

Mapping Out The Modern Consumer



2017 Consumer Study

A **Get In Touch!**[™] project

This research project was created in 2016 as part of the Get In Touch! campaign, a \$1.5 million industry branding initiative focused on raising awareness of the power of promotional products and elevating the position of promotional consultants. The results of this research can and should be used in support of the Get In Touch! campaign and the industry effort to help spread the promotional products message. Results will also be made available to the industry by PPAI in easy-to-use customizable tools. For more information about the Get In Touch! campaign, go to ppai.org/events/getintouch

THIS STUDY CONFIRMS U.S. consumers view promotional products as an important role in advertising. Consumers like promotional products. Consumers keep promotional products. Consumers have spoken and they praise promotional products as the leading advertising vehicle for brands.

In 2015, promotional products shared almost seven percent of the advertising market in the U.S. alone, at \$21 billion; however,

Promotional Products were **Ranked Highest** by consumers across all generations as the **MOST EFFECTIVE** advertising vehicle.

These findings also reinforced the results of previous consumer studies by pointing out that promotional products innately possess the qualities consumers value and are built to succeed across the board in reach, recall, resonance and reaction performance metrics.

This is good news for brands, marketers and the promotional products industry.

Details about this study's participants and methodology can be found on pages 14 and 15.



Key Highlights



5 in 10 stated they come in contact with promotional products most of the time or at all times per day

Promotional products have the highest advertising reach above any other form of advertising providing exposure each day. In fact, five out of 10 consumers stated they come in contact with promotional products most of the time or at all times per day.

Nearly **9 in 10** remember the brand

Nearly nine in 10 recipients are able to remember the branding and eight in 10 can recall messaging from at least one promotional product they received.

8 in 10 revealed their impression of a brand positively changed

Eight in 10 consumers revealed that their impression of a brand positively changed directly as a result of receiving a promotional product from that brand.

83% are more likely to do business with the brand

Roughly eight in 10 admit to looking up the brand after receiving a promotional product, and 83% said they are more likely to do business with brands they've received promotional products from than brands they have not received promotional products from.

Promotional Products RANKED #1

When asked to rate which advertising channels provide consumers with an incentive to take action, all generations regarded promotional products as most effective.

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Introduction



In 1992, PPAI launched a pioneering series of consumer studies as the industry's first assessment of the role of promotional products within consumer lifestyle and behavior. While previous studies are commonly identified as airport intercepts, the 2017 Consumer Study is the first quantitative analysis of its kind. This new methodology expands upon previous findings and is designed to better measure the performance of promotional products among consumers to enhance our understanding of their role as an advertising channel.

Advertising has a tough job. While aiming to increase recall and improve resonance, advertising is also working to reach the majority of your target market at the right time—the moments that influence consumers' decisions—all to encourage action. Advertising channels, such as promotional products, are the mediums brands use to communicate branding and messaging to consumers to accomplish marketing goals. But with so many options, how do brands choose their advertising channels?



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Fortunately, brands can use key metrics to compare advertising channels and to guide campaign initiatives such as increasing awareness, solidifying a memorable impression, encouraging a favorable perception and ultimately inciting action. In this study, key metrics are used to evaluate the value of promotional products as an advertising channel as well as to compare promotional products to other advertising channels—providing you with solid sales tools.

The 5Rs of Promotional Products

Five key metrics were used to assess the value and weight of options used by survey respondents regarding each promotional product component: Reach, Recall, Resonance, Reaction and Relativity.

REACH

Do promotional products elevate brand **reach** to deliver adequate exposure to recipients?

RECALL

Do promotional products produce high brand **recall** to generate recipient awareness of the brand?

RESONANCE

Do promotional products enhance brand **resonance** to transfer a favorable attitude to recipients?

REACTION

Do promotional products stimulate **reaction** to influence change in recipient buying behavior?

RELATIVITY

Do promotional products gain **relativity** against other advertising channels to satisfy recipients?

→ **The Modern Consumer In The Driver's Seat** ▶

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REACH



→ The power of promotional products cannot be disputed as they drive an undisputed level of brand exposure. They not only reach their target audience, but they also provide opportunities to reinforce branding and messaging with increased exposure across the following performance metrics.

FREQUENCY OF EXPOSURE

→ **The majority of consumers** are exposed to promotional products most of the time each day; however, the average Millennial said they are in contact with a promotional product at all times.



LENGTH OF EXPOSURE

→ The longer a promotional product is kept, the **more impressions** it makes on the recipient and anyone else who is exposed to the recipient using the product. The majority of consumers keep a promotional product between one and five years. Women may keep a promotional product up to 10 years, whereas men may keep a promotional product for 11 or more years.



	Men	Women
< Month	3%	7%
< Year	14%	15%
1-5 Yrs	38%	43%
6-10 Yrs	22%	22%
11+ Yrs	23%	13%

81% of consumers keep promotional products for more than one year

RANGE OF EXPOSURE

**Categories are weighted and may not equal 100%*

→ **Eight in 10** consumers choose to pass along a promotional product if they don't keep it for themselves, which ultimately furthers the brand's reach.



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RECALL



→ Branding has everything to do with identity; who you are and what kind of products and services you represent. Successful messaging then creates a voice for brands to connect with their target audiences and create a memorable consumer experience. The call to action then directs recipients to take action, thus enabling brands to directly interact and engage with consumers, capturing a response rate and measuring quantifiable results. Promotional products effectively deliver high recall between all three strategic advertising objectives.

ATTENTION TO DETAIL

**Categories are weighted and may not equal 100%*

→ When prompted with an unaided question, 83 percent said they recalled at least one brand and 23 percent recalled at least one message from a promotional product they received; however, if aided (or given *options***), nine in 10 on average correctly recalled branding, and eight in 10 recalled messaging characteristics, which indicates that consumers are not always aware they are being advertised to when given promotional products.



So what type of 'call' best resonates

with each generation?

Millennials best recalled social media.

Generation Xers best recalled directional calls to action, or statements with definitive instructions.

Baby Boomers best recalled points of reference such as website domains or contact information.

**OPTIONS:

Company Name	}	BRANDING
Logo		
Slogan	}	MESSAGING
Tagline		
Website	}	CALL TO ACTION
Social Media Handle		
Contact		
Directional		
Social Media Hashtag		

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RECALL



STAYING POWER OF PROMOTIONAL PRODUCTS

Promotional products allow brands to directly affect consumer lifestyles and maximize recall by organically integrating into everyday routines at work, home or play. Where promotional products are kept also indicates emerging product trends for brands to consider. Promotional products used in the kitchen and carried on one's person are ideal for promoting to a general audience. However, if the target audience is gender-specific, one might consider particular product categories within that segment. For example, one might consider promotional products used in vehicles for men (e.g. car charger) versus a product generally kept in the bathroom for women (e.g. nail file).

Interestingly, **one in two** consumers said they walk around with a promotional product such as a wearable item or a pocket product.



Men



Women

50%	On Self	46%
45%	Kitchen	52%
38%	Vehicle	30%
28%	Office	33%
27%	Bathroom	37%
27%	Bedroom	23%
27%	Portable Carrier	31%
26%	Storage	27%
16%	Shared Space	14%
14%	Outdoor Space	13%

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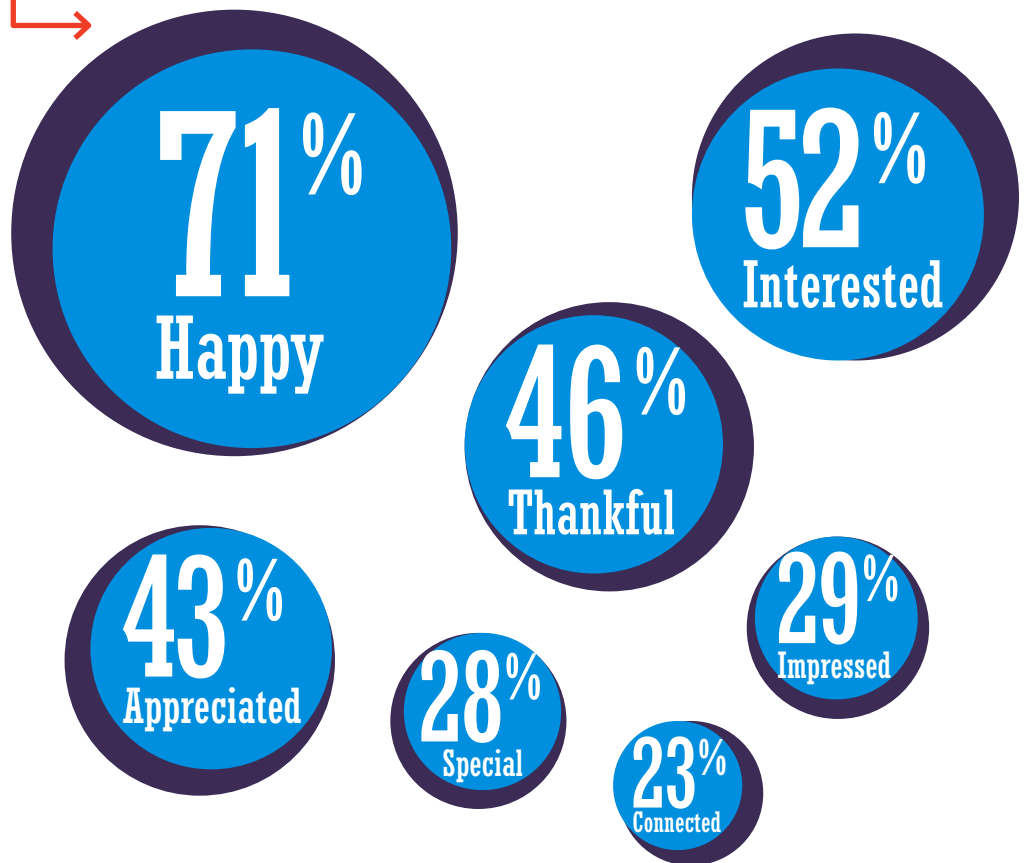
RESONANCE



→ Master marketer Seth Godin once remarked, “It is impossible to market *at* people any more. The only choice is to market *with* them.” Advertising that creates resonance helps consumers to identify with the brand on a personal level and provides the foundation for an enduring brand relationship. Promotional products are proven channel for brands to generate a more favorable impression across all consumer audiences.

EMOTIONAL CONNECTION TO PROMOTIONAL PRODUCTS

**Categories are weighted and may not equal 100%*



Emotions are at the heart of the relationship between brands and consumers, subconsciously steering buying behavior. Promotional products resonate with consumers, driving consumers back to the brand. In fact, according to the 2015 *Nielsen Consumer Neuroscience Internal Study*, advertising that produced the best emotional response generated a 23-percent lift in sales volume.

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RESONANCE



10 REASONS RECIPIENTS OWN PROMOTIONAL PRODUCTS

Understanding why an individual chooses to keep a promotional product received provides key insight into which features are most valued by recipients. Unlike traditional advertising vehicles whose sole purpose is to communicate a message, promotional products not only bring value to brands by effectively connecting with recipients but they also play a functional role within consumer lifestyles.

Promotional products prominently display advertising, but they are found to be useful to a majority of consumers including a stunning 92 percent of the Silent Generation. Among Millennials, 48 percent said they kept promotional products because the design fit their style and/or personality, and both Generation X (42 percent) and Baby Boomers (48 percent) said the product was enjoyable to have.

**Categories are weighted and may not equal 100%*

Functionality	Useful To Have	85%
Entertainment	Enjoyable To Have	44%
Design	Fits Style/Personality	43%
Experience	Memorable Value	28%
Content	Favorable Message	27%
Information	Easy To Reference	24%
Loyalty	Supports Brand	22%
Luxury	Extraneous To Have	19%
Symbol	Cause Alignment	17%
Social	Conversation Starter	10%

PROMOTIONAL PRODUCTS YIELD FAVORABLE IMPRESSIONS OF BRANDS

Advertising is designed to challenge consumer perceptions of a brand, and **82 percent** of consumers agreed that their impression of a brand positively changed as a direct result of receiving a promotional product.

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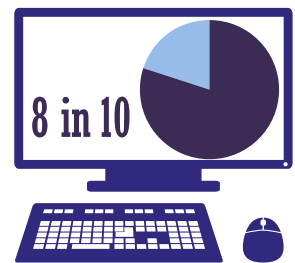
REACTION



→ “We don’t want people to buy a brand, we want people to buy into a brand, to make it part of their lives,” Stan Richards, founder of The Richards Group, once said. Advertising channels are the most important tool used by brands to reach a targeted audience, ensure that it resonates positively so that, most importantly, it generates the desired reaction. Promotional products are the optimal source to elicit a strong connection with recipients, spark interest, inspire action and effectively gain and retain consumers, ultimately enhancing brand loyalty.

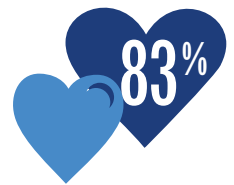
BRAND ALLURE

→ Roughly eight in 10 (79 percent) consumers said they have looked up a brand after receiving a promotional product. Promotional products drove the most interest among Millennial recipients, 87 percent of whom were curious enough to take further action.



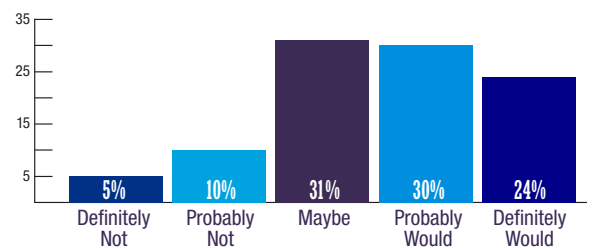
BRAND FAVORABILITY

→ With the overwhelming selection of brands today’s marketplace offers, the average consumer might appear more elusive or erratic than ever in their decision-making. However, one might argue that the right advertising vehicle has the power to shift brand favorability and ultimately influence a consumer’s buying decisions—and that’s exactly the case. In fact, 83 percent of consumers said they are more likely to do business with brands from which they received promotional products over other brands.



BRAND LOYALTY

→ Results indicate that consumers who receive promotional products are more likely to increase loyalty to the brand.



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RELATIVITY



Advertising has experienced some major milestones. With the emergence of the printing press in the 1440s, television in the 1940s and the latest advancements in technology, brands have been presented with an endless stream of opportunities to deliver their message. Today, brand strategy relies deeply in ad relativity insights when weighing where to invest advertising dollars in order to make data-driven decisions. Luckily, promotional products stand out as the consumer's choice in brand communication.

IDEAL ADVERTISING QUALITIES

**Categories are weighted and may not equal 100%*

It is important to understand the wants and needs of a consumer in order for an advertising vehicle to be successfully received. When asked what advertising qualities (not limited to promotional products) were important to them, the majority of consumers preferred visually appealing ads that clearly deliver a message. Promotional products are built to do just that with their physical and tangible features.



MOST EFFECTIVE ADVERTISING CHANNEL

When asked to rate which advertising vehicles provide consumers with an incentive to take action, promotional products were regarded as most effective by all generations.



	Millennials	GEN Xers	Baby Boomers	Silent Generation
1)	Promotional Products	Promotional Products	Promotional Products	Promotional Products
2)	Broadcast	Broadcast	Broadcast	Print
3)	Online	Online	Print	Broadcast
4)	Mobile	Print	Online	Online
5)	Print	Mobile	Mobile	Mobile

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RELATIVITY

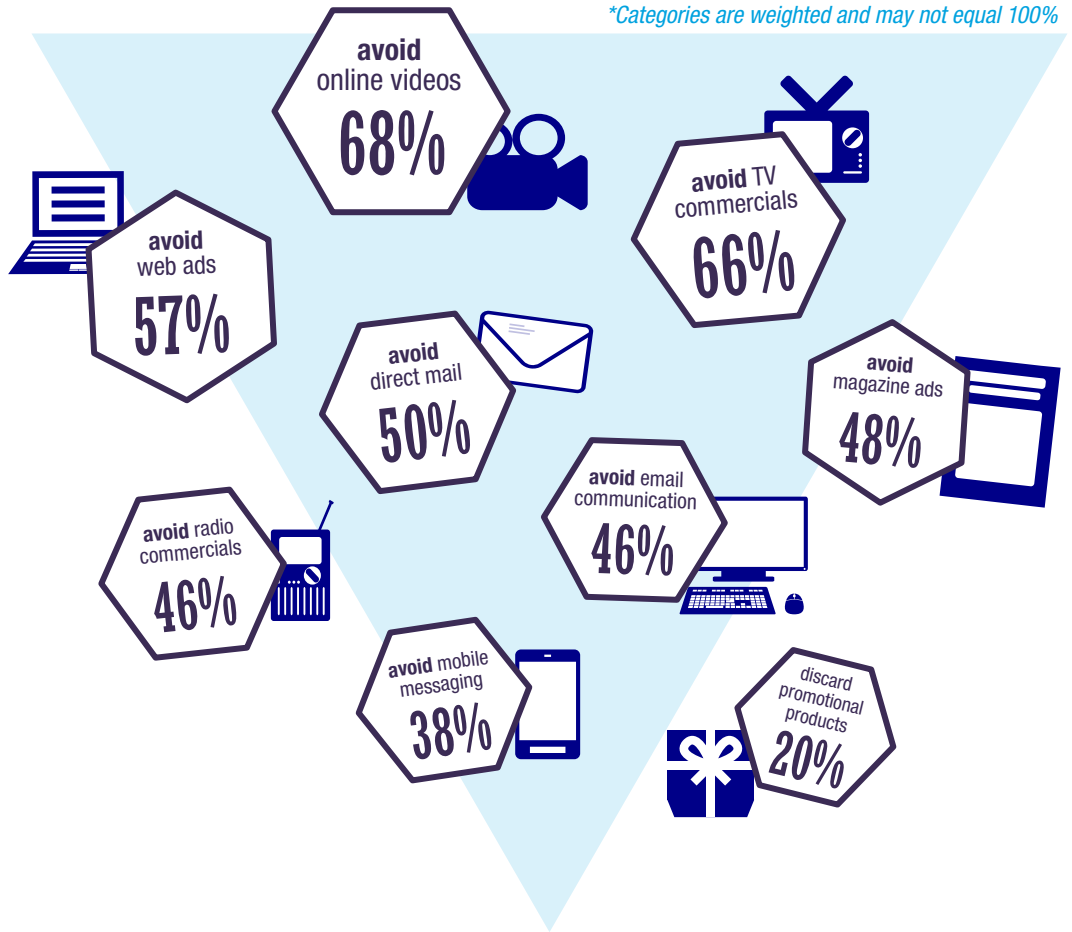


BEST RECEIVED ADVERTISING VEHICLE



Today's consumers are exposed to an expanding, fragmented array of touch points; however, there's a growing sensitivity to the idea that consumers are trained to be blind to advertising. The market for consumer awareness has become so competitive that attention can be regarded as a currency in the world of advertising. The rising cost of this element is reason enough for brands to consider their return on investment, such as which ad vehicles have a higher probability of being received by consumers. Promotional products are better received & less avoided by consumers than any other advertising vehicle.

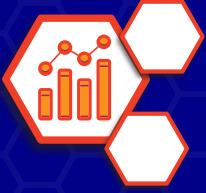
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promotional products are the best received & least avoided 

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About This Study



METHODOLOGY

The 2017 PPAI Consumer Study was conducted using an online panel fielded through Survey Sampling International (SSI) September 22-23, 2016, with more than 1,000 consumers (**n=1,042**). Respondents were given a brief background before beginning the questionnaire. The average completion time ranged between 5-15 minutes.

INCIDENCE RATE

Percent of respondents qualified to participate in a survey based on sample conditions*

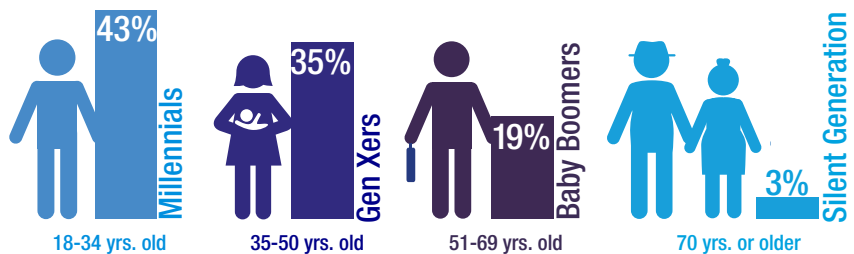


Benchmarking	
2012	73%
2004	71%
1999	72%
1992	62%

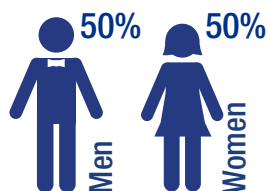
*SAMPLE CONDITIONS:
 2016: Consumers who have received one or more promotional product(s) in the past six months
 2012 or prior: Consumers who have received one or more promotional product(s) in the past 12 months

WHO TOOK THE SURVEY?

By Generation



By Gender



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ABOUT PPAI

Promotional Products Association International (PPAI) has been the trusted authority in the promotional products industry since 1903. With more than 14,000 member companies worldwide, PPAI represents manufacturers, suppliers, decorators and distributors who market to advertisers to help promote their businesses and/or brands. Advertising clients include Fortune 500 companies, agencies nonprofits, schools, hospitals, charities and small businesses.

For more information, visit PPAI.org and promotionalproductswork.org

PPAI Research™ has released industry sales data since 1965; however, its bearing to the industry began gaining momentum in 1985 following a shift in the Association's initiative to broaden its reach and impact in the promotional products industry. Today, PPAI Research provides a wide range of resources to support its members and the promotional products industry at large, as well as brands.



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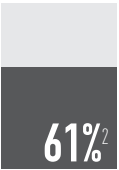

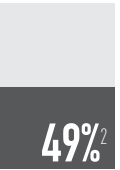
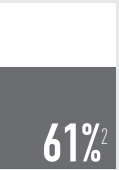










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Advertising Channels



2015 U.S.
Advertising Spend

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	Promotional Products <small>Business Gifts, Giveaways, Incentives, Awards</small>	Broadcast <small>TV, Video, Cinema, Product Placement</small>	Online <small>Desktop Internet, Email, Social Media</small>	Print <small>Magazines, Newspaper, Direct Mail</small>	Mobile <small>Messaging, Applications</small>
Sales Volume	 \$20.8 B ⁴	 \$103.4 B ³	 \$67.8 B ³	 \$84.9 B ³	 \$20.7 B ³
Market Share	 7%	 34%	 23%	 29%	 7%
Growth Rate	+4% ▲ <small>Since 2014</small>	+3% ▲ <small>Since 2014</small>	+18% ▲ <small>Since 2014</small>	+1% ▲ <small>Since 2014</small>	+66% ▲ <small>Since 2014</small>
Reach	 89% ¹	 61% ²	 73% ²	 49% ²	 61% ²
Recall	9 in 10 ¹ 	3 in 10 ² 	2 in 10 ² 	2 in 10 ² 	2 in 10 ² 
Reaction	 83% ¹	 17% ²	 6% ²	 12% ²	 17% ²

1 "Mapping Out The Modern Consumer" 2017 Consumer Study (PPAI Research, December 2016).

2 MarketingCharts, Advertising Channels with the Largest Purchase Influence on Consumers Study Advertising Channels with the Largest Purchase Influence on Consumers Study. 3rd Annual Edition (May 2016).

3 Dr. Richard Alan Nelson and Rick Ebel, "Promotional Products Spend in 2015 Ranked Sixth Among All Media: PPAI Distributor Sales Volume Report," PPB Magazine, July 2016.

4 Relevant Insights, "2015 Annual Distributors' Promotional Products Sales: Detailed Findings And Analysis" 2015 Sales Volume Study (PPAI Research, June 2016).