

HOW A PRODUCT PLACEMENT STRATEGY WORKED FOR YAHOO

Portal Begins Second Year of 'Apprentice' Buy-in

January 31, 2005

QwikFIND ID: AAQ29D

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NEW YORK (AdAge.com) -- Following high-impact results with its product placement in last year's *The Apprentice*, Yahoo rejoined Mark Burnett Productions and Donald Trump again this year to promote its Local Search service.

The move is of interest because it dramatically demonstrates the effectiveness of a product-placement campaign designed to sell a difficult-to-explain online service. Yahoo's local search is a special tier of search that functions much like a local yellow pages index to individual merchants in given metro markets across the U.S.

Advertiser tie-ins

In last year's *Apprentice* campaign Yahoo scored large and previously unreported audience response rates with product placements tied to two of its own advertisers as well as its Local Search service, said Jim Moloshok, senior vice president of entertainment and content relationships at Yahoo.

In one episode of Season 2, contestants had to create a new flavor of Ciao Bella Ice Cream and market it. The specialty ice cream was only sold in 18 stores in New York and San Francisco, but Yahoo got the frozen treat maker to place the product in 760 stores across the U.S. A promotion at the end of the episode pushed viewers to Yahoo Local to search for the store nearest them to purchase the "Apprentice Ice Cream."

"Within three hours of the end of the show, the term 'Apprentice Ice Cream' was the third-most-searched term on Yahoo that day," Mr. Moloshok said. "By 5 o'clock the next afternoon, the ice cream was sold out."

What it proved

"The experience proved that you can take TV impressions and turn it into user engagement online, and then send the viewers to brick-and-mortar stores to make a purchase," he said.

Another Yahoo advertiser during Season 2 -- Levi Strauss & Co.'s Levi's jeans -- was featured in an episode in which *Apprentice* contestants created a catalog for the brand. That placement also showed consumer response is not completed in hours or even a day after a show airs. Four days after that episode ran, viewers were still searching Yahoo avidly for "Apprentice Jeans" to get a copy of the catalog. And "Apprentice Jeans" was still ranked No. 1 among Yahoo Web searches, Mr. Moloshok said.

Yahoo was able to report to its advertisers the gender and age of respondents. The core demographic for the ice cream was 21 to 34 years old. For the jeans, it was 35 to 44. Mr. Moloshok theorizes that the older consumers searched "Apprentice jeans" because the episode determined that the most important thing in buying a pair of jeans is what the person's rear end looks like -- and middle-aged people have started to spread.

This year's campaign

This year's *Apprentice* product placement deal with Mark Burnett Productions began with last week's first episode of the Season 3 and focuses more tightly on Yahoo itself.

That episode pitted teams "Magna" and "Net Worth" against each other in a challenge to renovate two dilapidated beach motels at Seaside Heights, N.J. They had 24 hours to do so before guests started checking in. Upon checkout, the guests used the Yahoo Local service to rate and review their motel experience.

The brand was showcased in a way that made it "very obvious to the audience that the people who are staying overnight are using Yahoo Local to rate those motels," said Ryan Rigoli, senior marketing manager for Yahoo Search.

'Hero brand'

"The hero brand is Yahoo Local and it's the user who determines that, not some judge," Mr. Moloshok said.

The local search product embedded in the episode contains listings of 14 million businesses primarily provided by business-database behemoth InfoUSA. The search product offers users a way to find information on businesses in their locale via a two-step process as well as a way to leave feedback about their experiences with those local retailers.

Google and other directories online also feature local search tools, but Mr. Rigoli said Yahoo Local differentiates itself with this feature that lets users rate and review their local restaurants and other businesses.

Cultural shift

Yahoo did a marketing push last fall to promote Yahoo Local. But it was a hard sell. Online directory experts say using Internet engines to find a corner butcher or neighborhood pizza shop is a cultural shift consumers haven't quite adjusted to.

In addition to integrating the Yahoo Local brand into the latest episode of *The Apprentice*, a promotion appeared just before the credit, driving viewers to the Yahoo Local Web site to review a local business of their choice. When they do so, they get a chance to win two tickets to the season finale of *The Apprentice* and a three-night all-expenses-paid trip to New York.

"If you can complete the loop, product placements like Mark Burnett is doing are one of the most effective ways to get people engaged with a product," Mr. Moloshok explained.

Close the loop

"What we've learned," he said, "is the combination of broadcast and online allow us to create a unique consumer experience. Online provides the element that allows us to close the loop and close the transaction while creating an entertaining experience for the user."

The price for this type of branded placement media buy? Yahoo won't say. And Yahoo's deal with Mr. Burnett involves a number of elements other advertisers don't have, including sharing revenue from advertising on the Yahoo-hosted *Apprentice* Web site and other Mark Burnett Productions Web sites, like the one for the new reality boxing show *The Contender*.