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CROWDSOURCING AS A MARKETING MODEL

Crowdsourcing is the process of transferring certain functions to create customer value and other marketing functions to the public on the basis of a public offer on the part of the firm organizing the crowdsourcing project. According to many specialists from different organizations applying crowdsourcing in their activities its potential is limitless.

For the first time the term "crowdsourcing" is believed to be used in 2006 by the journalist Jeff Howe in the article «The Rise of Crowdsourcing» for *the Wired* magazine. Howe argued that a group of amateurs who are working at some task can often give better results than professionals, because the best for each job are those who want to fulfil it the most. Experts, even the most intelligent, will always be more limited than thousands of enthusiasts.

The basis of all projects applying crowdsourcing is talented people who are ready to donate their time. Enthusiasts engaged in such projects usually seek not only to earn money but also to get psychic income from the work. Perhaps, that is why uncommercial projects have still been the scaliest examples of crowdsourcing.

The main advantages of crowdsourcing:

- 1) Unprecedented speed (thousands of people think over the solution of business problems at the same time);
- 2) Excellent quality of the finished product (apart from the people generating ideas, qualified specialists work on crowdsourcing project, constantly monitor the project and "screen out" non-viable solutions);
- 3) Cost-beneficial results (launching a crowdsourcing project, you save up to 80% of the resources that would be spent on this project without applying the crowdsourcing technology);
- 4) Proved model (rapid growth of crowdsourcing as a marketing model testifies to the effectiveness of this method of enhancing services, solving laborious and resource-intensive business problems, developing new ideas and receiving direct feedback from customers).

The increased popularity of the traditional type of crowdsourcing has also revealed its disadvantages –useless "noise" of ideas generated by users, lack of motivation of volunteers, as well as the final product quality reduction. However, in spite of the drawbacks crowdsourcing finds new applications in many industries. And the "noise" produced by crowdsourcers can be coped with by structuring and fulfilling the task correctly.

Crowdsourcing is increasingly used by business companies, public authorities

and non-profit organizations. Crowdsourcing is used in many successful projects in various spheres – from legislation (the constitution of Iceland), software to new sorts of ice-cream. "Wikipedia" is the most famous of the projects. Crowdsourcing in the environmental protection provides an opportunity to carry out large-scale projects covering large areas. With the development of information technology an online community can continuously participate in the solution of environmental problems of both their region and other territories.

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PRODUCT PLACEMENT

Product Placement is a special technology of embedded advertising when the product is not advertised directly but mentioned or shown in films or television series as part of the episode. In other words it is an advertising technique, which consists in the fact that the props in movies, television programs, computer games, music videos, or a book has real a commercial counterpart. The advertised product itself, or its logo, or its good quality or the manufacturing company is usually shown or mentioned.

In the 1980s the product placement became a full-fledged, independent industry. By the end of the decade all major Western studios had organized departments specializing in the product placement. Product placement in feature films was considered a viable and very effective way of promoting goods. In the early twenty-first century, the situation with the use of the product placement technology began to change, because direct advertising palled, and some manufacturers started to increasingly build their campaigns on product placement.

Efficiency of product placement consists in a fact that human vision accounts for perception of 80% of information about the world. While watching a movie or scene viewer gets both a picture and sound, hence the impact on information channels approximates 100%. Efficiency of correct product placement influence significantly exceeds that of direct advertising and is unobtrusive. Besides, it sometimes significantly adds to the film. Another efficient promotion tool (that does not require additional investment at that) is the association of the brand with film, TV, sport celebrities. While watching a film viewers do not feel that they are being foisted off this or that product on. Film characters live among things, use them, talk about them - and this is quite natural.

No modern film can do without advertising, as a means of compensating for expensive shooting. That is why TV and cinema screens are filled with different paid inscriptions, slogans, names. Involvement of greater number of advertisers is very beneficial to filmmakers. Neither recognizable product can appear on the screen