

Who are the Incentive Federation's members?

The Incentive Federation is the only organization whose membership and leadership includes all the industry's national trade associations, as well as individual industry companies. It is under The Incentive Federation umbrella that the collective interests of the Incentive Marketing Association (IMA), the Promotional Products Association International (PPAI), The Incentive Research Foundation (IRF), the Recognition Professionals International (RPI) and Society for Incentive Travel Excellence (SITE) are advanced.

Research Perspective

U.S. businesses using non-cash rewards

1996 – 26%

2016 – 84%

\$\$ Spent in Incentive Marketplace

1996 - \$27 billion

2016 - \$90 billion

2020 IFI Board of Directors Elected by Membership

The 2020 IFI Board ballot was emailed to members on November 17, 2019 and allowed each IFI member of record to cast votes for their fellow members who have been nominated to serve on the Board of Directors beginning January 1, 2020.

The following members have been elected to serve one-year terms on the Board of Directors beginning January 1, 2020:

Paul Bellantone, CAE, President, Promotional Products Association International, Third Vice Chair for Associations

Richard Blabolil, CPIM, President, Marketing Innovators International, Director

Kevin Cronin, CRP, Board Member and Representative of the Recognition Professionals International, Second Vice Chair for Associations

Michael Donnelly, CPIM, President, Hinda Incentives, Vice Chair for Corporations

Brian Galonek, CPIM, President, All Star Incentive Marketing, Secretary

Theresa Harkins-Schulz, SPHR, CCP, CRP, Vice President - Client Success & Engagement Solutions, Inspirus, Director

Katherine Harris, President, Incentive Research Foundation, Fourth Vice Chair for Associations

Richard L. Low, CPIM, Vice President, Special Markets, Citizen Watch Company, Director

Sean Roark, CPIM, Executive Vice President, IncentPros, Inc., Treasurer

Didier Scaillet, CIS, CITP, CEO, Society for Incentive Travel Excellence, First Vice Chair for Associations

Sue Voyles, Company Founder and President of Logos Communications, Inc., Director

Karen Wesloh, CAE, CMP, Executive Director, Incentive Marketing Association, Chair

Incentive Research Foundation Releases Software Report for 2020

The Incentive Research Foundation released the results of its Incentive & Events Industry Software Report:2020 in early December. This qualitative review of software platforms provides an overview of how technology is being selected, customized, and integrated into rewards and recognition programs.

The IRF conducted interviews with incentive program design consultants, reward providers, technology vendors, industry

experts and buyers of incentive and events software. The report can help incentives professionals gain a better understanding of the incentive and events software landscape and the right tools and provider types for their businesses.

Key insights from *Incentive & Events Industry Software Report: 2020* include:

- As incentive programs become more sophisticated, customers demand software that is easier to use, more feature-rich and flexible, capable of full integration and robust in its ability to produce analytical insights and personalization
- Solutions are delivered almost exclusively via Software as a Service, and most pricing is on the SaaS per-user subscription model, resulting in lower systems fees and the ability to invest more in rewards
- Clients prioritize ease of use and often demand extensive customization capabilities which in a SaaS-dominated environment, providers must make their tools more flexible and configurable
- Program owners want solutions that fully integrate with other HR tools as well as CRM and intranet platforms using API and single sign-on capabilities
- Sophisticated data capture, analysis and insights are in high demand. Technology-first providers may evolve into analytics-first firms, especially as AI and predictive analytics are more widely used to offer deeper, more actionable and individualized insights
- Responsive web design that enables mobile user interfaces, including dashboard access, points redemption, and reports have become a standard capability

To view or download a copy of the *Incentive & Events Industry Software Report: 2020* please visit: <https://theirf.org/research/the-irfs-incentive-events-industry-software-report-2020/2715/>.

Incentive Research Foundation Releases Industry Outlook for 2020

The Incentive Research Foundation's *Industry Outlook for 2020: Merchandise, Gift Card and Event Gifting* study released in November 2019 provides useful insights and benchmarks on non-cash reward types, average spend, and how incentive programs are being administered.

Key findings in *Industry Outlook for 2020: Merchandise, Gift Card, and Event Gifting* include:

- **Outlook for 2020 is Positive:** Industry stakeholders have very strong expectations for 2020, with 85% reporting they expect their company to have strong financial performance.
- **Economic Net Optimism is High for Incentive Programs:** The Fall 2019 Net Optimism Index for incentive programs was 41%, consistent with Fall 2018 (43%) and up from Summer 2017 (22%).
- **Reporting and Analysis are Growing:** Corporate users conducting analysis on how programs change behavior increased to 44%, compared to 25% in 2019.
- **Average Merchandise Reward Value is \$160:** Logoed brand-name merchandise and electronics are the most common rewards with corporate respondents, while sunglasses and electronics are the most popular among third-party providers.
- **Online Retailer Gift Cards Outpace Coffee:** Retailers that are exclusively online (e.g., Amazon) are 2019's most popular type of gift card (65%) – ahead of coffee (61%), 2018's top gift card type.
- **Personalization and Engagement in Event Gifting:** The marketplace experience has grown in popularity, with 58% of respondents reporting they use the marketplace as an engaging way to deliver event gifts.

To view or download a copy of the *Industry Outlook for 2020: Merchandise, Gift Card, and Event Gifting* please visit: <https://theirf.org/research/industry-outlook-for-2020-merchandise-gift-card-and-event-gifting/2705/>.

PPAI's Staff and Members Met With Legislative Staff In D.C. On Bill Limiting Government Use Of Promotional Products

Anne Stone, PPAI's director of advocacy and member engagement, was in Washington, D.C. in early December to meet with legislators' staffs to continue discussions on legislation in the Senate that could curb government agencies' use of promotional products.

Last month, PPAI President and CEO Paul Bellantone, CAE, and Stephanie Critchfield, vice president and national sales manager at distributor The Vernon Company, opened the door for the conversation when they visited the offices of Sen. Joni Ernst of Iowa, who introduced the bill, "S.2722, A bill to prohibit agencies from using federal funds for publicity or propaganda purposes, and for other purposes," and also referred to as the "Stop Wasteful Advertising by the Government Act," or the SWAG Act. The visit came just days after Sen. Ernst introduced the bill, which would prohibit federal agencies from spending on promotional products to promote themselves and their programs.

In D.C., Stone met with staff members from the U.S. Senate Subcommittee on Federal Spending Oversight and Emergency Management; the office of Sen. Ernst; and of Sen. Steve Daines, a co-sponsor of the legislation. Their discussions focused on potential refinements for the bill as it is reviewed by the subcommittee and the larger Senate Committee on Homeland Security and Governmental Affairs.

PPAI has encouraged its members to write and email their elected representatives to oppose the legislation and to educate the officials about the value and importance of promotional merchandise for businesses and consumers.

Message points PPAI has provided for those interested in contacting their representatives include the following:

"I am writing to urge your opposition to S. 2722, which is entitled, "A bill to prohibit agencies from using federal funds for publicity or propaganda purposes, and for other purposes." The legislation is also being cited as the Stop Wasteful Advertising by the Government Act, or the SWAG Act. This is exactly the type of perspective the promotional products industry works to avoid.

Promotional products provide tangible value for their cost and a more efficient means of conveying a message and producing desired behavior than traditional advertising methods. Promotional products are proven to be one of the most effective forms of media available to advertisers. Because promotional products are tangible, useful and highly targeted to the audience they reach, 81 percent of consumers retain them for more than one year, and 88 percent recall the advertiser/message, delivering the highest rate of reach, recall and return on investment in the advertising industry.

Businesses, organizations and the federal government are making tough decisions about where to invest resources, and the promotional products industry appreciates the difficult choices that must be made. Despite budget strains, the government and its agencies must market their programs. We maintain that when an organization needs to cut marketing dollars, the decision should be based on the effectiveness of the marketing media under consideration. I urge you to consider the benefits of promotional products advertising for government agencies and Americans.

The promotional products industry plays an important role in the national economy. Collectively more than 25,000 American promotional products businesses provide over 500,000 jobs and generate \$24.7 billion annually. While promotional products play an important role in making the public and targeted audiences aware of important initiatives and are essential elements in successful marketing programs, all too often the industry comes under scrutiny when budgets are constrained, and cuts must be made.

For government agencies to be effective, they must first keep the lines of communication open to the citizens they serve. One of the most important things to remember in the success of any government service

program is what the benefits are and how to gain access to them. Promotional products are an integral part of this process and ensure the information is always close at hand.

Promotional products and the messages they carry help governments at every level keep their citizens informed and well prepared by providing essential public service information in a timely and reliable manner through the best communication medium possible—promotional products. And that makes good sense.

Infant sleepwear imprinted with the message, “This side up,” conveys a powerful and life-saving message about sleep safety for vulnerable children. A keychain with a whistle handed out to students during a self-defense class becomes an empowering safety tool. A t-shirt given to children at an outdoor summer program is a memorable, functional keepsake. When the shirt is decorated with a phone number to call if the child is found lost, the imprinted shirt becomes a prudent safety precaution.”

A baby onesie, a functional keychain, a promotional t-shirt—they’re communal. They’re lifesaving. They’re undeniably effective.

I support responsible spending and the effective use of promotional products to promote essential government programs and urge you to do the same. Please oppose S. 2722.

Thank you for your consideration.”

For IFI members who wish to support PPAI’s position by sending this or a similar message to elected officials, please contact Anne Stone at annes@ppai.org.

Staff:

Executive Director and Counsel – **George Delta**, Esq.

Managing Director - **Steve Slagle**, CAE.

If you have questions, advice for the Board, or want to raise issues for the Board to think about, please contact Steve Slagle at steves3309@gmail.com or 864-710-6739.