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## You get what you pay for

**William Kestin** takes us behind the scenes of the promotional products industry, with some stories that will make you shudder, shake your head, and hopefully, learn from other marketers' mistakes.

As the guests arrived they were given a glass of champagne that contained a glowing cube in their corporate colours. The men wore black tie and the women were in beautiful dresses. Work colleagues, unused to seeing each other looking glamorous, admired each other. The band played as attendees, champagne glass in hand, took their seats. To match guests' attire, the room and table settings were decorated in black and white. There was a feeling of celebration in the air, an expectation that a good night was ahead. But the night would end in screaming, illness, vomiting and tears. I wish I was describing a scene from a new horror film or a bad joke, but unfortunately I'm not. It's reality: just another day when a marketing manager could have avoided disaster.

As the guests took their seats, the marketing manager noticed about one out of every four of the glowing cubes showing the company logo was already flickering out. She'd bought the cubes from a promotional company she'd found on the web. No wonder they were so much less than the other quotes, she thought. But she had much more important things to worry about. She spoke softly to her assistant: "This must be a night to remember."

“The ‘night to remember’ included almost all of the 5000 guests vomiting violently before the evening was over.”

Along with the problems of the light cubes not working, the promotional company who produced them was not a member of APPA (the Australasian Promotional Products Association). First, the promotional company used a 'knock-off' of a patented product that could have lasted up to 30 hours instead of five minutes. Also, the promotional company did not know that the ink used to print the logo on the product had to be a specialised vegetable-based ink to be safe to place in guests' glasses. The 'night to remember' included almost all of the 5000 guests vomiting violently before the evening was over.

By the time the marketing manager had come to APPA, it was too late. APPA was powerless to intervene on their behalf because

the marketing manager had not verified the promotional provider was an APPA member.

Safety is just one of the important issues to consider when buying promotional products. Navigating the minefield of promotional products can cost companies thousands of dollars and result in product recalls and negative media coverage, while diminishing the brand itself.

In tough economic times, promotional products have consistently shown they are affordable, accountable and measurable advertising. More inexperienced and unethical players, however, have entered the promotional products industry. Most promotional websites try to convince unsuspecting buyers that they have found the 'direct' connection to products, but in most instances this is the farthest thing from the truth.

But the invisibility of the web isn't the only problem. APPA members make up 30 percent of the companies who claim to sell promotional products; still they generate more than 80 percent of the \$2.02 billion spend in Australia. In direct contrast, 90 percent of the complaints received by APPA are against companies that are non-APPA members. Many are repeat offenders, who market themselves extensively and focus on new, unsuspecting



customers (as repeat business is unlikely). The major reason marketers take the chance is, overwhelming, price.

Promotional products are not a commodity, but an advertising medium, the power of which some marketers are only just beginning to grasp. Research shows that the next generation of consumers are motivated and enticed by tangible forms of advertising. For more than 30 years the promotional products industry has been growing and maturing. In the beginning, there were basic gift-with-purchase successes like the Coca-Cola yo-yos. Now, promotional product campaigns are a part of every savvy marketer's

integrated solution. Promotional products are used as complex triggers and data collection tools. Selection of products is no longer based on ego decisions by marketers, but strategically chosen by online focus groups.

The science of knowing what questions to ask when producing promotional products and the creativity to integrate concepts linked to products are only a couple of the reasons why promotional product professionals are the perfect outsourced extension of most marketing departments. Safety and health requirements, ILS (International Labour Standards) and technical branding application

knowledge can make all the difference between a promotional success and a promotional nightmare.

There are questions marketers should be asking to ensure their next promotional experience is successful. Some things in life are black and white.

#### ASK YOUR PROMOTIONAL PRODUCTS COMPANY...

- ◆ How long have they been in the promotions industry?
- ◆ How long have they been APPA members?
- ◆ What is their policy on return of products?

- ❖ What is their policy on timely delivery of goods?
- ❖ What is their policy on quantity-short product deliveries?
- ❖ Have they received any APPA awards for creativity?

### TELL YOUR PROMOTIONAL PRODUCTS COMPANY...

- ❖ the audience and objectives of your promotion (e.g. to reward consumers, increase sales, acknowledge external business partners or internal staff, to brand or increase attendance at an event)
- ❖ the response you want from the recipients of these products
- ❖ the information about your brand that you want to communicate
- ❖ the information or statistics from the recipients you would find useful, if you were able to obtain it
- ❖ historically, some of the other promotions done by your company, and
- ❖ what you would like the recipients to think about your company after the promotion is finished.

### WHAT YOU SHOULDN'T HEAR FROM A PROMOTIONAL PRODUCTS COMPANY...

- ❖ that they will undercut any price
- ❖ that promotional products are so cheap they cannot be guaranteed to work
- ❖ that there is no reason for them to be an APPA member, or
- ❖ that there is no reason to sign off on artwork approvals.

### THE HORROR STORIES

The following are some examples of nightmares that could have been avoided. There are, unfortunately, unethical companies who misrepresent themselves as APPA members (on letterheads, websites and business cards). The only legitimate way to confirm their APPA membership is to access [www.appa.com.au](http://www.appa.com.au) and click on 'Find a promotional company', then search by region or name. You can also always contact APPA for guidance.

### PLASTIC PENS SLIPPERY WHEN WET

The 23,000 plastic pens were put out to Dutch auction as the procurement department mandated. Promotional companies from across

“Little did the client know the promotional company had gone broke three times previously, only to start again with different business directors.”

the country were asked to tender. The job was awarded to the lowest bidder. No additional checking was done and the customer never asked for a guarantee in writing. When they arrived, the oil from the cheap plastic pens had permeated the internal boxes (which fell apart when unpacked, as they were soaked in the petroleum oil that leaks from incorrectly cured pens). The logos could be rubbed off with a stroke of the finger. Little did the client know the promotional company had gone broke three times previously, only to start again with different business directors. The promotional company had asked for a deposit upfront, which the client never saw again.

### HOLY COW!

The intent was wonderful. Reward the workers on the oil rig in Africa with a gift from the company. The first year ended in disaster as the oil company took it on itself to source and supply a high-end leather bag for the gift. How was the marketing department in Australia to know that leather goods offend certain religious sects in Africa, as the cow is considered sacred? After speaking to Salmark (an APPA member in Perth) research and design took place to find out exactly what these oil rig workers wanted. The promotion was the custom manufacture and design of American styled cloth running shoes (which are highly sought after, nearly impossible to find and cost the oil company less than the leather bags). The promotion went on to win both gold and silver awards for promotional excellence.

### JUST SAY NO

As anyone with teenagers will attest, you should never give them an opportunity to make you look stupid. Unfortunately the anti-drug campaign didn't use an APPA member when it decided to give away pencils to students across the country. 'Don't Do Drugs!' boldly printed across the pencil proudly stated the mission. Since the promotions company was inexperi-

enced and printed the message the wrong way, pencil sharpeners were never so busy as when the students figured out that if the pencil was sharpened a few centimetres the logo read 'Do Drugs!' What a difference to a promotion the direction a logo is printed can make!

### COFFEE, TEA OR RECALL?

The retail coffee brand ordered 30,000 coffee spoons, which were supplied by a non-APPA member for a gift-with-purchase program. The marketer spent a huge amount of time on the specific design of the handle she wanted. Unfortunately she never asked what the spoons were made from. A total recall of the products had to be conducted soon after the launch as all the spoons rusted when they were used. They were metal, but not stainless steel. The price may have been right, but the bad publicity wasn't.

### YOUR TIME HAS RUN OUT

A bank in New Zealand thought it struck gold when a Chinese watch factory directly emailed it with its details. The bank went on to order 15,000 watches for a New Zealand credit card launch. They received a sample, and the goods were delivered on time. The only problem was no one ever tried the watches on. The factory saved money by making the watch bands too short to fit. As the sample was supplied that way and the bank pre-paid for the order (as you must do when purchasing directly from China) the bank had no recourse but to buy 15,000 retail watch bands and change them before the launch. The bank never recovered its money as the factory disappeared months after the order was received.

### WE'RE ALL HOT, HOT, HOT

The Queensland Government was promoting workplace safety with stainless steel coffee mugs. It tendered the job and picked the lowest price. In fact the marketing manager marvelled at how little this company could do the job for compared to the APPA members who quoted on it. The samples all looked the same. The only problem was the cheaper mugs were not insulated, which caused recipients to burn their hands when the mugs were filled with hot liquid. Then the handles fell off, which caused more safety issues. Do you think the media missed the opportunity that the Queensland Government was promoting workplace safety with unsafe products? This is the kind of media you don't want to receive. **M**