

Engaging People to Build Brand Experiences The Unique Power of Promotional Products

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• The Five Senses:

- Sight
- Touch
- Hearing
- Smell
- Taste


PROMOTIONAL PRODUCTS ASSOCIATION INTERNATIONAL

WHEN YOU WANT TO GET YOUR AUDIENCE'S ATTENTION ...

Promotional products grab people's attention every day. They're the only medium that engages all five senses. Customers can see, hear, touch, taste and even smell them. Plus, promotional products are easily affordable—yet their impression is long-lasting and readily measurable. Make promotional products an integral part of your marketing mix and watch clients grab onto your message.

During **Advertising Week 2006**, attend a free PPAI student workshop demonstrating brand building with promotional products on Monday, September 25, 2006, from 4-5:30 pm at the McGraw-Hill Building, New York, NY. And, just steps away from the workshop, visit "The Best of the Best," an exhibit of award-winning promotional campaigns.

... GRAB 'EM BY THE
whiskers.

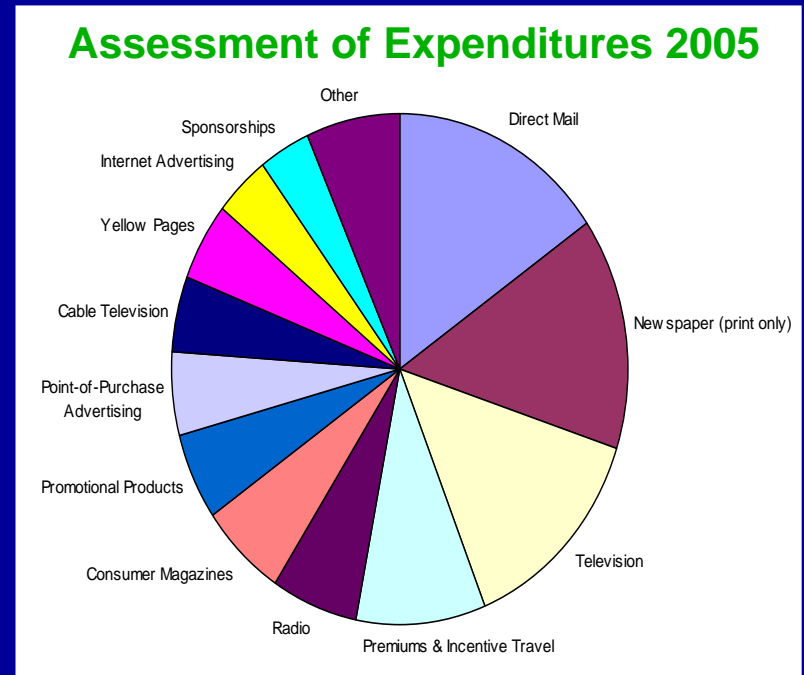


PPAI
The Mark of a Professional®
www.ppa.org/buyer



What's the purpose of marketing?

- Change behavior
- What's that change worth to marketers?
- \$325 BILLION
 - Direct Mail 15%
 - Newspaper 14%
 - Television 14%
 - Premiums/Incentive Travel 9%
 - Radio 6%
 - Consumer Magazines 6%
 - Promotional Products 6%
 - POP 5%
 - Cable Television 5%
 - Yellow Pages 5%
 - Internet Advertising 4%
 - Sponsorships 4%
 - Other 7%



Source: Richard Alan Nelson, Ph.D., Louisiana State University, and Rick Ebel, Glenrich Business Studies, Newspaper Association of America, Television Advertising Bureau, Cable Advertising Bureau, Radio Advertising Bureau, Direct Marketing Association, Incentive Marketing Association, Publishers Information Bureau, Simba Information, Interactive Advertising Bureau, Outdoor Advertising Association of America, Point of Purchase Advertising Institute.

What is a Promotional Product?

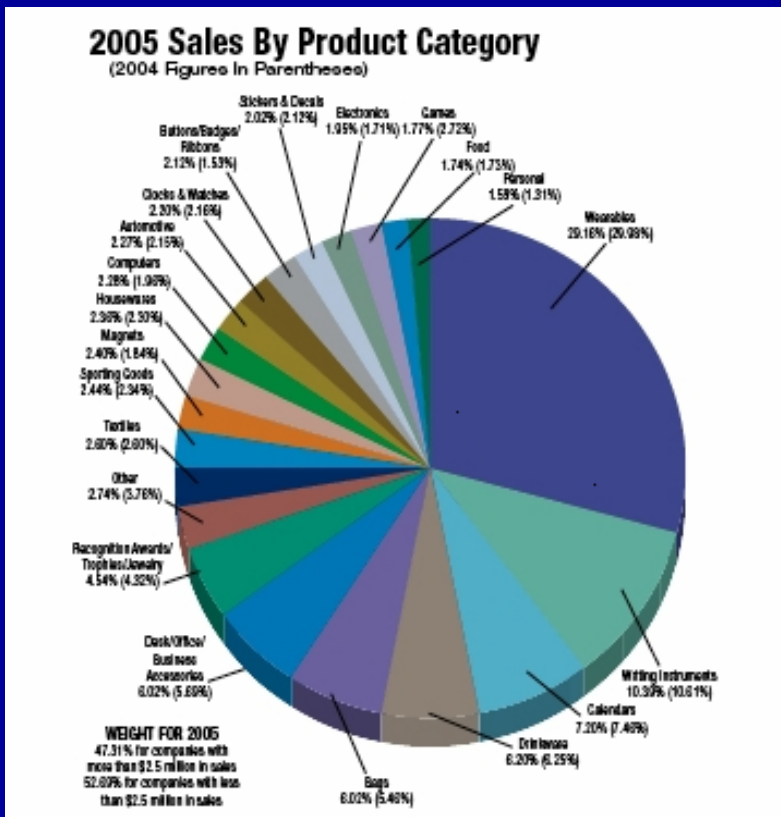
- Items used to promote a product, service or company program including:
 - advertising specialties
 - premiums
 - incentives
 - business gifts
 - awards
 - prizes
 - commemoratives
 - other imprinted or decorated items

Advantages of Promotional Products

- Audience Focused
- Sensory
- Tangible and long-lasting
- Impact easily measured
- Easily distributed (viral)
- Higher perceived value
- Complements targeted marketing
- Complements other advertising media

How Big Is The Promotional Products Industry?

As of 2005, more than \$18 billion annually



Top Product Categories

1. Wearables
2. Writing Instruments
3. Calendars
4. Drinkware
5. Desk, Office and Business Accessories
6. Bags
7. Recognition
8. Clocks/Watches
9. Automotive
10. Computer Products

Why Are Promotional Products Powerful?

- Unique ability to build a relationship with the recipient
 - Once you have the jump drive – we have a relationship. That relationship will continue throughout the useful life of the product.
 - Your relationship with the ad began when you saw it and ended when you looked away.

A Closer Look ...



How Big Is The Promotional Products Industry?

More than \$14 billion annually according to the 2006 PPAI Customer of Promotional Products Study. This annual study is prepared by PPAI and conducted by researchers at Louisiana State University and Georgia Southern Studies.



What Are Promotional Products?

Items used to promote a product, service or company or system including advertising machines, pens, pens, business cards, magnets, pens, commemorative and other registered or second items.

- | | |
|--|---|
| Top Ten Clients | Top Ten Livens |
| <ul style="list-style-type: none"> Education Finance Healthcare Hotel/Travel Construction Government Trade & Professional Manufacturing Food/Drink Pharmaceutical Professional Services Lawrence, CA, etc. | <ul style="list-style-type: none"> Business Gifts Technology Direct Mail Employee Relations & Events Public Relations Customer Satisfaction Programs New Customer/Client Acquisition New Product/Service Introduction Employee Service Areas Recruitment Programs |

Positive Impact On Brand Image

- Recipients of a registered product have a significantly more positive opinion of a business. In fact:
- More positive overall image
 - More positive perception of the business
 - Higher likelihood of recommending the business
 - Higher likelihood of repeating the business

What is PPAI?

Promotional Products Association International is the only international trade organization for the promotional products industry. The Association offers education, technology, information, training, and services, and marketing and public relations support to its more than 7,000 global member companies. In 2005, PPAI celebrated 75 years of service to the promotional products industry and its members, making it one of the oldest trade associations in the United States.

What is the Value of A Promotional Product?

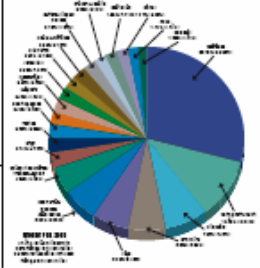
Because the products are used and appreciated by the recipient, they are viewed as an investment. Registering the promotional message may have a value added to the investment.

- ### How is The Industry Structured?
- A general trend over time involves solutions to existing challenges through the introduction of promotional products used to increase awareness, marketing, promotional and other leading to increased brand awareness, customer loyalty, employee retention and more. That has led to the PPAI sponsored consideration from the industry to the marketing of PPAs, and the search for an appropriate, cost-effective solution.
 - Suppliers manufacture, import, export, distribute or otherwise produce or process products offered for sale through promotional products channels. There are more than 10,000 people employed in the promotional products industry.

How Do I Find A Promotional Consultant?

Visit www.ppai.org for more information.

2006 Sales By Product Category



PROMOTIONAL PRODUCTS ASSOCIATION, INT'L

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Promotional Products Have The Power To...

- Convince you to change your behavior
- Convince you to actively engage with us
 - Take our products home
 - Keep them
 - Use them – again and again

Start With The End In Mind

- Identify the behavior we want changed or the action we want taken
- Identify the product that will motivate change
- Package it properly for maximum impact
- Get it into the hands of our target audience

A Few Questions For You...





Promotional Products:
Impact, Exposure And Influence
*A Survey of Business Travelers
at DFW Airport*



- Reach

- 71% of business travelers randomly surveyed at DFW Airport reported receiving a promotional product in the last 12 months
- 33.7% of this group had the item on their person – a coveted location for advertising



- Recall

- 76% of respondents could recall that advertiser's name on the product that they had received in the past 12 months
- In comparison, only 53% could recall the name of a single advertiser from a magazine or newspaper read in the past week!



- Recall

- 52% of respondents did business with the advertiser after receiving the product
- Of those that have not done business, almost half said they were more likely to do business with them
- 52% said their impression of the company was more favorable since receiving the item



- Recall

- 73% said they used it weekly

- 45% said they used it daily

- 55% said they keep their promotional product(s) more than a year

- 75% said it was useful

- 20% said it was attractive

- 25% said they passed it along to another



- **Conclusions**

- Promotional products furnish advertisers with advantages not available in other media:

- High recall where the name of the advertiser is remembered
- Repeated exposure to the advertising message because of length of time the item is kept
- A favorable impression of the advertiser, resulting in a propensity to do business with the organization giving them the item

Why Promotional Products?

- 'Traditional' media frequently misses the mark when it comes to reaching specific demographics.



Television



Billboard



Newspaper

Why Promotional Products?

- The value of promotional products is in their ability to carry a message to a **well-defined audience**.



Pill Case



Memory Stick



Plush Animal

Why Promotional Products?

- Promotional products are a sensory medium. Unlike other media, **they can focus on one or more of our five senses.**



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The Sixth Sense: Pride of Ownership



Here's the challenge:

- Name another advertising medium that touches on all 5 senses.

Here's the challenge:

- How about one that can move with you?
 - Online ads stay online
 - Print ads stay on paper
 - Radio ads stay on the airways

Here's the challenge:

- What about one that can be adapted to your lifestyle?
 - Kitchen
 - Office
 - Car

Designing and Delivering a Promotion Experience

- Theme the experience
- Harmonize impressions with positive cues
- Eliminate negative cues
- Mix in memory hooks
- Engage all five senses

Theming a promotion experience means scripting a participative story. At its best, this means scripting a story that would seem incomplete without your target audience's engagement and participation.

Harmonize Impressions with Positive Cues



Impressions are the “takeaways” of the experience that affect the participant and fulfill the theme.

How do you want your people to describe the experience? “It made me feel...”, “It was like...”

6 Dimensions of a Promotion's Impressions



- 1. Time: Traditional, contemporary, or futuristic
- 2. Space: City/country, East/West, home/business, indoor/outdoor
- 3. Technology: Hand-made/machine-made, natural/artificial
- 4. Authenticity: Original or imitative
- 5. Sophistication: refined/unrefined, luxury/cheap
- 6. Scale: grand/small
 - Source: Schmidt and Simonson

Eliminate Negative Cues



- Creating a great incentive experience means eliminating anything that diminishes, contradicts or distracts attention from the theme.
- Eliminate trivial messages.

Mix In Memorabilia



Promotional Products:

- The New Medium of the Experience Economy!
- If you've created an experience, you've created a memory.
- The right promotional products are the HOOK that embeds the memory and maintains the experience.

It's not what a product does, it what
a product means...



- Tangible artifacts of the experiences people want to remember, or
- That you as a sponsor want them to re-live, remember, re-experience.

If the promotion experience is great, your audience will want to remember



- If you offer anything anyone wants to remember, they will value your promotional products to commemorate their experience.

Engage the 5 Senses



- Creating a memorable incentive experience means thinking in five dimensions.
- How can you add smell, touch, taste, sound and great visuals?

Engage the 5 Senses



Don't Just Plan a Promotional Program - Stage It!

- Creating brand-building, people moving programs requires Experience Creation.
- Script it.
- Stage it.
- Commemorate it!

How Do You Use Promotional
Products To Engage People To
Build Brand Experiences?



Using Promotional Product In Pre-Show Marketing To Increase Booth Traffic

*2004 Georgia Southern
University Study*



Research Study Background

- Georgia Southern University 2004
- Pre-reg list of attendees for a 379 booth tradeshow
- Sample of 797 pre-registered attendees drawn from list of 2,000



Research Study Background

- Sampling was divided into three groups.
 - Group A: Postcard **invitation** to visit the exhibitors booth
 - Group B: Received an **inexpensive promotional magnet** imprinted with the exhibitors logo and an invite
 - Group C: Received a postcard **offering a t-shirt** for redeeming postcard at the exhibitor's booth



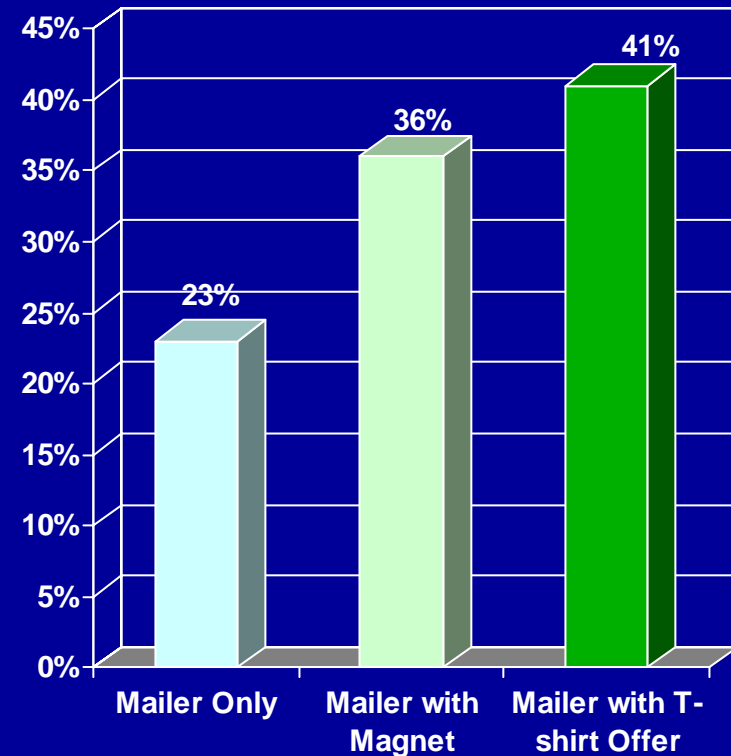
Research Study Background

- Control group was on-site registrants
- After the event, each exhibitor provided their attendee list
- Attendee lists were compared to determine which incentive type generated more traffic (and potentially greater number of sales leads)



Study Results

- Pre-show mailings with promotional products proved more effective than mailings without.
- Of those that visited the booth :
- 23% received invitation only
- 36% received postcard & magnet
- 41% received t-shirt offer





Study Results

- 78% more people responded with the t-shirt offer than the postcard alone
- 57% more people responded to the magnet than the postcard alone
- Including a promotional product (or an offer) with a pre-show mailing increases the likelihood of the attendee stopping by the booth to see the exhibitor's product
- As a general rule, promotional products of greater value generate more sales leads than products of lower value



Study Results

- Using promotional products in conjunction with pre-show mailings make effective tools to inform, remind and persuade attendees to at least stop by a booth, which increases traffic to these booths
- Greater traffic to a booth generates greater potential for more sales leads

Understanding Careers in this Field

- Floor Trader
 - Receive orders from client
 - Make trades
 - Fast paced
 - Sell product
 - Product based
- Financial Planner
 - Work closely with client
 - Provide guidance
 - Sell expertise
 - Sell package
 - Solution based

Understanding Careers in this Field

- Promotional Products Distributor
 - Receive orders from client
 - Place order
 - Sell product
 - Lower profit – more commodity based
- Promotional Products Consultant
 - Work creatively with client
 - Create turnkey packages
 - Sell solutions
 - Higher profit – eliminate commodity selling

Understanding Careers in this Field

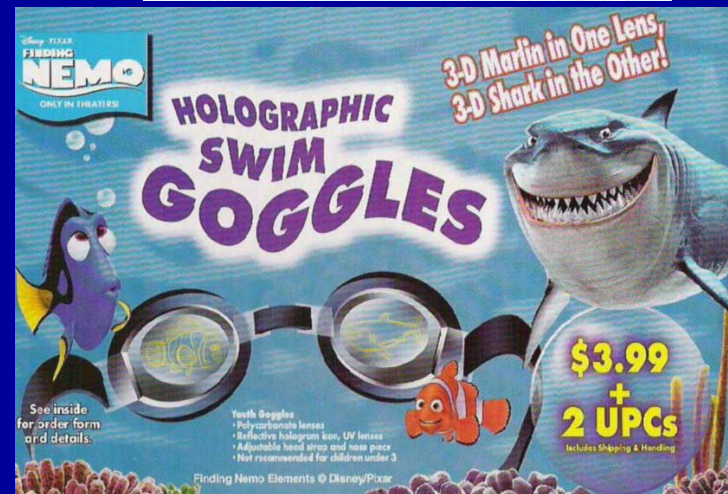
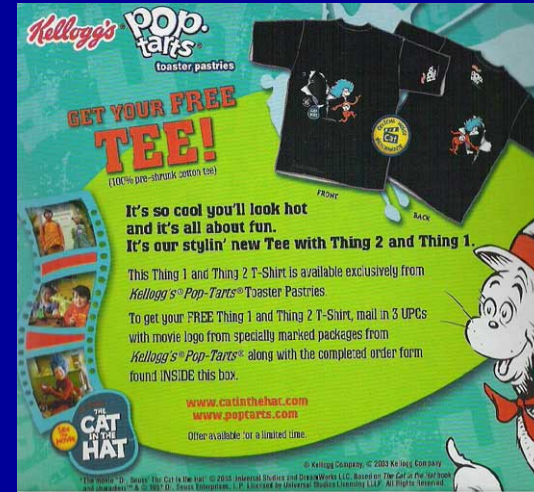
- Advertising Agency
 - Define message
 - Identify target market
 - Select advertising medium
- Promotional Products Agency
 - Define message
 - Identify target audience
 - Select advertising medium
 - Integrates physical advertising into the mix to create memories.

Value of Partnership

- You bring your experience and creativity to the table.
- As a professional marketer – not vendor
 - You sell solutions
 - You sell results
- You're a stronger, more valuable partner to your client
- Sets you apart from the rest
- One stop solution source

Partnership in Practice

- Case Study: Kellogg's
 - *Cat in the Hat*
 - *Finding Nemo*
 - Objective
 - Timing
 - Results
 - Exposure to Risk

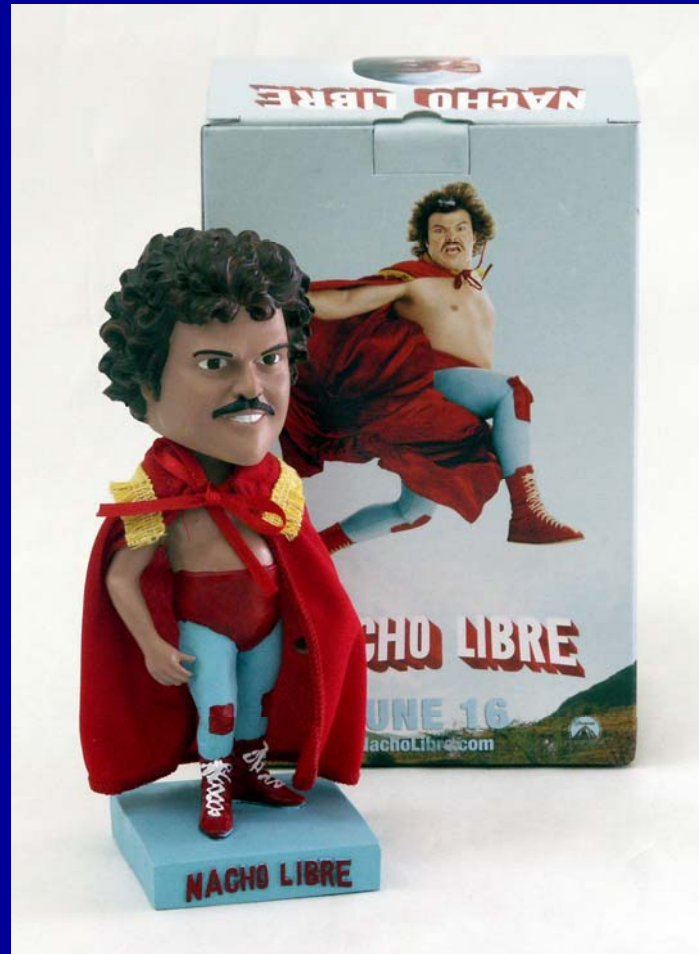


Bringing Characters to Life



- Bringing the ads off of the screen, off of the newspaper and into a place in the consumer's life.

Bringing entertainment home



Anything can be a promotional product



Shawn pre-sold Wallace & Grommit



Feeling Grrreat!



The Medium of Engagement

- What counts is not so much what promotional products are, but what they accomplish as a medium to achieve engagement, communication and integration results.
- It's not what a product does. It's what it means.
- It's not what an advertisement says. It's how it makes them feel.

What is PPAI?

- PPAI is the promotional products industry's international trade association offering education, technology, tradeshow and legislative support to its more than 7,500 global members comprised of those who make and sell promotional products.
 - Suppliers/Manufacturers:
manufacture, import, decorate products
 - Promotional Consultants:
consult with clients (marketers) to research, develop and deliver effective programs to achieve maximum results

The Indelible Power of Promotional Products

COME TO YOUR **SENSES** Experience The Power Of
Promotional Products

www.promoideas.org

Questions?

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