

Quality Rules

AS MORE MARKETING SPEND IS PUT TOWARDS PROMOTIONAL PRODUCTS, INTRINSIC VALUE, TECHNOLOGY AND ECO-FRIENDLY PRODUCTS HAVE COMBINED TO REPLACE THE USELESS AND TASTELESS. BY PATRICIA MOORE

Get them right and the results can be amazing. Get them wrong and your brand can take a pasting. And, while the demand for branded promotional products just keeps growing, the market's changing say the professionals.

We've moved on from getting excited about the useless and tasteless. "There's been a glut of inexpensive promotional products, and today it isn't good enough to simply give something away. It needs to have intrinsic value to work," says William Kestin, CEO of the Australasian Promotional Products Association (APPA).

Below-the-line advertising expenditure in Australia, exceeded above-the-line last year, reports Kestin – a trend he describes as "very significant".

"More marketing spend is being put towards promotional products, outdoor, and other non-traditional forms of advertising." And, in the US (where credit for inventing the concept seems to lie with the newspaper owner, who, inspired by the combination of an idle printing press and the sight of a small girl retrieving her school books from the mud, came up with a branded burlap book bag), the industry is currently worth around US\$19 billion.

But these aren't exactly boom times. Business confidence is low. Is this impacting on the market for branded products? Promolink's Diane Reid reports that, if anything, the clients she works with are looking at ways they can attract more consumer spending and are introducing extra campaigns. "And yes, they're definitely wanting to go the extra mile. It's

no good offering them a product that can be found in any stock promotional catalogue. It's got to be something relating specifically to their industry and, if possible, exclusive."

The industry isn't suffering, says Cheryl Rae of Presents of Mind, because promotional products have clearly demonstrated an ability to generate brand empathy and recall at a very high benefit-to-cost ratio. "Rather, companies seem to be cutting back on

other activities. The smart ones recognise that when times are tough, marketing is the last area that should be cut."

"Companies are still spending but they are being more selective about which projects they launch and the events they sponsor," says Satish Patel of Argos Promotional Products. "This in turn reflects on the type of items they purchase as well as the budget they allocate to each promotion."

He says economic conditions are driving a move away from a one-size-fits-all mentality. "Corporate clients are thinking more about who gets targeted with which product. Instead of all recipients receiving the same product, it's not unusual for several different promotional products across various price points to be selected as part of the same promotion."

And Carmel Gaskin of Zebra Promotional reports clients are very aware of quality, and branding integrity is paramount. "Companies are over getting items from many different sources and being unable to protect their brand."

Organisers of the major European promotional products trade fair in Europe last year, PSI Trade Fair Düsseldorf (it's big – 875 exhibitors; 19,250 trade visitors), commented on the



U.F. Garden
Torches.



Choc key ring.



Pinacool and Eco-Trail polos from the AWH range.



presentation of 12,000 new products to the market: “A veritable fireworks of innovations.” But fireworks tend to have their moment of glory and then be seen no more. How many of those product ideas actually make it to the world stage remains to be seen. (Seasoned professionals will tell you there’s nothing new, just new ways of presenting the old.)

A growing number of the ‘new’ were, however, distinguished by what was described as having “a low impact on the environment and natural resources, both in the manufacturing and the utilisation stages”, so perhaps they will find their way to the global market.

Sustainability, fair-trade manufacturing and social responsibility are all issues which appear to be growing in importance for promotional product suppliers and buyers. “The ‘greening’ of companies, is the most recent trend affecting the promotional product industry and the industry has responded with products including apparel made of bamboo and wood fibres, biodegradable pens and a range of solar-powered items,” says Rae.

“We all want to soften our carbon footprint and the range of environmentally

friendly products available is increasing,” says Kestin. But there’s a lot of green misinformation out there, he warns, so ask the right questions. “Calling something ‘eco’ doesn’t mean it has any particular environmental value.”

And, while products manufactured from bamboo, corn and tofu leftovers (soy silk) may seem a little out of left field, they’re a reality. However, as Kestin has flagged, while the main product source may be

sustainable, there can be issues around some of the processes involved in producing the end product.

There are also growing concerns about threats to the availability of food products such as maize, a staple in the diets of millions, as they become the main source for numerous eco-initiatives. And environmental watchdogs believe manufacturers have not always been upfront about the use of GE corn to produce the crop that eventually becomes the T-shirt.

Choosing reusable products is in fact a better way to help save the planet, says Tim Cripps, of Crippz. “Look for a ‘wind-up’ torch rather than battery operated,” he says. He also warns that New Zealand has only a limited recycling ability. “Many so-called recyclable products cannot in fact be recycled here.”

Reducing, reusing and recycling is the way to go, according to Promolink’s Reid, who says they now ask clients whether it’s necessary for clothing to be individually bagged. “It’s important too that companies get away from offering and supplying mindless junk that is thrown away as soon as it is given.

“Promo products should be useful and have a life.” Reid notes that while solar-powered calculators and rechargeable torches and radios have always been around there are now more



Sports cooler.



Tailgate Cooler with BBQ tool set from A-Line Distributors.

items available which don't rely on throwaway batteries. "Recycled and recyclable materials for bags and stationery are also on offer."

"The real test," says Patel, "is how popular these products remain if the price per unit is higher than standard items."

But is a growing emphasis on corporate social responsibility seeing more companies move away from branded products towards environmentally and socially responsible options – such as trees or donations to charity? This has been evident for the past couple of years, says Zebra Promotional's Gaskin. "We have even encouraged clients to give to a charity rather than choose items which were of dubious use given the dollar spend. There's no point in giving something away that's perceived as useless by the end-user."

It's a type of gifting Reid is all for. However, like any product, it doesn't work for every sector, she says. "What can often be better, is if the promotional products supplier, or the client, opts to support their chosen charities by way of a percentage of the campaign proceeds, or sale of goods, or as a completely separate issue from a promotional campaign." However, Patel says, in his experience, clients who give a donation to a specific charity one year, often return to a more traditional branded product the next.

The demand for eco-friendly products is just one trend marketers need to be aware

of. Greater use of technology is another, says APPA's Kestin. "Look for online focus groups, which ensure a consumer-driven promotion, and online-based purchasing and tracking of corporate merchandise ranges."

Satish Patel agrees. "There's a conscious movement to improve online presence to provide a valuable initial resource to encourage and increase the number of offshore clients we work with."

And, he says, they are promoting, and increasing, the number of online managed merchandise programmes they create and run for clients. "This helps provide a simple and convenient ordering experience for our customers as well as reducing the amount of administration input required by their own marketing staff."

Kestin also cites products that plug into today's technology, and increased time lines, as directions the market is taking. This is a trend Argos' Patel says he's already noted. "We're seeing increasing opportunities to work with marketers who are organised and proactive enough to build lead times and

The Pen-Ultimate Mystery

New Zealand's population is around four million, and last year two of the country's suppliers of branded pens sold over 15 million units between them. Throw in another few million from the half dozen or so other suppliers in the market and that's a hell of a lot of pen-power – in an increasingly paper-less society.

So where do they all go? And why is it impossible to put your hand on one when you need it?

budgets into their projects. This enables us to take advantage of reduced minimums and production times from offshore manufacturers, which means we can offer a greater range of promotional products than ever before."

"The more sophisticated companies are starting to see promotional products as more than another marketing gimmick," says Rae.



Presents of Mind's Cheryl Rae.



Promolink's Diane Reid.

“To these companies they’re essential marketing tools, used to communicate organisational strategies, priorities and initiatives internally and externally.” She says these include messages relating to areas such as health and safety, training and environmental issues.

‘Wearables’ – an umbrella covering apparel from T-shirts to polo shirts, uniforms and headwear – remains the largest promotional products category (on a descending scale, writing instruments, calendars, desk and office products, bags and drinkware follow). Branded workwear (“uniforms sounds so boring”, says Carmen Gaskin) has long provided an efficient and cost-effective way for many companies to ensure staff present a neat and tidy – and consistent – image, at the work face. Here too, the one-size-fits-all approach is a thing of the past – literally – with promotional product professionals

reporting a better range of garments sized to fit both men and women. “Moisture wicking fabrics are still big and continue to be popular for promotions associated with activity and health,” says Satish Patel. And, he says, a growing demand for “retail quality” products has seen the introduction of garments in merino this winter.

‘Street wear’ – more upmarket apparel that can be worn in a social setting as well as at work, has replaced ‘casual Friday’ as a workplace uniform requirement, says Cripps. But there’s also a trend towards more formal corporate wear, with one of the country’s largest uniform suppliers announcing recently they’d engaged a top fashion house to design a range that’s both ‘fashionable and functional’. And for the client who maybe balks at the cost of outfitting the whole staff, “Look at the cost of the garment and divide it by the number

of times the company logo is seen,” says Cripps.

But it’s also hugely important that it’s seen at its best – a fact that obviously escapes some companies whose staff ‘uniforms’ could do with an update. Man – or woman – cannot live by one branded shirt alone.

Promotional products are designed to increase sales; you may call it a client gift, but ultimately what you’re doing is asking that client to do more business with you. And there appears to be a correlation between the value of the product and its ability to generate business. But while you, as a marketer, may determine the cost of the product, the value is determined by the recipient – the old ‘one man’s fish is another man’s poisson’ cliché.

“Smart marketers use promotional products as part of their campaigns; in some cases they are the campaign. And remember, promotional products are the only advertising people thank you for!” says Cripps.

So what will they be thanking you for when the end of this business year rolls around? The consensus is that quality rules. As for specifics? Satish Patel: “After 16 years in the industry I would still not be brave enough to make a call on that.”

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An essential marketing tool.

Trading Up

Planning a presence at a trade show or expo? Then plan to do more than simply tell your customers you’ll be there. Give them a reason to visit your stand.

Research by Georgia Southern University showed that using promotional products to invite visitor participation can make a huge difference to success on the day.

An examination of the behaviours of three different groups of preregistered attendees, showed the group which received a postcard to be redeemed for a free T-shirt at the exhibitor’s booth, had a response rate 75 percent higher than the group which received an inexpensive fridge magnet with their invitation. In turn, the response of the magnet recipients was 57 percent higher than the group that received just a postcard saying ‘come and see us’.

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