

PROMOTIONAL PRODUCTS

How To Add A Human Element To Your Digital-First Marketing Strategy

Created By

Shapnila Nath

Content Marketing Manager @Office Beacon

Reviewed By

Enchie Go

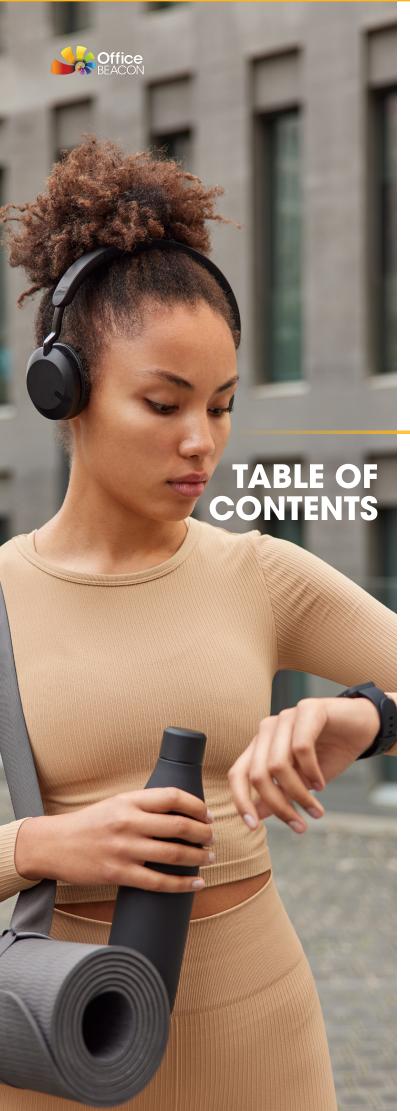
Marketing Director @Office Beacon

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Introduction

Companies have leveraged branded freebies or promotional products to build brand loyalty for decades. However, the need to adopt a digital-first strategy, especially post-Covid, has left marketers deliberating their efficacy. Moreover, many believe it's difficult to track the ROI from promotional product campaigns.

The aim of this whitepaper is not to establish the dominance of promotional products over digital campaigns. But rather to illustrate how marketers can offer tailored customer experiences and generate increased returns by incorporating customized promotional products in their digital marketing strategy. "The single most important factor that continues to drive the future of the industry is the increasing presence of promo products."

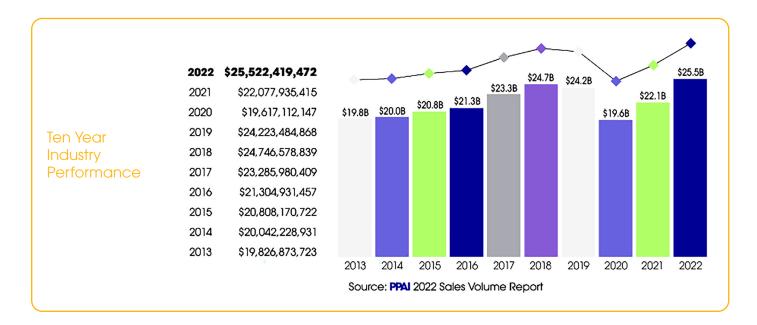
> Ashley McCune President, Facilisgroup

Current Outlook and Future Scope

The promotional product industry has come a long way since George Washington coined the first promotional item (an electric button) for his elections in 1789. The market faced strong headwinds with the onset of Covid-19 and the halt of in-person meetings and events. However, the growth witnessed post-pandemic paints a rosy future for those in the industry.

Here are some key facts retrieved from PPAI's 2022 Sales Volume Report.

- In 2022, the promotional product industry hit record sales at USD 25.5B the highest in history.
- Average-sized distributors (less than USD 2.5M in revenue) contributed to 46.6% of total sales volume.
- The sales of eco-friendly promo products (around 3 million) in 2022 increased by 20% from 2021 figures. This indicates a bright future for promo companies willing to adopt more eco-friendly measures.





The survey also quizzed distributors on the future scope of promotional items and the responses were nothing short of optimistic.

- Around 70% of the survey respondents believe that 2023 sales numbers will beat last year's.
- Larger distributors are more hopeful about the future, with 89% of them expecting higher sales over 64% of smaller distributors who felt the same.

Know Your Target Audience

The general notion was that only bigger companies budgeted promotional products to increase brand recall. However, according to PPAI's latest findings, this could not be any farther from the truth.

According to PPAI's report, the larger part of 2022's promotional product sales came from companies in the range of USD 1M-2.5M (in annual sales). This clearly indicates the increasing interest of mid-sized companies in the promo space.

Below is a list of the leading industries in this space and the top promo products from each category.

Distributor's 2023 Sales Predictions Greater Than 2022 Same As 2022 Less Than 2022 64% (2022 Prediction: 64%) 27% Bistributor Cos. Under \$2.5 Million Distributor Cos. Over \$2.5 Million Source: PPAI 2022 Sales Volume Report



Real Estate

The Real Estate industry is one of the biggest consumers of custom promotional products. Branded merchandise like pens, door hangers, key chains, and fridge magnets are often distributed at events and open houses for attracting prospective property buyers.

Finance

The battle for customer loyalty and retention has always been aggressive in the world of Finance. This is mostly due to a steady influx of competent players in the market.

Segmenti	ng Industry	/ Sales by	[,] Comp	any	Size, 2017-202	22

Company Size	2017	2018	2019	2020	2021	2022	Change Over 2021
<\$250K	\$1,697,870,003	\$1,728,413,057	\$1,978,883,063	\$1,773,390,538	\$1,750,167,778	\$1,652,454,815	-5.6%
\$250K-\$500K	\$1,753,476,883	\$1,826,290,910	\$2,009,047,831	\$1,471,523,054	\$1,796,178,054	\$1,683,550,862	-6.3%
\$500K-\$1M	\$2,520,331,225	\$2,574,805,007	\$2,272,053,820	\$2,606,945,334	\$2,429,955,220	\$2,853,283,342	+17.4%
\$1M-\$2.5M	\$3,820,451,352	\$4,864,590,762	\$4,329,090,085	\$3,615,116,424	\$3,447,371,505	\$5,755,907,501	+67.0%
\$2.5M+	\$13,493,850,947	\$13,752,479,103	\$13,634,410,069	\$10,150,136,798	\$12,654,262,859	\$1,642,282,680	+7.3%
Total	\$23,285,980,409	\$24,746,578,839	\$24,223,484,868	\$19,617,112,147	\$22,077,935,415	\$25,522,419,472	+15.6%

Source: PPAI 2022 Sales Volume Report



Most Finance companies leverage promotional products as a way to incentivize customers or just to market their brand. Items like pens, mugs, and business card holders are popular choice in the industry.

Education

Educational institutions are well-known for leveraging branded promotional products to draw students of all ages. Many of them distribute promotional apparel and stationery items at expos, college fairs, alumni meets, and workshops as a go-to marketing hack.

Insurance

The Insurance sector has penetrated almost every aspect of a consumer's life. Thus promotional products are a hot tool for Insurance firms to market their brands. Some of the items used by insurance companies are mugs, pens, sticky notes, and bags.

Healthcare

Despite being an essential service, Healthcare and Pharma companies are quite familiar with the allure of customized promo items. Patient-friendly products like pill cases, thermometers, first aid kits, and sanitizers are often retained in households for a long time and are a great way to build brand recall.

Non-profits

This industry heavily relies on building connections and references for donations and support. Hence customized promotional items like wristbands, t-shirts, and tumblers are a smart and affordable way for NGOs to spread brand awareness and promote their cause.

The data presented in this paper clearly indicates that even with the many benefits of going digital-first, promotional products are not going anywhere. In the next section, we discuss some strategies to optimize digital marketing campaigns with the help of promotional products.

Get the Best Out of Your Promotional Product Campaigns

One can not ignore the fact that the future of marketing is digital. However, with so much going on online, how do you cut through the digital noise and make your brand stand out?

According to <u>PPAI</u>, 88% of customers can recall the brand printed on promotional merchandise. To top it, 76.2% of recipients can recall the specific product, brand, and even the messaging.

Why not incorporate the best of both worlds?

Branded promo products that are one of a kind and have practical usability can help you create lasting impressions. Here are a few ways you can spruce up your digital campaigns with the help of promotional products.

Make It Personal

Instead of working on just another campaign that gets lost in the digital vortex, aim on building a deeper connection with your customers. Here's how social media management platform <u>Buffer</u> monitors its customers on Twitter and makes the extra effort to delight them.



Engage with Your Audience

The performance of digital ads may be easier to track but they are not always the winning formula to secure quality marketing qualified leads (MQLs). Many things can go wrong, like a lack of connection with messaging, or not building a user-friendly website.

Instead, humanize your digital campaigns and encourage action by incentivizing customers with tailored promotional swag. You can keep it engaging by conducting polls, surveys, or contests, which leads to them winning some branded goodies. This provides the added allure of receiving free merchandise while educating the customer about your services.

Explore Influencer Marketing

It goes without saying that influencer marketing is a highly effective method for brands to promote themselves. According to hubSpot, the US influencer market was valued at USD 16.4B last year. Also, 72% of Gen Z and Millennials follow influencers on social media.

Select a group of influencers based on your target audience demographics. Send out your upcoming promo merchandise and have them post on social media. Your influencer can also do unboxing videos to create hype before your products hit the shelves.

Give Your Promo Products a Digital Makeover

We live in an increasingly tech-savvy society with over 86% of the global population using smartphones. Thus, it is only logical to switch to tech promotional items over traditional ones. You can choose from a range of sticky wallets,

fitness bands, stylus pens, mouse pads, power banks, and many more.

"As part of my role as Buffer's Community Champion, I dedicate 50-60% of my time to managing swag stock, packaging, writing cards, and gathering addresses.

I spend 1-1.5 days a week where the entire focus of the day is "Buffer love," and I go drop items off at UPS about once a week.

We average 40 to 60 cards and packages mailed each week. In the past year, we have mailed more than 1,200 hand-written cards, gifts, and more.

We try to ask for an address anytime we get a hint that someone might need swag, for any reason. We also reach out to new faces at our weekly Twitter chat, #bufferchat, and thank them with a personalized note and stickers."

Nicole MillerDirector of People, Buffer



Add Your Digital Stamp on Branded Swag

To increase visibility and brand recall, add your digital address to your merchandise. You can stamp your email address, website URL, or social handles.

Another great option is to print QR codes on specific products like luggage tags. When customers scan the code, you could trigger an automatic email or direct them to your website or social pages.



Here's a list of the most popular promotional products in the market based on the latest industry trends.

Hottest Promotional Products to Watch Out for

Keep It Remote Work Friendly

The pandemic brought forth the possibility of a remote yet productive workforce. Since then, many employee-centric companies have invested in making their employees comfortable while working out of the office. This creates a great opportunity to opt for promotional products that cater to the remote workforce.

Focus on Health and Wellness

Perhaps, the only silver lining of the pandemic was the evolution of a more health-conscious mindset. The new generation is constantly striving to find a balance between work and life. Come up with ideas that suit the everyday needs of the fitness enthusiasts.

Say 'Yes' to Sustainable Living

As indicated in PPAI's latest report, the increasing sales of sustainable promo products come with heaps of benefits for environment-friendly companies. A close look at 2022's sales numbers shows that compared to the previous years, smaller companies kept pace with their larger counterparts in the last year when it came to opting for greener measures.

Some ideas for promotional products can be recycled and reasonably sourced apparel, stationeries, and homeware.

Essentials for the Outdoorsy Types

Whether you are targeting nature lovers or city hoppers, there's a lot you



Promotional Products for the Remote Workforce

- Journals
- Stressbusters
- Pen and Pencil Holders
- Personalized Pens
- Sticky Notes
- Wireless Headphones
- Webcam Covers
- Wireless Charging Mouse Pads
- Custom Calendars
- Coffee Mugs
- Water Bottles
- Printed Apparel

Health and Wellness Promo Swag

- Fitness Trackers
- Face Masks for Active People
- Personalized Sanitizers
- Wet Wipes
- Vitamin/Pill Boxes



Percentage of Sustainable Promotional Products Sales, 2019-2020 13% 13% 13% 12% 11% 11% 10% 9% 2019 2020 2021 2022 Source: PPAI 2022 Sales Volume Report

Digital-First Marketing Strategy



can do for those of us who are always on the go. Travel gear is the next best opportunity in the promotional biz.

Travel-Friendly Promo **Products**

- Bike Bottles
- Baseball Caps
- Drawstring Backpacks
- Wireless Chargers
- Power Banks
- Sweat Wicking Apparel

Go Local

Supporting local businesses is a huge trend that most conscientious consumers are passionate about. It is a great driver for the economy



and helps keep small businesses afloat. Items can include any promotional product that is made and sourced locally.



Stand Out from the Crowd

Are you looking to level up your marketing game, build brand recognition, and establish a personal connection with your customers? Then promotional products can be an effective and economical tool in your marketing arsenal. By integrating promotional swag into your digital campaigns, you can humanize your brand and build sustainable customer relationships.

About Office Beacon

Office Beacon is a pioneer in the remote staffing space. It has provided premium virtual assistants and top remote talent to over 4,000 businesses that have since seen success and growth with outsourcing.

When you find yourself not having the time for sales and other revenue-generating activities, it's time to outsource. Go to the trusted and proven - Office Beacon.

Offerings for the Promotional Product Industry

We offer subject matter experts with years of experience in the promotional products industry. Whether you are looking for topnotch Graphic Designers, App Developers, Customer Support, or Data Entry Reps, we've got the crème de la crème for you.

BROWSE OUR OFFERINGS



BOOK A CALL TODAY



Data References

- Promotional Products Association International (PPAI)
- Advertising Speciality Institute (ASI)
- <u>Buffer</u>
- HubSpot

407 N Pacific Coast Hwy, Ste 584, Redondo Beach, CA, 900277