches of actual radio or television commercials.

**WHY DO ADVERTISERS USE PRODUCT PLACEMENT?**

Product placement is an alternative to traditional advertising that promises an amazing amount of advantages. Product placement is one of the most cost effective forms of advertising, especially since a product has the ability to reach millions of consumers through films and television programs. This massive, worldwide audience makes product placement a highly influential advertising medium. Product placement also has one of the longest lasting effects, seeing as many films and television programs continue to affect consumers through syndication, home movies, and cable. The average cost for a 30 second spot on television can cost anywhere from \$50,000 to \$400,000. Product placement however, costs only a fraction of that, and gets products into high-impact situations. Product placement can increase awareness of a product or brand and introduce them to new consumer markets. It has shown to be an extremely effective way to gain exposure and to strengthen brand name recognition. Product placement is a mainstream marketing tactic and a majority of products seen in films are the result of negotiated placements that fit into a carefully crafted marketing plan. Brand managers should approach product placement with a clear view of what they hope to achieve, and put appropriate contracts in place to protect their brand's involvement. For those who are involved, product placement can offer a world of advantages.

There are 3 types of Product Placement. Visual Placement: this occurs when a product, service, or logo can be simply observed within the setting of a television show or film. Verbal Placement: this occurs when an actor mentions a product or service by name.

Hands-On Placement: this occurs when an actor actually handles or interacts with a product or service. The most popular type is the last one.



Product placement is very successfully used abroad; you can see it in films such as Casino Royale, Back to the Future, Cast Away, and Californication.

Let's try to retrace the development of product placement in Russia.

It's well known that before the Russian Revolution, the merchant Peter Smirnov visited restaurants incognito and ordered "the best vodka", meaning his own product. If a waiter informed him that they didn't know that brand, he was indignant and left, leaving the food untouched. The following day "Smirnoff" vodka would appear on the restaurant's menu. It was a special type of advertisement.

In the USSR advertisement as such didn't exist, but elements of product placement could already be seen then.

In "Office Romance", Samohvalov, who has come to the new place of work, with the words "you smoke such garbage!" hands the secretary a carton of imported cigarettes. In the next scene, she's already bragging on the phone: "Guess what I'm smoking right now? Marlboro!"

In the film "Beware of The Car", "Friend" cigarettes, which Detochkin liked, were mentioned at least 10 times. It was enough for the viewers to start liking them too.

Advertising vodka in our country seems pointless, but in the movie "Ivan Vasilievich Changes His Profession", Shurik pushes a specific brand on Ivan The Terrible - "Stolichnaya!". Thus confirming that, as modern marketing experts would say, it's a premium brand that's good enough for a czar.

There were even the films, made for advertising the entire country. The joint Russian-Italian film "The Unbelievable Adventures of Italians in Russia" spent more than an hour and a half hour praising the achievements of the Soviet Union and the beauty of Moscow and Leningrad. It was assumed that the western audience would applaud their accomplishments.

In Russia product placement developed with the release of film "The features of national hunting", including next series. It was the first film, where the advertising campaign of the following products – vodka "Urozhaï", offroadster Kia Sportage, beer "Red Bulls", cigarettes "Peter I", were paid by advertisers.

The next film, where product placement appeared, was "To Love Like Russian 3": the main characters bought a fridge Bosch. This promotion had clear purpose to break stereotype that only rich people could afford to buy imported fridge. That's why the movie showed that Bosch refrigerator was not more expensive than others, the heroes had been buying it for a village house.

After the film "Antikiller 2", the sales of vodka "Nemiroff" were increased by 4 times. You can also find mobile phone Panasonic in this film. It brought Panasonic not only increasing of sales but it formed a positive image of the company, because the main idea of "Antikiller 2" was fighting against terrorism.

But not only Russian films use product placement, there are a lot of television programs such as "House 2", it advertises different products; "Who wants to be millionaire", "ProjectorPerisHilton" and "Smak" advertise tea "Akbar"; "Flat Question" advertises household appliances. Russian serials are full of product placement too. Shampoo "Schauma", yoghurts "Fruttis", "Kinder-Chocolate", vitamins "Pikovit" are shown in the serial "Father's Daughters"; serial "The Voronins" advertises vitamins "Pikovit", iron "Tefal", chocolate "Alenka".

Nowadays product placement becomes wider in Russia. A lot of agencies, which are specialized in it and provide professional services, appear. This method is becoming more popular and as time goes on you will begin to see it everywhere.

When brand product placement is done well, it allows consumers to see a brand almost everywhere –whether they watch their favorite film on an airplane, at the theater, in a hotel, at

home on television, by renting a DVD or online on their computer. Here are the top three advantages of product placement.

#### **PERCEIVED ENDORSEMENTS**

Through product placement in a distinct television program or film, a product can become associated with a character or star. This association implicitly, and sometimes explicitly endorses that particular product, and links specific products with specific celebrities in the minds of consumers. A perceived endorsement is an easy way for companies to communicate to consumers. Strategic placements will get your product linked with the right actor and situation. Product placement may be one of the only opportunities that some companies will have to get their product promoted through a big name actor or actress.

#### **REALISM**

Television programs and films are more compelling than paid advertising because they mimic reality. Placing products in shows and films gives them credibility because consumers can see products performing in real life situations. This affects consumers' perceptions of a specific product. Product placements also make films more authentic and help to link programs back to real life.

#### **COST REDUCTION**

Product placement also helps to balance studio production costs. Many products are provided free of charge to the studios in return for their usage. Costume, prop, and set designers prefer product placement because it allows them to use realistic products without having to pay large amounts of money in return.