

# TIME

## It's an Ad, Ad, Ad World

**As conventional methods lose their punch, more marketers are going undercover to reach consumers.** By DANIEL EISENBERG

The next time an overly friendly blond sidles up in a crowded bar and asks you to order her a brand-name martini, or a cheery tourist couple wonder whether you can take their picture with their sleek new camera-in-a-cell phone, you might want to think twice. There's a decent chance that these strangers are pitchmen in disguise, paid to oh-so-subtly pique your interest in their product. Their game, known as "stealth marketing," is one of several unorthodox ploys that Madison Avenue is using to get through to jaded consumers.

Covert product placement has been around for years, with movie and TV producers accepting cash for the casual positioning of a particular brand of soda or make of sports car in the background of a scene.

But now the concept has leaped off the screen into other areas of life, often catching consumers unaware. Celebrities such as Lauren Bacall and Kathleen Turner appear on talk shows and praise prescription drugs without disclosing that they have been paid by the drugmakers. Marketers give expensive sneakers, colognes or even cars to young trendsetters on college campuses, at the fringes of show biz or at hot nightclubs with the understanding that they will use and talk up the products. Producers of soap operas and sitcoms and even best-selling author Fay Weldon take money to build plots around brands.



Such stealthy efforts are but one phase of a larger growth industry of alternative and guerrilla marketing that ranges from handing out free samples to sponsoring concerts and other events. "We need to take our brand to them and not wait for them to come to us," says Hilary Dart, president of Calvin Klein Cosmetics. Its estimated \$45 million campaign to launch the men's fragrance Crave this fall will include street sampling, product seeding among opinion leaders and other guerrilla tactics (even building sand sculptures of the Crave logo on beaches on both coasts) before any ads are unveiled.

**Klein: Succeeding with seeding.**

There are no reliable estimates of spending on alternative marketing, in part because agencies and clients rarely admit to using stealth methods.

Certainly, it represents a small fraction of the estimated \$236 billion that will be spent this year on traditional advertising in the U.S. But industry experts say that outlays for alternative campaigns are growing rapidly — and that Madison Avenue has little choice but to seek new ways to push products.

Why? Because the old model, the 30-second TV spot, is proving less effective. Digital video recorders such as TiVo give viewers the ability to banish commercials, prompting television exec Jamie Kellner to warn that commercial-supported free TV is an endangered species.

That may be a stretch, but there's no denying that the major ad companies are having to justify the value of their creative work as never before. Al Ries, a veteran marketing strategist and co-author of the just-published book *The Fall of Advertising & the Rise of PR*, says the reason is simple: traditional advertising has lost most of its credibility. "Anything you say about yourself is now automatically suspect," he says.

It is no wonder, then, that so many companies are relying on celebrities, trendsetters or even seemingly ordinary consumers to say it for.



Ericsson: Taking marketing to the streets.

The real action in covert marketing is on the streets. Sony Ericsson hired a troupe of actors to pose as tourists in New York City and Los Angeles and to ask passers-by to take their picture with the company's new T68i, a combination cell phone and digital camera. Vespa promoted U.S. sales of its scooters with a biker gang of beautiful people who were paid to ride them around such cities as Los Angeles and Houston. Marketers for BMW's Mini turned the car into a conversation piece by plopping Minis down among the seats at sports stadiums in Oakland, Calif., and New Orleans, and resting them atop SUVs that drive around cities. Even before the trendy energy drink Red Bull hit the shelves in England a few years ago, a London agency filled sidewalk trashcans and pub tables in Newcastle with empty cans of the stuff.

Then there is seeding: giving new products to trendsetters to help build buzz. Ford advanced models of the Ford Focus to employees of such celebrities as Adam Sandler and Madonna so the cars could be seen at hip places and parties around town.



Ford's Focus benefited from celebrity marketing.

Traditional product placement is fast evolving into what agents call brand integration, in which products take center stage. Earlier this year, cosmetics maker Revlon became an integral part of a story line played out over three months on ABC's soap opera *All My Children*, a groundbreaking deal that other advertisers hope to duplicate. town.

And, as the consummate step in product integration, NBC's ShopNBC cable channel now sells everything from jewelry to computers and smoothie blenders featured on soap operas *Passions* and *Days of Our Lives*, and ABC hawks some of its soap-star accoutrements on the Home Shopping Network.

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