

PPPAI



## Promotional Products Industry Performance, 2000 – 2020



# Advertising Trends

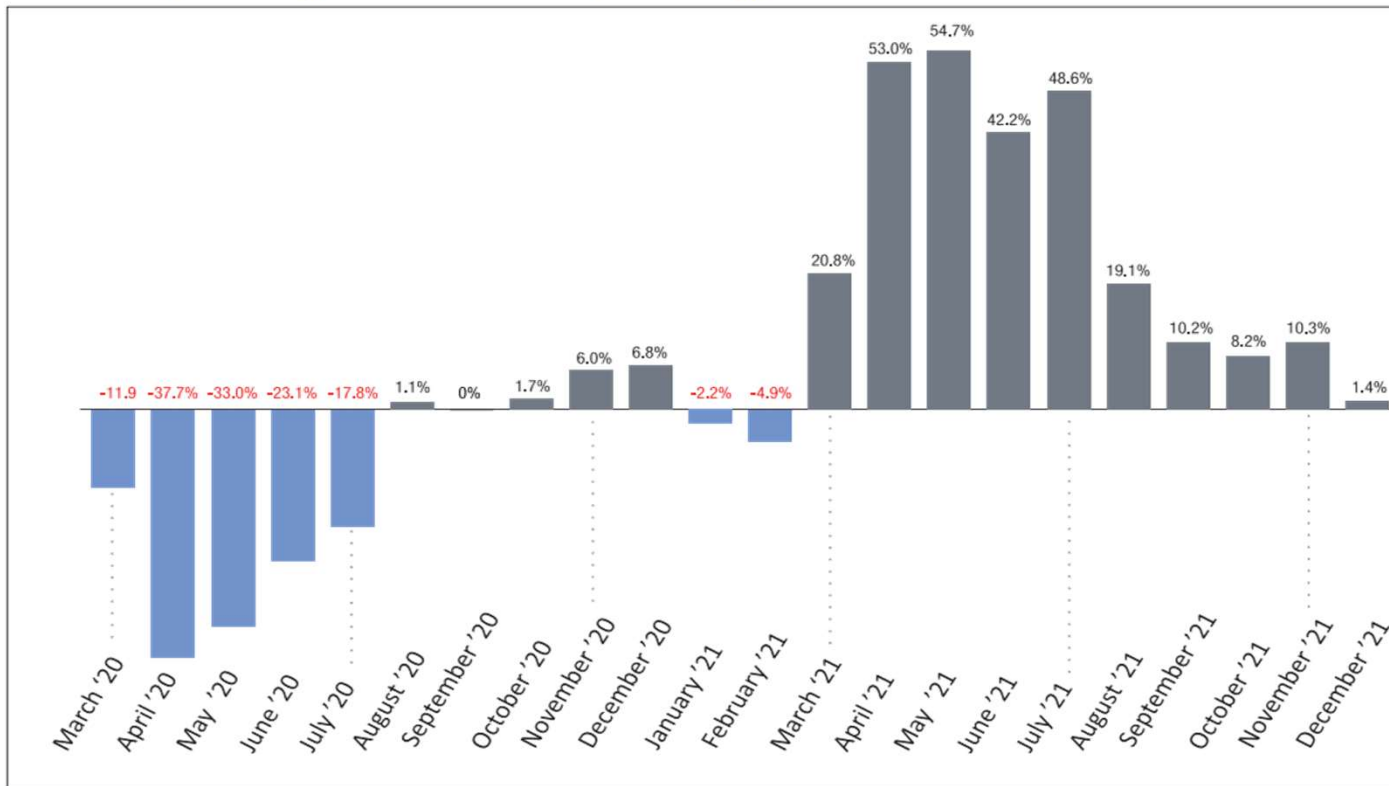
| Year-to-Date Investment Trend by Channel<br>(2021 vs. 2019 & 2020: % Change YOY) |               |                      |               |                      |               |                      |               |                      |
|--|---------------|----------------------|---------------|----------------------|---------------|----------------------|---------------|----------------------|
| Media Type   | Q1            |                      | Q2            |                      | Q3            |                      | Q4            |                      |
|  | 2021 vs. 2019 | <b>2021 vs. 2020</b> | 2021 vs. 2019 | <b>2021 vs. 2020</b> | 2021 vs. 2019 | <b>2021 vs. 2020</b> | 2021 vs. 2019 | <b>2021 vs. 2020</b> |
| Digital  | + 28%         | <b>+ 21%</b>         | + 31%         | <b>+ 68%</b>         | + 45%         | <b>+ 36%</b>         | + 42%         | <b>+ 13%</b>         |
| Television   | - 10%         | <b>- 4%</b>          | - 14%         | <b>+ 31%</b>         | + 0.3%        | <b>+ 8%</b>          | - 8%          | <b>- 1%</b>          |
| Out of Home  | - 41%         | <b>- 44%</b>         | - 39%         | <b>+ 54%</b>         | - 25%         | <b>+ 64%</b>         | - 3%          | <b>+ 79%</b>         |
| Radio  | - 30%         | <b>- 24%</b>         | - 29%         | <b>+ 78%</b>         | - 20%         | <b>+ 22%</b>         | - 13%         | <b>+ 10%</b>         |
| Magazines  | - 40%         | <b>- 30%</b>         | - 44%         | <b>- 16%</b>         | - 46%         | <b>- 9%</b>          | - 46%         | <b>- 22%</b>         |
| Newspapers   | - 39%         | <b>- 30%</b>         | - 21%         | <b>+ 26%</b>         | - 38%         | <b>+ 5%</b>          | - 34%         | <b>+ 1%</b>          |
| <b>Grand Total</b>   | <b>+ 2%</b>   | <b>+ 4%</b>          | <b>+ 2%</b>   | <b>+ 49%</b>         | <b>+ 17%</b>  | <b>+ 23%</b>         | <b>+ 13%</b>  | <b>+ 8%</b>          |

**Source:** SMI Core (i.e. SMI Pool)

Excluding Market Type = International; Media Sub Type = Ad Tech / Fees

# Advertising Trends

## Monthly Change In U.S. Ad Spending, Year-Over-Year



Source: Standard Media Index's U.S. Ad Market Tracker, updated Dec. 20, 2022

# Macro Economic Trends We Are Watching



# Product Availability

- Factories scaling back offered colors and increasing their minimum order quantities
- This will prolong the supply chain bottleneck and contribute to surge pricing and a ‘hoard’ buying mentality.”
- **2022 Outlook** – Expect limited options and inventory

# Inflation

- Disturbances in the supply chain, like the shipping container shortages have caused prices to surge, is something not everyone believes is temporary.
- **2022 Outlook** – Plan for higher prices

# Logistics

- In early January, goods took 113 days to travel from factories in China to the U.S. West Coast, a record high. In January 2019, the average transit time was 50 days.
- Outlook improving; however, transit time will remain high in 2022 as will prices.
- **2022 Outlook** – Expect continued delays



# Hiring

- Labor shortages as top external threat to businesses in 2022.
- #3 globally behind rising inflation and COVID-19 disruptions.
- CEOs ranked attracting & retaining talent as top focus for 2022.
- More CEOs expect productivity to increase vs decrease in a hybrid model, however, 46% expect corporate culture to suffer.
- **2022 Outlook** – Employee retention is critical and an opportunity.

# Digital Transformation

- COVID-19 drove a decade's worth of digital transformation," *Ataman Ozyildirim, Ph.D., senior director of economics at The Conference Board.*
- The stepped-up pace will continue.
- 2<sup>nd</sup> highest priority among issues within CEOs control.
- Technology investment is only a piece of the transformation puzzle.
- Talent is critical to digital transformation which is why hiring remains the priority.
- **2022 Outlook** – Increasing investments in transformation

# Data

- With the customer journey extending beyond the point of sale, marketers require data management strategies and solutions that help brands maintain ongoing, productive conversations with consumers.
- **2022 Outlook** –Data driven decisions

# Travel Trouble

- Business travel is expected to increase compared to 2021 according to an analysis by Kalibri Labs. It is projected to reach 80% of 2019 figures by Q3.
- **2022 Outlook** – Increasing but still reduced events

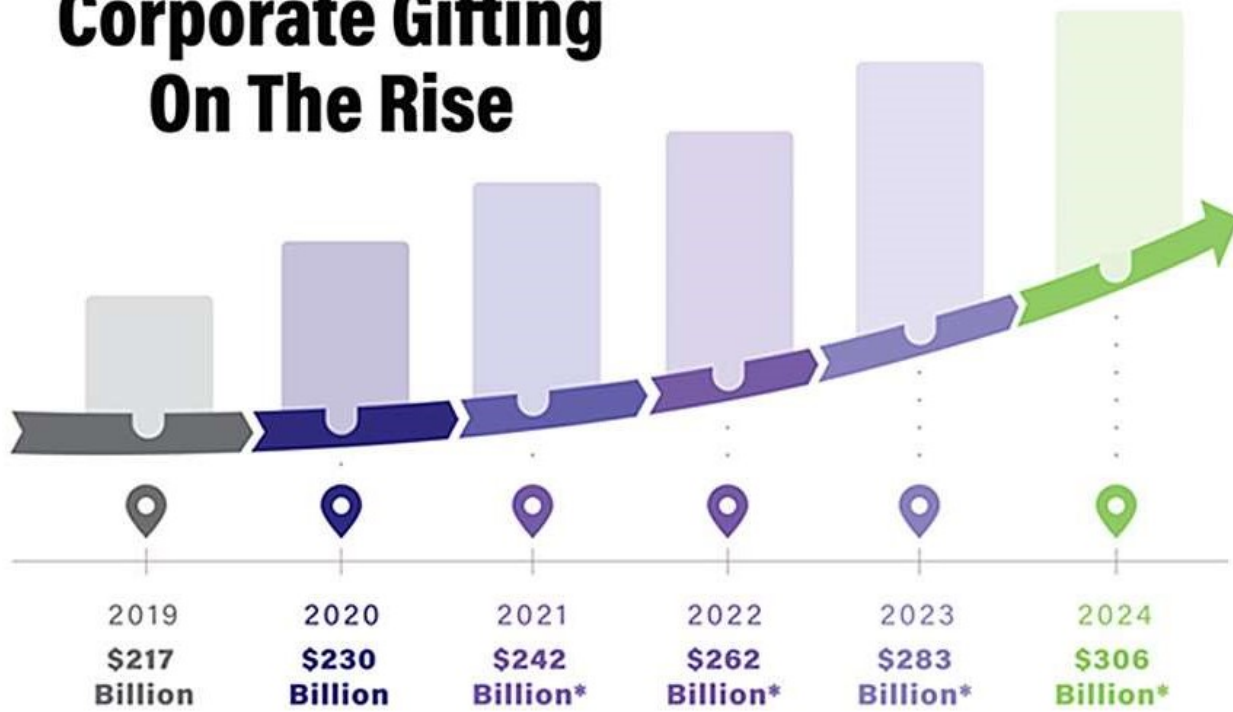
# Climate Crunch

- Natural disasters like wildfires and floods are increasing, along with heatwaves, but climate change policies are still lagging behind. Decarbonization requires cooperation from both the West and China despite sharply differing political views.
- **2022 Outlook** – Corporate Social Responsibility increasing

# The Future of Work

- The future of the workforce is and will continue to be a hybridization of in-office and remote work.
- A third of CEOs globally expect a remote-heavy workforce after the pandemic subsides, nearly double the percentage of CEOs who said they had remote workforces in 2019.
- CEOs are concerned about the detriments of remote work.
- **2022 Outlook** – Opportunity to help support culture

# Corporate Gifting On The Rise



\*Estimated.

**MOST COMMON CORPORATE GIFT**



## Gift Category

"What type of corporate gifts are you giving?"



\*Percentages of survey respondents. Source: Coresight Research

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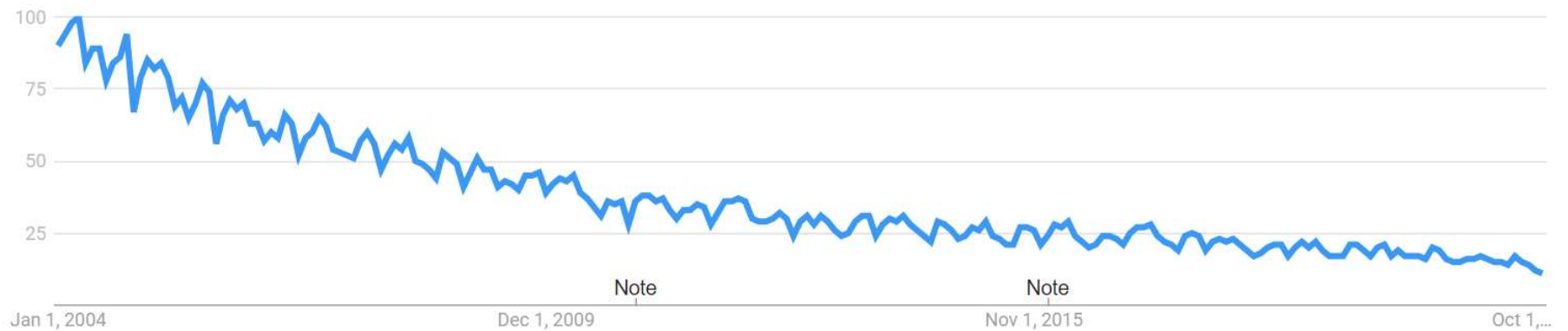
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# Trending Terms For Promo



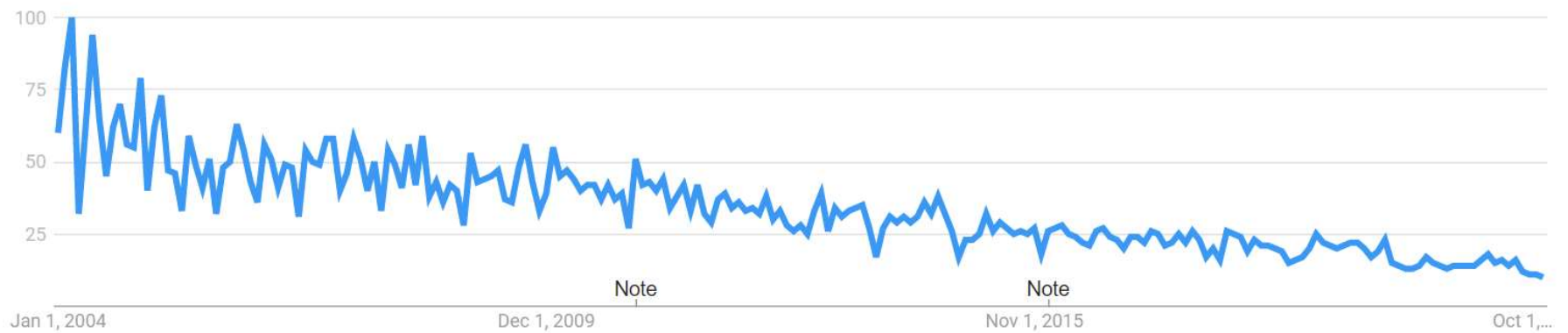


# Searches for *Advertising*



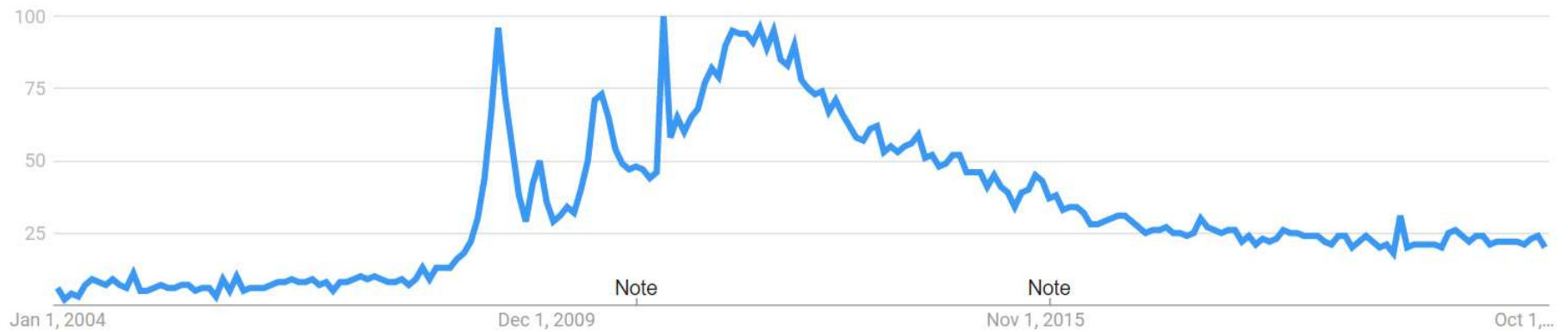
Source: Google Trends

# Searches for *Promotional Products*



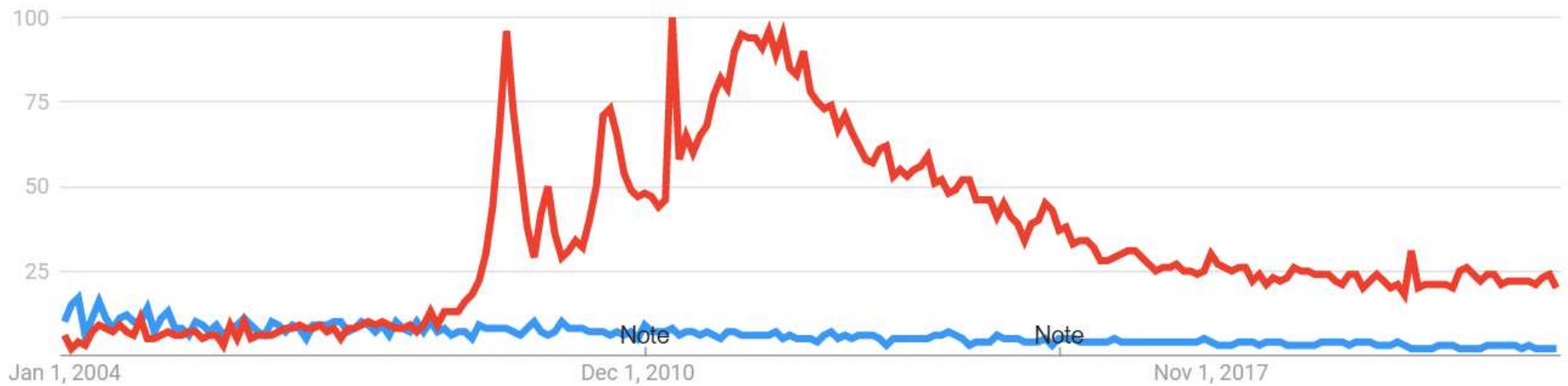
Source: Google Trends

# Searches for SWAG



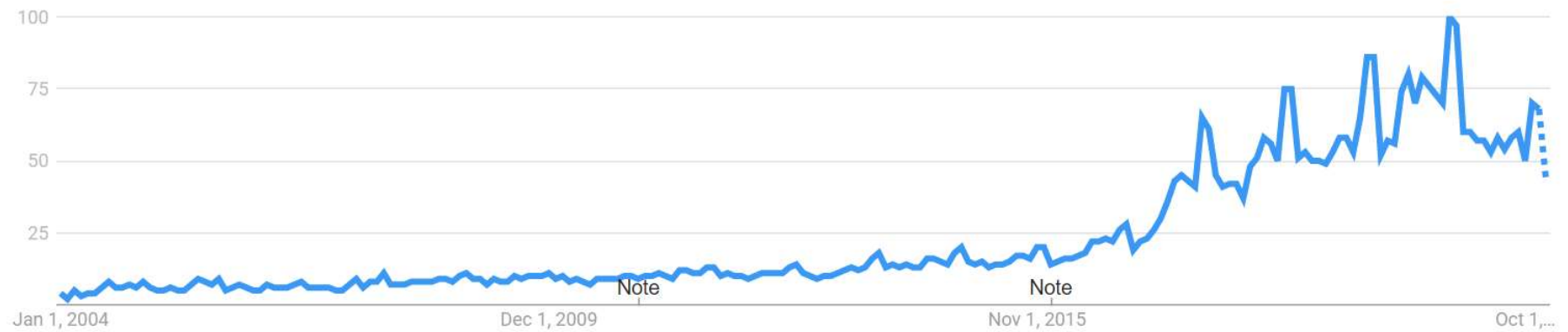
Source: Google Trends

# Promo v SWAG



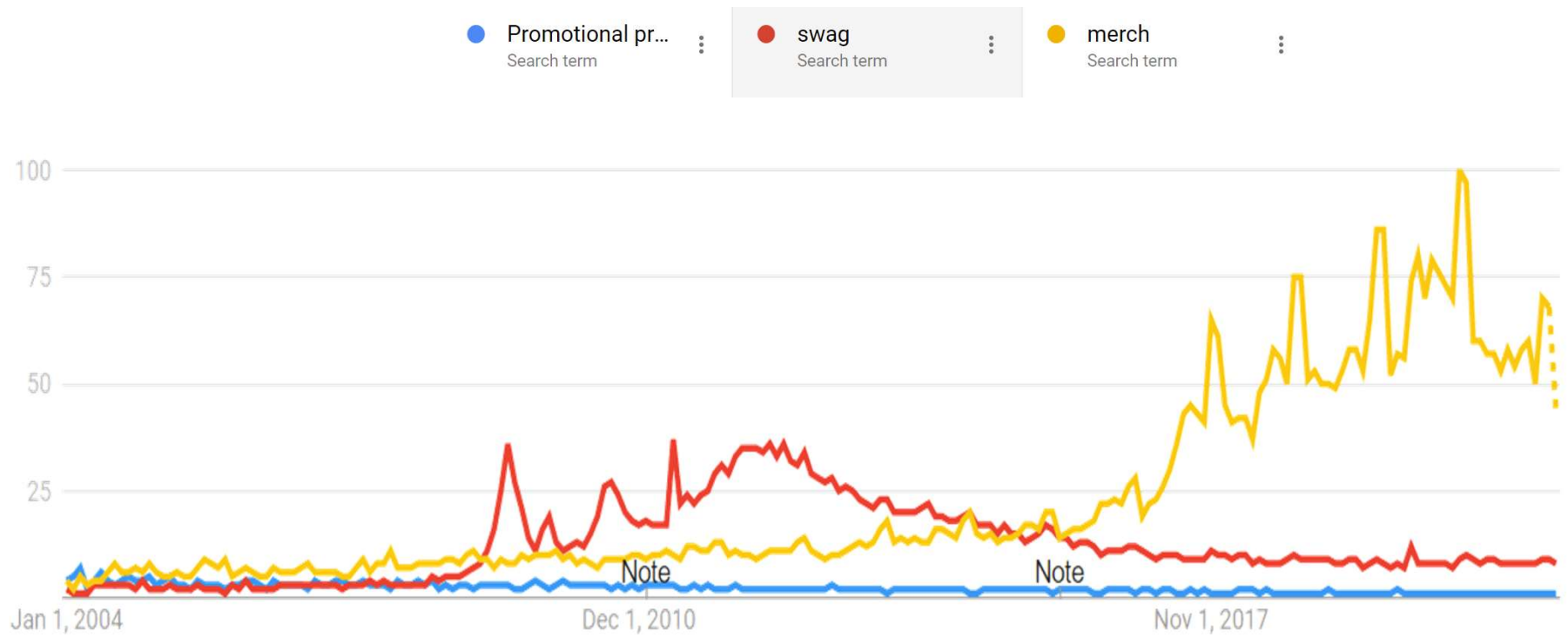
Source: Google Trends

# Searches for *Merch*



Source: Google Trends

# Merch Is In!



Source: Google Trends

# Promotional Products Work No Matter What You Call Them



Sara Blakely  • 3rd+  
Founder of SPANX  
1mo • 

[+ Follow](#) 

Back when I had no money to advertise and my entire ad strategy was wearing a black t-shirt I made at a local shop by ironing on the letters "S-P-A-N-X," I was constantly thinking of other inexpensive ways to advertise. Cue the DMV!!! I had the brilliant idea of registering SPANX as my license plate. I thought I was genius until someone followed me home to ask me for a free pair of [Spanx](#). 🤔😬

I then realized maybe this wasn't the best idea, took the license plate off the car and put back on the Spanx t-shirt (for the next 5 years.) I remember thinking even if just one person a day sees me in the t-shirt, that's one more person who may be curious about what the word Spanx means. 👍

If you're out there hustlin' what are some of your creative inexpensive ways to advertise?



# Vision

Promotional Products are  
universally valued and  
essential to every brand

Promotional  
Products  
Work!

PPAI



# Mission

Be the voice and force to advance the Promotional Marketplace for the benefit of our community

# Strategic Goals



Drive member and community value



Ensure economic sustainability and scalability



Elevate CSR in the industry



Facilitate the industry's digital transformation



Be the voice of the industry

# Drive Member and Community Value

- Daily relevance
- Improved value
- Build community
- Content
- Expo



<https://ppai.org/unique/ppai-media-subscription/>

# Economic Sustainability & Scalability

- Diversified revenue
- Optimize ROI for members
- Investment mentality
- PPAI efficiency



# Elevate CSR in the Industry

- Reduce industry waste
- CSR member success
- Government advocacy
- Improved diversity



# Facilitate Digital Transformation

- *Frictionless* client experience
- Industry standards & best practices
- Industry efficiency
- Data driven decisions



# Be the Voice of the Industry

- End Buyer influence
- Increased value perception

Promotional  
Products  
Work!



# Promotional Products Work! Expo

The Promotional Products Work Expo is an innovative online opportunity for promotional products professionals and their hosted buyers to explore the vast world of promotional products together, discovering top products, exciting trends, creative ideas and why promotional products are essential to every brand. [Learn More](#)



# September 29





KEEP A Promotional Product Because The Item Is **USEFUL**

9 IN 10



AGREE

Receiving Promotional Products At An Event Makes The Experience More **Memorable**



83%

Say Promotional Products Make An Experience **More Enjoyable**

Promotional Products **Work!**



# Strategic Goals



Drive member and community value



Ensure economic sustainability and scalability



Elevate CSR in the industry



Facilitate the industry's digital transformation



Be the voice of the industry

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