



**PROMOTIONAL  
PRODUCTS  
WORK.ORG**

**FACT BOOK**



## **10 Reasons Why**

## **Promotional Products Work!**

### **Promotional Consultants: The Rock Stars Of The Marketing World**

Need 1,000 screen-printed t-shirts for a concert? Done! How about 500 whistles to hand out at a marathon? No Problem! Promotional consultants develop solutions for marketing challenges. From increasing brand awareness to increasing tradeshow traffic, promotional consultants are experts in the field of promotional products and can solve any marketing dilemma you may have. There are more than 20,000 consultant firms in the industry!

### **It's a bird. It's a plane. No! It's a promotional product!**

From lip balm to a wireless mouse to paper airplanes, promotional products come in all shapes, sizes & colors. In many cases, it's even possible to obtain custom items that aren't usually found in promotional product catalogs. If you can see it and touch it, it's most likely available as a promotional product. This allows you to customize a marketing campaign so that it is more relevant to a specific demographic.

### **Business is Booming**

Every day you hear about a new endurance race, a new music festival, a new community event. Today's consumers expect brands to reach them on a personal level. What better way to connect with consumers at these events than with promotional products? In 2011, advertisers spent more than \$18 billion in products purchased through promotional consultants.

### **Spread The Word**

Promotional product incentives produce valuable referrals from satisfied customers. A survey conducted Louisiana State University indicated accompanying a request for referrals with an offer of a promotional product incentive drew as many as 500% more referrals as an appeal letter alone. The results speak for themselves!

### **Enhance Marketing Campaigns**

Adding a promotional product to the media mix generated favorable attitudes toward a print ad in all cases. The use of a promotional product as the advertising medium alone achieved maximum impact, up to 69% increasing brand interest and 84% in creating a good impression of the brand.

### **Positive Impact On Brand Image**

Recipients of promotional products have a significantly positive opinion of a business through:

- Increase in positive overall image
- More positive perception of the business
- Higher likelihood of recommending the business
- Higher likelihood of patronizing the business

Source: PPAI Study: Promotional Products Impact On Brand/Company Image Conducted by Georgia Southern University

### **Gifts That Keep On Giving**

58% of respondents keep a promotional product anywhere from one year to more than four years. Even if the recipient uses the item only once per week, that's a minimum of 52 impressions made over the course of a year with the possibility of more than 208 during a five-year window.

Source: PPAI Study: Effectiveness of Promotional Products As An Advertising Medium

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### **Endless Array Of Options**

With over 3,900 suppliers in the industry, there are hundreds of thousands of promotional products that can fit any budget. Having a variety of options allows for greater flexibility when planning out a marketing campaign of any size.

### **Quick Turnaround Time**

Often times, new marketing opportunities arise out of the blue and require quick action. Luckily, promotional consultants usually have a list of products that can be turned around quickly to meet your needs. There are even products that can be shipped within 24-hours of placing an order!

### **Fun and Handy**

People love receiving promotional products, there's no denying it. Whether it's a little boy playing with a yo-yo from the local bakery to a woman carrying a tote from her nail salon, promotional products are appreciated and welcomed in all walks of life. 90.4% reported either currently owning or possessing a promotional product received within the last 24 months.

Source: PPAI Study: Effectiveness of Promotional Products As An Advertising Medium

To find a promotional consultant or for more information on promotional products, including promotional ideas, additional research and promotional products case studies, visit <http://www.promotionalproductswork.org/>. While there, to request a free speaker for your group, click on **SOLUTIONS / [Find A Promotional Consultant](#)**.

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# Promotional Products As a Marketing Medium

## The Facts

### Frequently Asked Questions

#### **Q: What Are Promotional Products?**

A: Promotional products—usually imprinted with a company's name, logo or message—include useful or decorative articles of merchandise that are used in marketing and communication programs. Imprinted products that are distributed free are called promotional products. Imprinted items given as an incentive for a specific action are known as premiums. Business gifts, awards and commemoratives are also considered promotional products.

#### **Q: Who Buys Promotional Products?**

A: The following ranks the top 10 purchasers of promotional products according to the findings of a study by Louisiana State University and Glenrich Business Studies. Industries were ranked by distributors according to the volume spent on promotional products by each industry.

1. Education: Schools, Seminars
2. Financial: Banks, Savings & Loan Companies, Credit Unions, Stock Brokers
3. Health Care: Hospitals, Nursing Homes, Clinics
4. Not-for-Profit Organizations
5. Construction: Building Trades, Building Supplies
6. Government: Public Offices, Agencies, Political Candidates
7. Trade, Professional Associations and Civic Clubs
8. Real Estate: Agents, Title Companies, Appraisers
9. Automotive: Manufacturers, Dealers, Parts Suppliers
10. Professional: Doctors, Lawyers, CPAs, Architects, etc.

#### **Q: How Are Promotional Products Used In Marketing?**

A: Since promotional products can be used alone or integrated with other media, there are virtually limitless ways to use them. Popular programs cited most often by promotional consultants are business gifts, employee relations, orientation programs, corporate communications and at tradeshow to generate booth traffic.

They're also effective for dealer/distribution programs such as co-op programs, company stores, generating new customers or new accounts, nonprofit fundraising, public awareness campaigns and for promotion of brand awareness and brand loyalty. Other uses include employee incentive programs, new product or service introduction and marketing research for survey and focus group participants.

#### **Q: What Kinds Of Promotional Products Are Available?**

A: There are tens of thousands of different types and styles of promotional products. In many cases, it's even possible to obtain custom items that aren't found in any catalog. Examples of common items include: apparel, pens, coffee mugs, calculators, key chains, desk accessories and memory sticks.

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### **Q: How Large Is The Promotional Products Industry?**

A: Advertisers spent more than \$18 billion in 2011 on products purchased through promotional consultants.

### **Q: What Products Are The Most Popular?**

A: Of the more than \$18 billion that was spent in 2011 on promotional products, the most popular category was apparel. The top 10 categories for 2011 were:

1. Apparel: Aprons, uniforms, blazers, headwear, jackets, neckwear, footwear, etc.
2. Writing Instruments: Pens, pencils, markers, highlighters, etc.
3. Calendars: Wall and wallet calendars, desk diaries, pocket secretaries, etc.
4. Drinkware: Glass, china, ceramic, crystal, plastic and stainless steel.
5. Bags, tote bags, shopping bags, gift bags, drawstring bags, cosmetic bags, etc.
6. Desk/Office/Business Accessories: Cases, pen sets, calculators, paper products, etc.
7. Recognition Awards/Trophies/Jewelry/Clocks & Watches: Plaques, certificates, etc.
8. Other items not included elsewhere
9. Games/Toys/Playing Cards/Inflatables: Kites, balls, puzzles, stuffed animals, etc.
10. Textiles: Flags, towels, umbrellas, pennants, throws, blankets, etc.

### **Q: How Effective Are Promotional Products?**

A: Promotional products are extremely effective in reaching and influencing people according to PPAI and university research studies. Following are some examples:

#### **Promotional Products: Impact, Exposure & Influence**

A survey conducted by LJ Market Research reveals the power of promotional products by measuring how end users respond to organizations that use promotional products as part of their marketing mix. More than 71 percent of respondents surveyed indicated they had received at least one promotional product in the past 12 months. The study also showed that respondents' ability to recall the name of an advertiser on a promotional product they had received (76 percent) was much better than their ability to recall the name of an advertiser from a print publication they had read in the past week (53.5 percent).

#### **Promotional Products' Impact On Brand/Company Image**

An experiment conducted by Georgia Southern University shows that recipients of promotional products have a significantly more positive image of a company than consumers who do not receive promotional products.

#### **Promotional Product Incentives Produce Valuable Referrals From Satisfied Customers**

A survey conducted exclusively for PPAI by the Manship School of Mass Communication at Louisiana State University indicated that, among other findings, accompanying a request for referrals, an offer of a promotional product incentive, or an offer of a promotional product incentive plus eligibility in a sweepstakes drew as many as 500 percent more referrals than an appeal letter alone.

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**Q: How Is The Industry Structured?**

A: Promotional consultants develop solutions to marketing challenges through the innovative use of promotional products and are a resource to corporate buyers, marketing professionals and others wanting to increase brand awareness, tradeshow traffic, employee retention and more. There are more than 20,000 consultant firms in the industry.

Supplier firms manufacture, import, convert, imprint or otherwise produce or process products offered for sale through promotional consultants. There are more than 3,500 supplier companies in the promotional products industry.

Go to [www.ppai.org](http://www.ppai.org) for PPAI's Association Profile.

For more information on promotional products, including promotional ideas, additional research and promotional products case studies, visit [www.promotionalproductswork.org](http://www.promotionalproductswork.org).

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# Promotional Products Work!

## Fact Sheet

- ❑ Recipients of promotional products have a significantly more positive image of a company than those who do not receive promotional products. <sup>1</sup>
- ❑ A promotional product incentive and eligibility in a sweepstakes drew as many as 500 percent more referrals than an appeal letter alone. <sup>1</sup>
- ❑ **Tradeshows:** 71.6% of attendees who received a promotional product remembered the name of the company that gave them the product. <sup>1</sup>
- ❑ **Tradeshows:** 76.3% of attendees had a favorable attitude toward the company that gave them the product. <sup>1</sup>
- ❑ **Tradeshows:** Including a promotional product with a pre-show mailing or an offer of a promotional product increases the likelihood of an attendee stopping by a tradeshow booth. <sup>1</sup>
- ❑ **Reach:** 71% of respondents randomly surveyed reported receiving a promotional product in the last 12 months. <sup>2</sup>
- ❑ **Reach:** 33.7% of this group had the item on their person - a coveted location for advertising. <sup>2</sup>
- ❑ **Recall:** 76.1% of participants could recall the name of the advertiser on the promotional product that they received in the past 12 months. <sup>2</sup>
- ❑ **Recall:** In comparison only 53.5% of participants could recall the name of an advertiser they had seen in a magazine or newspaper in the previous week. <sup>2</sup>
- ❑ **Impressions:** 52% of participants in the study did business with the advertiser after receiving the promotional product. <sup>2</sup>
- ❑ **Impressions:** 52.1% of participants reported having a more favorable impression of the advertiser since receiving the item. <sup>2</sup>
- ❑ **Frequency:** 73% of those who used the promotional product that they had received stated that they used it at least once a week. <sup>2</sup>
- ❑ **Frequency:** 45.2% used it at least once a day. <sup>2</sup>  
Note: The greater the frequency of exposure, the lower the cost per Impression
- ❑ **Repeat Exposure:** 55% of participants generally kept their promotional products for more than a year. <sup>2</sup>
- ❑ **Repeat Exposure:** 22% of participants kept the promotional product that they had received for at least six months. <sup>2</sup>
- ❑ **Retention:** 75.4% of those who received a promotional product stated that they thought the item was useful. <sup>2</sup>
- ❑ **Retention:** 20.2% kept the promotional product because they thought it was attractive. <sup>2</sup>
- ❑ **Direct Marketing:** The inclusion of a Promotional Product to a mail promotion increased the response rate by 50%. <sup>2</sup>
- ❑ **Direct Marketing:** The use of Promotional Products as an incentive to respond generated four times as many responses as a sales letter alone. <sup>2</sup>
- ❑ **Direct Marketing:** The use of a Promotional Product as an incentive to respond reduced the cost per response by two-thirds. <sup>2</sup>
- ❑ **Repeat Business:** Promotional product recipients spent 27% more than coupon recipients and 139% more than welcome letter recipients over an 8-month period. <sup>3</sup>
- ❑ **Repeat Business:** Promotional product recipients were also 49% more likely than coupon recipients and 75% more likely than letter recipients to return and patronize the business in each of the eight months studied. <sup>3</sup>
- ❑ **Referrals:** Sales people who gave promotional gifts to their customers received 22% more referrals than sales people who did not use promotional products. <sup>4</sup>
- ❑ **Good Will:** Customers who received a promotional product scored 52% higher than a letter only. <sup>4</sup>
- ❑ **Conclusion:** The value of Promotional Products is in their ability to carry a message to a well-defined audience. Because the products are useful to and appreciated by the recipients, they are retained and used, repeating the imprinted message many times without added cost to the advertiser.

### Sources:

<sup>1</sup> PPAI - Georgia Southern University Study

<sup>2</sup> PPAI - L.J. Market Research Study

<sup>3</sup> PPAI - Southern Methodist University

<sup>4</sup> PPAI - Baylor University Study

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## **Notes**

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