

marketing

sider

NEWS AND KNOWLEDGE FOR
TODAY'S MARKETER

Gifts that Give Back

Promotional Products
Get Strategic

IN THIS ISSUE

- From rookie to all-star: 6 ways to score big at your next event
- 10 tips to say “thank you” to clients and employees
- Sizzlin’! The hottest trends in promotional products

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Dear Fellow Marketer,

Thanking customers. Building goodwill. Developing new business. Recognizing employees. These are just a few of the reasons businesses turn to promotional products for professional gift-giving and powerful marketing.

Among the key findings in a 2016 study by Promotional Products Association International, marketers reported the following as the most important features of promotional items:

- Able to promote loyalty (83%)
- Reach targets effectively (80%)
- Are audience friendly (78%)

In this issue, we're taking a closer look at some of the ways in which you can tap promotional products to increase the impact of traditional direct mail communications, improve brand recall and leave positive impressions about your company.

One avenue is via special events. On **page 2**, we're offering wide-ranging tips to improve your event marketing, including ways to better integrate promotional items and wearables to create a lasting impression.

We've also consulted with a leading promotional marketing expert, Cliff Quicksell, for his thoughts on how to inject strategy and creativity into the selection and use of promo items. Beginning on **page 6**, Cliff offers some great examples of how out-of-the-box thinking can deliver out-of-the-park results.

Let us also direct your attention to **page 10**, where we zero in on two of your most important audiences: employees and customers. Empowered employees who feel connected to a purpose drive customer loyalty and value; you truly can't have one without the other. Check out the ways you can show your appreciation to both.

Finally, let us offer a special "thank you" for your support. We love sharing ideas with you through *Marketing Insider*. If you'd like to learn more about what you see in this or any of our past editions, please let us know!

Sincerely,



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P.S. Check out the back cover for our FREE guide, "101 Marketing Ideas You Can Take to the Bank." It's one of our most-requested guides and is chock full of great tips!



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C o n t e n t s



06 SPOTLIGHT

The Gifts That Keep on Giving

Promotional Products
Get Strategic in
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The value of interactive customer experiences is no more evident than at special events. This can take shape as a trade show appearance, event sponsorship or participation in a local street fair.

Businesses report their leading goals in face-to-face marketing are to increase or create brand awareness (81%) and to boost sales (79%). Among other objectives, marketers seek to

enhance product knowledge (62%), influence deeper customer involvement (57%), launch new products (55%) and gather sales leads (50%).¹

Of course, if you arrive at a trade show or similar event with these goals in mind, it's best to come prepared. Here are six tips on how to be a "big league" event marketer by maximizing the return on your investment. 🖱️



Once you've offered an incentive, don't leave yourself empty-handed. Make your offer conditional on receiving a name and phone number as a lead for future sales nurture.



1 Don't simply show up – show off. Use the opportunity to do what may be impractical to do in your store, on a sales call or online. Show how easy it is to use your product or achieve great results with it. There may be no better way to launch a new item or boost sales among prospects you might not normally encounter. Four out of five event goers name a demonstration or, better yet, a personal trial as a reason to purchase a product.²



2 Give 'em a discount and get the sale. People are attracted to trade shows and special events by the prospect of a discount, incentive or special offer. Indeed, nearly half of event attendees say that's the reason they came in the first place . . . and made a purchase afterward.³ Once you've offered an incentive, don't leave yourself empty-handed. Make your offer conditional on receiving a name and phone number as a lead for future sales nurture.



3 Score your hits and misses. Track whatever you can to determine what's working, what's not . . . and what might be improved upon next time around. The three leading criteria used in evaluating event marketing are visits to your booth or display, Facebook "likes" or other social media feedback, and the number of sales leads you've collected. Your competitors are probably keeping score; four in five marketers measure their results.⁴



4 Don't paper over a preference. There's a place for printed sales materials, and it's in the hands of your prospects – many of whom prefer paper over digital communications. That said, a two-tier distribution strategy can help minimize costs. Hand out a simple brochure to all visitors and a more elaborate one to those expressing a strong interest. Or, gain a new sales contact by collecting a name and address in exchange for a promise to deliver a deluxe brochure later.



5 Give it up for promotional products. Smart event marketers offer more than one advertising specialty. You'll gain a greater chance at satisfying the needs or capturing the imagination of your contacts. And you'll multiply your chances of offering a premium unlike a competitor. What's more, you'll be less likely to run out of items. All that said, be sure your choices are well branded; you're seeking to gain goodwill and greater awareness.



6 Hats off to logo apparel. Branded clothing is a popular giveaway, and a sure conversation-starter. What's more, it's a gift that keeps on giving – if giving your brand name wider circulation is important to you. Of course, there's one group you should never overlook when passing out wearables, and that's your staff. A logoed shirt, cap or other clothing item will not only promote your business, it will also identify your team members as the ones who visitors should ask for more information. ■

^{1,2,3,4} *EventTrack Study 2015*,
Event Marketing Institute/Mosaic

Take your next event from good to great. We can help you drive better results.

Get HIGH IMPACT results with advertising specialties

Why Outerwear?

Top reasons for keeping promotional outerwear:



75%
Useful



52%
Attractive



49%
Enjoyable to have



46% men 54% women

Worn with Pride

More women than men own logoed tshirts.

91%

Utility is Key

keep USB drives because they are useful.



Bottoms Up!

Half of consumers who own logoed drinkware use it 2-3 times a week or more.

I ♥ Desk Accessories

Younger consumers are the most likely to own a promotional desk accessory.

18-34: 52%
35-44: 45%
45-54: 30%
55+: 36%



On Display

76% of consumers who own calendars say they display them prominently in their homes or offices.

SIZZLIN' PROMOS

While there has never been a shortage of options in logoed merchandise, marketers looking to take their promotions to the next level are seeking an even wider selection with dual- and multi-functionality.

A trendy, useful and relevant-to-the-campaign promotional product can add an extra dose of flair to capture attention and build awareness of your products and services or company mission and goals.

Case in point: Response rates to dimensional mailers that include a promotional product can be more than double that of flat mailers.¹

So whether for a trade show, special event or targeted direct mailer, consider the following hot trends when choosing your promotional items:

Turn on the "brights." Muted hues are giving way to can't-miss neon pink, green and yellow. From office supplies to tee shirts, the brighter the better.

Reduce. Recycle. Reuse. Cotton tote bags, corrugated magnets, bamboo photo frames and self-charging flashlights are just a few of the products with eco-friendly appeal.

Shout-out to electronics. According to the Advertising Specialty Institute (ASI), USB drives assert the most influence to drive a positive opinion



of the advertiser. You simply can't go wrong with anything that makes staying connected a little bit easier. Charging hubs, tablet stands, water bottle/wireless speaker combos and waterproof smartphone pouches all fit the bill.

Trending up: umbrellas. More than half of consumers say they would be more likely to do business with the advertiser who gave them an umbrella, says 2016 research from ASI. Usefulness, say 83% of those polled, is the key factor in keeping a promotional umbrella.

Get healthy and fit. Infuser and blender bottles. Ear buds. Exercise mats and towels. Capitalize on the fitness craze to help drive a healthy return on your promo products investment.

Quality matters. Higher quality products that better reflect their business and brand are high on the list for marketers who want more impact than a promotional pen or notepad can provide – though standard items have their place, too. As with any targeted marketing effort, spending more per piece to make a lasting impression to a smaller target audience beats a spray-and-pray approach every time.

Don't like to shop? Let us take it off your hands. Our promotional products experts can source products specific to your campaign, your customers and your industry. We're here to help! ■

¹ DMA Response Rate Report, Direct Marketing Association, 2015



THE *Gifts* THAT KEEP ON GIVING

Promotional Products Get Strategic in Today's Marketing Mix

Useful. Unique. Industry- and theme-specific. Today's marketers give a thumbs up to promotional products: 65% call them always or mostly effective as an advertising medium.¹

"The old term, 'ad specialties' described something that you gave away free of charge, for goodwill purposes," says Cliff Quicksell, a leading expert in promotional marketing strategy. "The name has now evolved to 'promotional products,' and with that comes a greater expectation that the item will promote an intended action."

Marketing Insider recently talked with Quicksell, author of "Going for The Gold: 15 Steps to Successful Award Winning Promotions," and the recipient of more than 25 awards for creative marketing campaigns.

On the following pages, he shares the key factors small and mid-sized business (SMB) marketers should consider to determine where, when and how promotional products can transform a so-so marketing campaign to sensational.

¹ Promotional Products Association International/
Relevant Insights, 2016





Q MI: How does an SMB move from a tactical to strategic mindset with promotional products?

A Quicksell: Promotional marketing is moving from the simple to the sophisticated. To be sure, there’s still a place in it to distribute pens or calendars. And that’s fine if your objective is to have your name and number handy for future reference.

But if you expect a promotional product to do more for you – such as generate leads or gain referrals – you’ll have to focus on your target audience, identify their needs, and match their interests with a product and appeal that captures their imagination.

For example, a podiatric surgeon wanted to increase referrals from nearby pediatricians. She determined that pediatricians needed to gain confidence before making recommendations. So out went the old strategy of passing out coffee cups and in came a new plan to drop off small teddy bears. They featured actual plaster leg casts signed by the surgeon and her mobile number with a hang tag with the message, “We treat your patients with the same care as you.” Referrals soared by 46%!

Q MI: What do marketers typically overlook with promotional product campaigns?

A Quicksell: Measuring your campaigns is an absolute essential. While small and medium-sized businesses can have any number of near-term objectives, such as increased referrals, the ultimate goal is to be profitable. So, if you are not measuring performance, you are doing yourself an injustice.

Through measurement, for example, you’ll focus on what works and what doesn’t. You can then move away from what’s ineffective, tweak what’s promising or extend a successful campaign to a broader group of targets.

Q MI: What analytics should a marketer be capturing?

A Quicksell: One measure that is useful in comparing promotional products to other forms of advertising is cost per impression, or CPI. Billboards, print ads and other mass media are often able to reach prospects at a low cost per impression.

Branded coffee mugs, pens, apparel and other promotional products compare favorably in many instances. In fact, if being remembered is your goal, they are probably a bargain – putting your name and phone number in front of your prospects at just pennies a day.

Q MI: Is there another metric you would recommend?

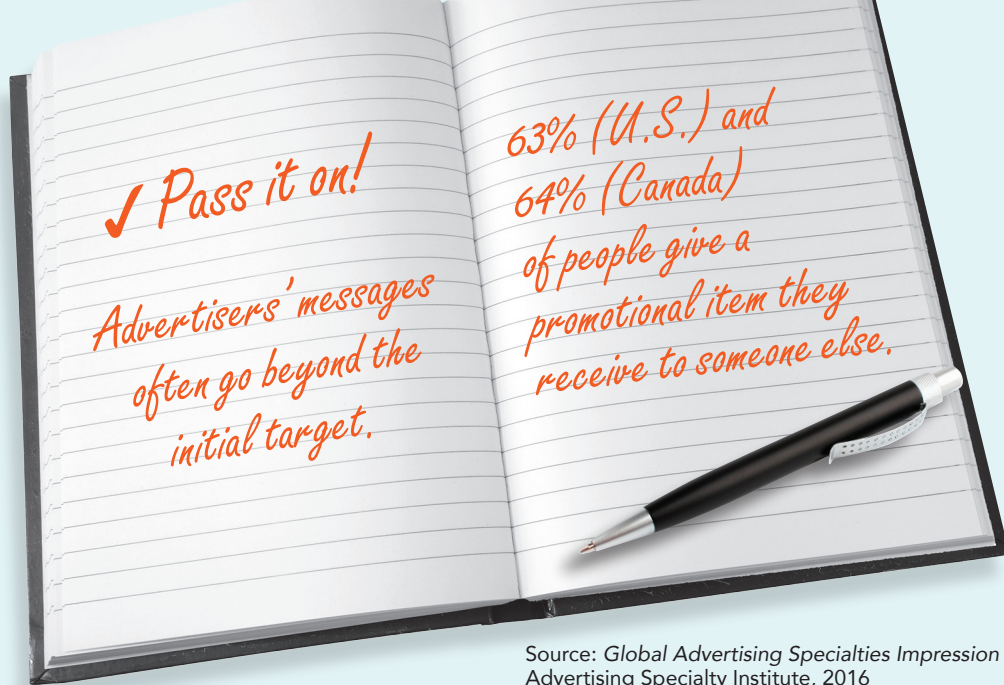
A Quicksell: I suggest using return on objective, or ROO. In other words, “From this spend, what do I hope to get back?” I also recommend measuring return on investment, or ROI. This is the difference between the cost of your investment and the realized revenue.



For example, with an objective of gaining new members, an exclusive tennis club mailed a brochure to 5,000 homes within a 50-mile radius. They gained a 2% response rate (100 interested people) and, from that, a 2% conversion rate for a net increase in two new members. Given that each new member could be counted on to spend \$21,000 in dues over a typical six-year term, the club’s ROO was \$2,500 (\$5,000 campaign cost divided by two new members) with an ROI of \$37,000 (\$42,000 in new dues minus \$5,000 in campaign costs). Not bad, but much better was yet to come!

We deployed a highly targeted campaign using direct mail to reach 300 tennis enthusiasts within the same 50-mile radius. Each received a lumpy mailer with a message, “Serving up a sweet offer.” Inside was a free, one-week pass along with a tennis ball and the headline, “Now





Source: Global Advertising Specialties Impression Study, Advertising Specialty Institute, 2016

the ball is in your court.” Seventy-five people joined! The club achieved a ROO of \$66 (\$5,000 campaign cost divided by 75 new members), and an ROI of \$1,570,000 (\$1,575,000 in new dues, less \$5,000 in campaign costs). Game, set and match!

Q MI: What criteria should you use when selecting promotional products?

A Quicksell: Well there’s no shortage from which to choose. At last estimate, I think there were 700,000 promotional products . . . probably more. So if you are seeking one that goes beyond keeping your company top-of-mind with a customer or thanking them for their business, select an item they will relate to. In the example just mentioned, the tennis ball connected to the interests of tennis enthusiasts.

Q MI: You cited the value of promotional products in direct mail. Can you expand?

A Quicksell: Enclosing a promotional product in an envelope or box to create a lumpy mailer is a natural. With it, you’ll capitalize on our childlike inquisitiveness to want to find out what’s inside. Your campaign will also benefit from tactile qualities that other media such as broadcast or digital cannot. No print ad feels like that fuzzy tennis ball.

I will just caution SMBs to use promotional products in direct mail with a clear objective in mind; pick an item that resonates with your target audience and supports a call-to-action.

Q MI: What should a marketer look for when choosing a supplier?

A Quicksell: If you are looking for something more than a giveaway, avoid the provider who just hands you a thick catalog. Ideally, you will want a partner who will help you define your objectives, refine your plan and recommend solutions. It helps, too, if their expertise extends beyond items or premiums. The effectiveness of promotional product marketing is often enhanced through other media, such as direct mail, print, packaging, social media, video, web traffic and other marketing methods.

Q MI: What are the key considerations for SMBs when looking ahead in 2017?

A Quicksell: It’s hard to overestimate the need for planning. All too often, small and mid-sized businesses fail to formulate a plan and, as a result, end up acting or reacting in last-minute mode.

Putting aside the ineffectiveness of on-the-fly strategizing, certain opportunities such as engraving or other forms of personalization for promotional products are often lost. What’s more, delivery expenses can also escalate if you are rushed. ■

Looking to put promotional products to work for your organization? Let us know; we can help!



10 Tips to Let Clients and Employees Know You Care

Don't underestimate the business impact of the "feels," a.k.a. customer care. Herein lies a rare advantage that favours smaller operations. Forty-one percent of shoppers say they are willing to spend more with a small business – even if a large company provides an equally high level of customer service.¹

Typically, we think of service as purely sales-focused, beginning and ending with the immediate transaction.

Widening the view, regular customer appreciation activities can have a big impact on valuable long-term loyalty, too.

Do they need to be costly? No. Do they need to be consistent? Yes. Are they worth it? Absolutely! Eight out of 10 businesses give gifts as a retention strategy, meaning your competitors are likely using tangible ways to show their customers they care.²

Of course, appreciation and recognition should be happening “in house,” too. When formal and informal recognition is built into your company culture, it can help you to attract and retain top performers while deepening commitment to your organization. Companies with effective employee recognition programs enjoy 31% lower voluntary turnover rates,³ reducing high costs associated with hiring and training.

Here are 10 ideas that may be small investments in time and money but can pay big dividends.

YOUR CUSTOMERS

1. Send a card. Always thoughtful and often unexpected, a word of thanks is nice after a first, large or repeat purchase, or in appreciation of a referral. While email may be efficient and easy for broad-reaching acknowledgements, nothing tops the touch and feel of a personalized, handwritten note on high-quality stationery or a note card with your logo embossed or foil-stamped on the front.

2. Bring lunch. For top business-to-business clients, offer to bring lunch to their location. You can pack logoed, reusable lunch totes with edibles, and leave behind branded water bottles or travel tumblers. Business-to-consumer companies can host an open house, sending an inexpensive postcard to invite loyal customers to a pre-sale event with preferred pricing.

3. Extend the goodwill. Send or hand-deliver a gift in appreciation for a substantial order, referral or an anniversary of your business relationship. A branded crystal candy dish filled with treats, for example, creates an opportunity for your sales team to extend good feelings by refilling it on subsequent visits.

4. Get personal. If your customer data is robust and includes birthdays, anniversaries or other significant dates, you can build-in recognition beyond typical business-related occasions with personalized offers and gifts. Have clients who are into fitness? Pick logoed pedometers or exercise mats to show you know . . . and care.



5. End on a high note. Year-end holidays are a prime time to send cards and gifts. Tried-and-true, printed wall calendars have secured their spot in the workplace despite the plethora of electronic options. Other welcome desk accessories include journals and portfolios or electronics, like power kits or Bluetooth speakers.

YOUR EMPLOYEES

1. Be specific. While acknowledging an employee of the month is good, better yet is rewarding your team members in the moment. Drawstring backpacks, headphones or travel blankets with your company imprint are all on trend. (See page 5 for more “hot” promotional products.)

2. Encourage peer recognition. Enable your employees to acknowledge one another for going the extra mile or being a team player with whimsical “high five” trophies or golden tokens redeemable for office perks.

3. Put it in writing. Top-performing companies prioritize employee communications, because sharing your organizational vision and mission are essential for engagement. Salute those who embody your company values during staff meetings, and highlight their personal stories and achievements in your printed company newsletter.

4. Tie rewards to company goals. Get the most from your employee appreciation program by linking some awards directly to your goals: increasing sales, improving customer service or identifying cost savings. Traditional plaques and crystal trophies can instill pride in high-level accomplishments.

5. Remember remote employees. Teleworking from home or locations far from the main office is commonplace. Reinforce their sense of connection by ensuring remote employees are represented in recognition opportunities. ■

¹ 2012 *Global Customer Service Barometer*, American Express/Echo, 2012

² *Business Gift Practices*, Promotional Products Association International (PPAI), 2007

³ *The State of Employee Recognition in 2012*, Bersin & Associates, 2012

Thank You



LOOK FORWARD

Customer Lifetime Value Reveals Real Worth

When you look at a customer, what do you see? The temptation can be to look no further than the first sale, especially if it's substantial. True worth to your business, however, is found in your customer's lifetime value (LTV), simply defined as the projected revenue a client will generate during the lifespan of your relationship.

Here's a basic formula to determine average LTV:

(average value of a sale) X (number of repeat transactions) X (average length of a typical customer relationship in months or years)

Using this formula, here's an example of a housekeeping service whose typical customer spends \$200 per month over five years:

\$200 X 12 (months) X 5 (years) = \$12,000 LTV

LTV gives you a better gauge of how much to invest in

customer acquisition. So, to determine the right investment in marketing programs, rather than calculating the number of single purchases needed to break even on a campaign, consider the repetitive nature of your sales to measure ROI.

For the housekeeping service example, a \$10,000 direct mail campaign using a one-time sale value of \$200 would require 50 new customers to break even. Using the true LTV (\$12,000), one new customer actually pays for the campaign and is a more accurate representation of the impact the program has on your business.

LTV will vary by business and industry, the length of the sales cycle, acquisition and retention costs. As a general rule of thumb, a stable business with solid products/services and good customer service can expect the average relationship to last five to seven years before a customer is lost through natural attrition: a death, relocation or another business relationship develops.

5 WAYS TO DRIVE LONGER RELATIONSHIPS AND BOOST LTV

- 1 Keep them happy.** Pay attention to small things that might cause a profitable customer to leave you prematurely. A website with easy navigation, the prompt return of a phone call and speedy resolution of an issue add up to a positive customer experience.
- 2 Upsell and cross sell.** Introduce new products or services that will either increase purchase frequency or raise the amount per sale among existing customers.
- 3 Create advocates.** According to Nielsen Media, the average value of a referred customer is at least 16% higher than that of a non-referred customer with similar demographics and acquisition time. A referral program, whether simple or sophisticated, generates new revenue opportunities.
- 4 Be valuable.** Look for ways to provide more value. Share educational information, invite your best customers to a "pre-sale" or make personal deliveries.
- 5 Say "thanks."** A "thank you" note or email after a purchase, a birthday or anniversary card, or a year-end gift are tactics that are welcomed, appreciated and remembered. (Details on pages 10-11.)

WRITE ON!

"What promotional products have you received in the last 12 months?"*

WRITING INSTRUMENTS

U.S. 56% • Canada 48%



CAPS/ HEADWEAR

U.S. 25%
Canada 21%



OUTERWEAR

U.S. 9%
Canada 16%



BAGS

U.S. 34%
Canada 25%



SHIRTS

U.S. 48%
Canada 36%



DESK/ OFFICE ACCESSORIES

U.S. 22%
Canada 16%



CALENDARS

U.S. 25%
Canada 25%



CUPS/ MUGS

U.S. 25%
Canada 13%



USB DRIVES/ FLASH DRIVES

U.S. 10%
Canada 12%



HEALTH & SAFETY

U.S. 12%
Canada 11%

*Name up to three

Source: *Global Advertising Specialties Impressions Study*, Advertising Specialty Institute, 2014



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ASK US FOR YOUR FREE GUIDE:

“101 MARKETING IDEAS YOU CAN TAKE TO THE BANK”

Consumers receive thousands of messages a day from more than 60 different communications channels. According to leading market research firm InfoTrends, most marketers today are using at least two to three types of media in their direct marketing campaigns.

Reaching customers and prospects through multiple channels can significantly **improve response rates – often by as much as 35%.**

Research from shop.org also reveals that:

- Consumers use at least three channels when shopping.
- Cross-channel shoppers spend up to 10 times more.
- These consumers are 25-50% more profitable than their single-channel counterparts.

Are you missing some sales opportunities? This guide is packed with quick tips that can help you think about new ways to engage with and motivate your potential buyers – or improve upon what you are already doing.



Ask us for your **FREE** copy of this must-have resource for your marketing library!