

## **IFI** Bulletin

### November 2019

www.incentivefederation.org

# 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

# New IGCC Guide Helps Organizations Optimize Gift Card Purchases for Employee Recognition

The Incentive Gift Card Council's (IGCC) new buyer's guide provides important tips and considerations to help buyers provide meaningful gift card choices and save money. The IGCC is a Strategic Interest Group of the Incentive Marketing Association.

A recent IRF study showed 69% of corporate purchases of gift cards for employee recognition are made at local retailers,\* which may not be a cost-effective or efficient way to purchase large quantities of gift cards.

"Trying to buy a bulk quantity of gift cards at a retail counter can be a frustrating experience," says Hollis Thornton, CPIM, senior account executive at Blackhawk Network/Velocity B2B and IGCC board director. "Most POS systems and sales associates are not equipped to process large orders. Further, many companies need to pay with ACH and you can't do that in the retail setting, "she explained.

Finding the right mix of brands to appeal to a diverse group of employees or customers can be challenging. "If you want multiple brands or you are unsure of the best fit for what you want to accomplish, our IGCC members will work with you to come up with the best solution," Thornton said. Buying online allows organizations to purchase via the corporate or bulk option, which often includes volume discounts.

The <u>new IGCC buyer's guide</u> offers step-by-step advice and tips to help buyers looking for one specific brand and for those looking for multiple brands.

Previous IGCC research showed corporate gift card buyers are looking for choice, ease and service. The new guide helps you quickly and easily find the resources that can help you achieve your goals. It also provides links to the IGCC's member directory which includes nearly 200 industry-leading retailers, distributors, vendors and agencies that make it easy to select, securely distribute and manage a gift card recognition program.

\*Industry Outlook for 2020: Merchandise, Gift Card and Event Gifting – Incentive Research Foundation, Nov. 2019

### **Incentive Research Foundation Releases Industry Outlook for 2020**

The Incentive Research Foundation's <u>Industry Outlook for 2020: Merchandise, Gift Card, and Event Gifting</u> reports high levels of economic net optimism during the Fall of 2019 and a positive outlook for 2020. The new study 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/.

### Things to Know and Think About

The following are interesting pieces of marketing and market information that you might find useful in your businesses:

#### PPAI Reports On The California Consumer Privacy Act Coming January 1, 2020

PPAI's October 15, 2019 issue of *PPB Newslink* updated businesses that on January 1, 2020, the California Consumer Privacy Act (CPPA) goes into effect and applies to any organization that does business in California, collects consumers' personal data and satisfies at least one of the following thresholds: has an annual gross revenue in excess of \$25 million; possesses the personal information of 50,000 or more consumers, households, or devices; earns more than half of its annual revenue from selling consumers' personal information. It's estimated that CPPA will affect upwards of half a million U.S. businesses.

An upcoming webinar will provide information on the next steps to take regardless of what state you are located in.

On December 4, 2019, at 1:00 pm CST PPAI presents the webinar "How the California Privacy Law Will Affect You In 2020" featuring the expertise of Amar Hajeri, PMP, a data management expert who has advised several major corporations, including Time Warner Cable, Tyson Foods and Southwest Airlines in the areas of data strategy, specifically around governance and privacy. This one-hour webinar is free for PPAI members and \$15 for PPAI associates.

If interested and if you want to learn if you can register for the webinars, click here.

#### 2020 IFI Board of Directors Ballot Sent to Members

In years past the Incentive Federation held an annual members' meeting in conjunction with a Board of Directors meeting before one of the industry's major trade shows which many members were attending. In recent years the Board has not met face-to-face and has instead held its meetings by conference call out of consideration for the expenses of holding such meetings.

The Federation's Bylaws provide that the IFI members should elect the Board of Directors annually to one-year terms. The Bylaws also provide that the business of the Federation can be conducted long distance which includes actions by email.

The 2020 IFI Board ballot was emailed to members on November 17, 2019 and allows 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. Members can vote to approve the slate of nominees or vote to approve some of the nominees.

The following members, who are completing a term on the Board in 2019, have been re-nominated 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

Please vote as indicated on the ballot sent to you and return your Board ballot by **November 22**, **2019** via e-mail or if you have not received the ballot for some reason please email Steve Slagle at steves3309@gmail.com.

#### 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 <a href="mailto:steves3309@gmail.com">steves3309@gmail.com</a> or 864-710-6739.