

# HARD EVIDENCE:

## Promotional Products are an Effective Advertising Medium

A new exclusive survey conducted by the Advertising Specialty Institute® has found that the average cost-per-impression of an ad specialty item is \$.004, proving that promotional products are a good alternative to more expensive forms of advertising. When you compare the costs of traditional print or over-the-air advertising, industry voices think promotional products offer a clear and worthwhile alternative, one that's extremely impactful at a low cost-per-impression.

Promotional products have staying power because recipients tend to hang onto them in highly visible places. For example, 56% are kept in the home; 28% at the office; 10% on the actual person; and 6% in the car. This longer "shelf life" means more reach potential and countless more impressions – two key factors when it comes to deciding how to spend your advertising dollars.

### SURVEY METHODOLOGY

In June and July 2008, a team of interviewers surveyed 465 consumers in New York, Los Angeles, Chicago and Philadelphia on behalf of ASI® regarding promotional products they had received. The purpose of the interviews was to understand how advertising specialties influence end-users purchasing decisions; determine the number of impressions of popular advertising specialties; and analyze the cost-per-impression of advertising specialties compared with other popular advertising.

Further, during October 2008, an online survey was conducted among recipients of advertising specialties to augment the non-wearables sample from the in-person interviews. Results have been combined in the report where appropriate. There were 213 completed Web-based interviews, for a total of 678 completed surveys for this study. Respondents were asked if they had received any promotional products in the last 12 months. Most respondents were business/professional people (84%) and all were age 21 and older.

Cost-per-impression data of ad specialties was then compared to cost-per-impression statistics for other types of advertising media.

### SURVEY RESULTS

**TOPIC #1:** *"Money is tight right now. I'd love to buy something from you, but I just can't afford promotional products."*

**FINDING:** The cost-per-impression of an ad specialty is a fraction of a cent. Below is a list of items that, combined, average \$.004 per impression:

- CAPS = \$.002
- BAGS = \$.002
- WRITING INSTRUMENTS = \$.002
- CALENDARS = \$.003
- GLASSWARE/CERAMICS = \$.004
- SHIRTS = \$.005
- OTHER = \$.005
- DESK/BUS ACCESSORIES = \$.007
- OTHER WEARABLES = \$.016
- RECOGNITION AWARDS = \$.021

**TOPIC #2:** *"Why should I put my logo on a pen or keychain? Nobody remembers the name of the company that advertises on those things anyway."*

**FINDING:** A whopping 84% of those surveyed remember the advertiser of a specialty item they had received. Of those who received wearables (jackets, pants, scarves), a full **94% remembered the advertising logo and company.**

**TOPIC #3:** *"Is someone really going to change their opinion of me just because I send them a freebie with my logo on it?"*

**FINDING:** Survey results show **42% of end-buyers had a more favorable impression of an advertiser after receiving an item.** Among those who received bags, for instance, 53% had a more favorable impression of the advertiser.

**TOPIC #4:** *"Sure, my client is going to love to take the free stuff I give him. But that won't make him any more likely to do business with me."*

**FINDING:** Nearly ¼ of end-users are more likely to do business with the advertiser on the items they receive. If an advertiser provides calendars or jewelry, the number increases to 36% and 38% respectively.

**TOPIC #5:** *"Say I use a promotional product in a direct-mail campaign. How do I know I'll ever hear from the prospect again?"*

**FINDING:** The vast majority of end-users have done business with the advertiser after receiving an item. Among those who received recognition items like awards, more than 75% of end-users have done business with the advertiser.

**TOPIC #6:** *"Unless a promotional product is super high-end, which I can't afford, or really attractive, nobody's going to want to keep it."*

**FINDING:** End-users tend to keep items that are useful. Of those surveyed, more than 70% felt that bags, pens, T-shirts, desk accessories, glassware, caps and calendars are useful items.

**TOPIC #7:** *"Why should I waste my money on a tote bag? It probably only gets used once or twice at most. Maybe some guy will grab it to wipe off his windshield or something."*

**FINDING:** Bags are actually the most frequently-used apparel item. Bags are used more than nine times per month. By comparison, caps are used six times per month and T-shirts are used four times per month.

**TOPIC #8:** *"I need a way to advertise so I can be in front of my prospects every day. Your products won't do that for me."*

**FINDING:** Many ad specialties are often in front of prospects. For example, 20% of those surveyed used pens more than five times per day.

**TOPIC #9:** *"I need to invest my money in media that delivers real impressions. Now if you could show me how many impressions I'd get from a promotional product, I might consider buying one."*

**FINDING:** Bags, caps, T-shirts and pens deliver significant impressions per month. On average, bags achieve the best results at more than 1,000 impressions per month. Caps have an average of 476 impressions per month, while shirts, writing instruments and office accessories each have about 300 impressions per month.

# MEET THE MONEYHAWKS

## Financial Institutions Most Desirable and Profitable Customer Segment

Javelin Strategy & Research announces its latest research report — “How to Attract and Keep High-Value ‘Moneyhawks’: Increase Profitability Through Targeted Multichannel Service Messaging”. Javelin identified a market segment known as Moneyhawks who emerged as the most profitable consumer for a Financial Institution. Their high frequency, tech-savvy approach demands and uses a variety of self-service channels and services, including personal finance management (PFM) tools and financial alerts. Javelin identified four distinct segments of consumers, based on their use of and comfort with online and mobile banking, demographic makeup, and tech-buying preferences. The Javelin report, based on surveys conducted with more than 5,100 consumers, shows Financial Institutions (FIs) how to identify, retain and grow these most valuable customers.

Moneyhawks are the most sought after consumer segment, as they buy more financial products and save FIs billions of dollars in operating costs through their frequent use of cost-effective, self-service channels. While Moneyhawks comprise only 10% of all consumers, these high tech trendsetters are the first adopters of online banking, online bill pay, and mobile banking, setting the stage for how all consumers will eventually bank. However, keeping Moneyhawks happy and engaged remains a big challenge for FIs. More than one in four Moneyhawks switched banks in the past two years, seeking effective and cutting-edge online and mobile money management tools.

“Moneyhawks are the future of banking and critical to an FI’s success,” notes Mark Schwanhauser, Senior Analyst, Multichannel Financial Services at Javelin. “Our research reveals that unhappy Moneyhawks tend to head to Bank of America, where almost half of Moneyhawks bank, or to Chase, preferred by almost one in five. Our report shows FIs what they need

to do – and say – to keep Moneyhawks from jumping ship and going to competitors.”

FIs need to understand what services consumers want from their banks, as well as their comfort level with technology. Findings from this report will help FIs create and send high-impact targeted messages to each segment that will encourage broadening use of online and mobile channels.

“The next step for Moneyhawks is to increase their utilization of mobile capabilities, while simultaneously re-engineering all FI platforms towards a Customer Driven Architecture™,” advises James Van Dyke, President and Founder of Javelin. “Our report provides details on how FIs can focus their messaging to expose the other consumer segments to varying degrees of online and mobile banking and bill pay, without overwhelming them.”

### **Selected Key Report Findings – How to Attract and Keep High-Value ‘Moneyhawks’**

- Identifying the Moneyhawks – key information about demographics, banking preferences, and smartphone choices and what FIs can do to retain their most profitable segment
- Detailed profiles of each of the four segments of consumers
- High impact targeted messages by segment to convert existing customers into Moneyhawks

### **About Javelin Strategy & Research**

Javelin Strategy & Research is the leading provider of quantitative and qualitative research focused on the global financial services industry. Our extensive quantitative data and deep analyst experience enable us to forecast the direction of the financial services market and make recommendations that empower you and your business to succeed.

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