

HOLLYWOOD MADISON

Celebrity Product Placement: A Primer

by [Jonathan Holiff](#)

With more and more companies wanting to integrate their products into the lives of celebrities, it seems like now would be a good time to take a closer look at Celebrity Product Placement, describe three common approaches, and outline what steps can be taken to guarantee results.

The term "Celebrity Product Placement" is used to describe several related techniques, but its definition applies to each: free products are distributed to celebrities in expectation of a promotional benefit. Unlike the more overt, paid-for endorsement, it offers a distinct advantage. It can appear like a product choice made on individual preference.

Most marketers are unaware of their options in this category (one form features contracts with celebrities, guaranteeing performance and allowing marketers to actively leverage celebrity patrons in the media) and therefore many overlook a very powerful influencer-marketing technique.

A good example of such a program can be found [here](#).

In this article, I will describe each of the three main approaches and discuss their relative merits by listing their pros and cons. I also hope to quash any misconception that Celebrity Product Placement has to be a gamble, and show you how best to secure a return on investment (R.O.I.).

But first, a little history...

Celebrity Product Placement (sometimes called "Celebrity Seeding") has been with us since the dawn of marketing. Centuries before Arnold Schwarzenegger stepped into his first Hummer, an 18th century potter named Josiah Wedgwood began supplying his wares to England's Queen Charlotte. Being given the title "Potter to Her Majesty" led to a huge amount of publicity for Wedgwood which he took advantage of using the term "Queen's Ware" wherever he could.

It wasn't until the 20th century that marketers keyed-in on America's "royalty": Hollywood. But more often than not they met with disappointing results. Some companies responded only to occasional requests for products ("gifting"), while others made half-hearted attempts to distribute them without first devising a means to guarantee results ("seeding"). In the end, most companies seeded product "to the wind" and failed to grow anything of value.

Those efforts that did succeed, however, were so successful that independent specialists emerged to help companies achieve better results. But the services they offer vary and so do the results.

What's It All About?

Marketers have long known the power of celebrity to influence consumer-purchasing decisions. The term "borrowed equity" has been used to describe how a celebrity endorsement can bestow upon a product special attributes and cache it might not otherwise have.

The same concept applies to Celebrity Product Placement. But unlike celebrity endorsements, where a highly compensated personality appears in commercial advertising, Celebrity Product Placement offers marketers a more subtle and highly effective means of reaching the public - via the media they consume by choice.

Indeed, Celebrity Product Placement is as much about placing products with celebrities as it is about getting stories about those relationships into the press. Regardless of the approach, Celebrity Product Placement strategies have a common aim: to tie celebrities (thought-leaders, influencers) with consumer products in the public consciousness.

Three different techniques offer three different levels of control over that placement: gifting-the-talent (this usually involves supplying products for gift bags at live events); product seeding (products are distributed more widely in hopes of securing a promotional benefit and kicking off a trend); and, barter relationships (individual celebrities agree to participate in custom programs in exchange for valuable products).

Let's take a look at each one in greater detail.

GIFTING-THE-TALENT

"Everybody" knows that celebrities own all the coolest stuff, and well before everybody else. Celebrities travel the world and every minute detail of their daily lives pervades the media. As style-leaders, they are perhaps our most powerful influencers. It's no wonder then that companies are lining up to give them the latest gifts and gadgets for free.

One method to do this is called "Gifting-The-Talent." This generally involves supplying free product for insertion into "goody bags" which are handed out as 'thank you' gifts to celebrity presenters and award nominees at the now-countless awards shows and charity benefits that dot the entertainment landscape.

At last year's Academy Awards, for example, one of two Best Actress gift-bags featured Gucci sunglasses, a Sprint PCS phone, Christian Tse 18-carat gold Iris earrings, and more. The Best Actor bag featured Gucci eyewear, a Maurice Lacroix Swiss watch and assorted other goodies. According to news reports, the retail value of one such group of bags at the Oscars exceeded \$110,000 each!

But how effective is this practice? If the goal of Celebrity Product Placement is to get press coverage, can we measure the value of gift-bag placements? What types of products are suitable and which are not? And what level of control does this strategy offer marketers both in terms of demographics and reach?

There is no denying the value of being associated with these glitzy events, and by extension, the celebrities who populate them. On the plus side, they offer a rare opportunity to get close to the biggest stars in the world. On the minus side, the marketer has no control in matching up celebrities who hold sway over their particular demographic. They have to play the cards they are dealt.

Gifting-the-talent at award shows virtually guarantees mentions in the celebrity press at the time of the event; but without permission to associate the celebrity's name and likeness with the product, marketers don't have the leeway to truly leverage those relationships in their own press activities.

Gifting-the-talent in this way has other limitations: first-movers snap-up desirable categories and, of course, not all products are deemed appropriate. You won't find an energy drink in these bags.

PRODUCT SEEDING

Product Seeding offers marketers more control over whom to place products with but, conversely, less control over how (or if) those products get used. And, while virtually any product - from bottled water to consumer electronics - can be seeded with celebrities, marketers are playing the odds here. But the payoff can be huge if the seeding is supported by a creative strategy.

Product Seeding is the oldest form of Celebrity Product Placement. Products are distributed more widely. They can be aimed at celebrities who are most compelling to your demographic. And they can be delivered directly to the celebrity without the filters imposed by events. Of course, working with a specialist who can get your product directly to celebrities becomes paramount here. Film and television product placement agencies are NOT set up for this practice.

Taken by itself, Product Seeding is a gamble. If you send enough freebies to Hollywood but you don't have a creative strategy, a celebrity might be photographed using your product or evangelizing it on a talk show. But if one looks at Product Seeding as one tactic in a larger Celebrity Product

Placement effort, it can pay big dividends - particularly in identifying celebrities who have a true affinity for your product.

Energy Brands, makers of the Glaceau Vitamin Water line, discovered this in 2004. As a result of its long-time strategy to "home deliver" the vitamin-enhanced drink to celebrities (including **Sean "Puffy" Combs** and **Tom Cruise**), the company gained a fan in **50 Cent**. Having mentioned his preference for the product in a series of interviews, the Hip Hop star - who is well known for his fitness-centered lifestyle - became an obvious choice for brand spokesperson.



Speaking to *Ad Age* magazine, Energy Brands' VP of marketing, Rohan Oza, said "We've seen that when 50 Cent incorporates [Vitamin Water] into his daily routine ... the brand gets on the airwaves and we create a lot of trial." Making vitamin water a visible part of the rapper's healthy lifestyle worked so well the company launched a new "Formula 50" variety named for the artist.

Such "organic" relationships can grow from Product Seeding. Not only can marketers benefit from press mentions, but the process can be used to uncover promotional opportunities and, in some cases, identify the most ideal product endorsers.

Product Seeding remains a gamble but, if executed properly, one well worth taking. Relatively speaking, it is a very low-cost marketing program. And the return on investment - though difficult to forecast compared to barter relationships discussed below - can be big. But what if your goal is limited to getting press mentions? Can a publicist hedge his or her bets in this category?

One of the great things about Product Seeding is how creative you can get. For Trident White chewing gum, the company commissioned a Harris poll asking the public to vote on the best "celebrity smiles." My company, which specializes in celebrity product placement, delivered gift baskets of the product to the Top 6 winners, allowing Trident to plug the celebrities in their press materials.

On another occasion, Electrolux - maker of a new high-end, super-quiet vacuum cleaner - wanted to align their product with celebrities. We identified 6 celebrity moms who had recently given birth and - touting the fact that these vacuums would not wake a sleeping baby - made gifts of the product to each. Here again, the company was able to use celebrities to draw press coverage for its product. And they were able to reference these celebrities because they were stating facts (a gift was made to...).

But what if you want tighter integration with celebrities? Suppose you need to forecast a return on investment in order to get approval for a Celebrity Product Placement campaign? And what if you want celebrities to provide feedback about your product and authorize use of their names and likenesses as part of your press campaign?

BARTER RELATIONSHIPS

Barter is, perhaps, the only way to guarantee performance on the part of the celebrity. Unlike other forms of gifting, this is a *quid pro quo* relationship whereby the celebrity agrees in advance to participate in the marketer's promotional activities - in exchange for valuable product.

Celebrity Product Placement campaigns of this type work best for big-ticket items such as consumer electronics and (the loan of) cars. But with creative approaches, special product questionnaires and generous "Right of Publicity" agreements, marketers can use the celebrity's name, likeness and opinion as part of their public relations campaigns.

Celebrity Product Placement - via barter agreements - is also among the most affordable ways to use celebrities. For the price of a few products, and sometimes a token honorarium, companies can integrate testimonials into their PR materials and create customized celebrity content for their websites.

They can involve numerous stars in a press campaign for less than the cost of a single paid celebrity spokesperson. It is one of the most under-exploited tactics available to marketers today.

A Case Study: Sony Electronics

The **Sony CD Mavica** - at the time, the only digital camera offering a built-in CD-Rom - had failed to penetrate the increasingly crowded market for digital imaging products. This was troubling for Sony because the CD Mavica offered clear advantages over its competitors; namely, freedom from wires. But that message had failed to reach the public.

Sony wanted to involve celebrities with their products and for that involvement to influence the public in a meaningful way. They wanted a high-profile event - preferably benefiting charity - upon which to launch a yearlong press campaign in time for the Christmas shopping season. The focus: to promote the simplicity of CD-based photography.



The budget was limited. But, having learned that the latest Sony products could be made available to gift the talent, [The Hollywood-Madison Group](#) proposed a Celebrity Product Placement campaign. Each celebrity would be asked to take a picture of what "Freedom" means to them, and those photos would be auctioned off for charity.

Such an artistic challenge, coupled with the prospect of receiving free Sony product, not only served to induce celebrities to participate, but offered us an extraordinary opportunity: to frame these pictures and mount an exhibition which raised money for charity. Indeed, the charity component attracted higher-caliber celebrities and provided the "hook" to draw media attention.

We successfully placed the Sony CD Mavica digital camera with fifteen top stars including **Eric McCormack**, **Alyssa Milano** and **Dennis Hopper**. The photographs were then offered for sale on eBay as part of *Wired* magazine's annual charity auction, and put on display at a star-studded event in Los Angeles.

Fifteen top celebrities demonstrated the practical use of Sony's product and authorized the use of their names, likenesses and opinions about the product for press and marketing purposes (for one year). Sony received free advertising for its product in print and online for three months (worth an estimated \$100,000), as well as 3.6 million webpage impressions (auction as a whole) and national press coverage including Entertainment Tonight.

Read more about this project [here](#).

Conclusion

Celebrity Product Placement offers marketers an exciting way to influence consumer-purchasing decisions. Properly executed, it can be a low-cost, high-return proposition. As such, it should be part of every consumer-marketing program.

Three different approaches offer three different results: gifting-the-talent (narrow focus); product seeding (broad focus) and, barter relationships (one-on-one focus). But, as we have seen, a tightly integrated celebrity product placement campaign, combining elements of each, can improve results and deliver an impressive return on investment.

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