

## CUSTOMER EXPERIENCE PARTNERS

## The Stuff Companies Give Away



American businesses spent \$20 billion last year giving away “stuff with logos”, according to Jerry McLaughlin, president of [Branders](#) (one of the largest sellers of promotional products online). This amount could, conceivably feed an entire third world country! The idea of spending part of one’s marketing budget on such promotional items goes back years and could be one of the oldest forms of advertising.

### So Why Do They Give All That Stuff Away?

We all have such items scattered around our offices and our homes. Some are cheap giveaways while others are expensive and impressive gifts. Some have long lives while others are in the trash the next day. Some marketers do a better job than others in making promotional items work for them. But, universally, their goals are to achieve one or more of the following: 1) Keep the brand name top of mind, 2) Enhance the image of the brand, 3) Differentiate the product or service from the competition, 4) Stimulate word of mouth and recommendations, or 5) create some form of obligation – I gave you something, now it’s your turn to help me.

Do the promotions work? Consider the pharmaceutical industry and the influence they had on doctors until recently through their distribution of pens and prescription pads (with maybe a junket or two for the real influencers). Or consider the [Disabled American Veterans](#). Their basic solicitation letters achieved an 18-percent response rate, but when personalized address labels were added to the mailing (at a cost of about eight cents a package), the response rate went up to 35 percent.

### They Could Enhance ROI

Beyond these examples, return on investment is often a lot ‘squishier’ and to be honest, in most cases, a lot harder to measure. Though the promotions industry would hate to hear us utter such words, perhaps in many cases there really isn’t any positive ROI. But in terms of stimulating word of mouth we’re certain there can be positive results. If marketers begin to think in terms of targeting their giveaways to their current customers who are most likely to be their best advocates, then the quality of their promotional items could be increased with a higher payback. That’s because the logo-ed items will be available to serve as *conversation-starters*, giving the owners the opportunity to comment on the sponsoring company to their friends and acquaintances.

But not every current consumer is behaviorally loyal to a brand and even fewer have a desired emotional attachment. Additionally, some lack the communications skills and psychological makeup that typify true advocates. But if a brand can identify the *right* 1) behaviorally loyal, 2) emotionally attached, 3) communications-endowed customers and give them promotional items that will serve as *communications catalysts*, payback can be assured.

To learn how to **Identify & Arm your Best Customer Advocates** contact:

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