

One thing becomes clear when you conduct a survey of leading trends in client gift-giving for the 2005 holiday season: the days of "trinkets and trash" are a distant memory. The "T" words are used with apologies to Kurt Reckziegel, president and CEO of the Promotional Products Association of Canada and also current president of the International Federation of Promotional Products Associations. Brimming with passion and enthusiasm for his fast-growing industry, Reckziegel can't bring himself to utter the terrible "T's". Instead, he's come up with his own T&T term for promotional and premium & incentive products: "targeted treasures"

In the old days, our kinds of products fit into client budgets under the 'other' category. Not any more; says Reckziegel. We're the targeted, personal side of advertising. Mass-market advertising will always be here, but as Tom Peters said, 'the Holy Grail of advertising is one-on-one.' And we're the most cost-effective form or advertising- you buy exactly what you need."

Dan Goldhar, director of Admar Promotions, says he fully agrees with Reckziegel on the evolution of the industry. "We've been in the business nearly 15 years and have seen huge change. There just wasn't the kind of quality in the products because promotional products and incentives were something people bought with a little money left over in the budget." he says.

Reckziegel says promotional products represent a \$2.1-billion industry in Canada. (2003 numbers, up from \$800-million in 1994) and is the fastest-growing segment of the advertising industry. Research by PPAC shows 10-year revenue growth of 159 per cent and 80 per cent growth in the past five years. PPAC's Promocan Web site, www.promocan.ca, which bills itself as the portal to the Canadian promotional products industry, features more than 300,000 products.

While tens of thousands of those products are still the small promotional items that remain an industry mainstay, Reckziegel says the biggest shift is "going upmarket."

"There's a trend to quality that reflects the image of the company that wants to promote or introduce a product or service. In the area of clothing-about 40 per cent of the business-we're seeing leather jackets and other high-quality merchandise. Pens have evolved to hip-quality writing instruments." He continues, "Even in the drinkware area, we've moved up from mugs to stainless steel and other higher-quality products. In the premium and incentive area, we're seeing TVs, barbecues, tents...a whole new range of products."

Increased sophistication isn't just coming in the product arena. Where distributors used to just flog products, now they're selling programs, Reckziegel says, with creativity, imagination and an understanding of client objectives and budget. This is reflected in a large increase in interest in PPAC's educational programs, like the Certified Advertising Specialist (CAS) and Master Advertising Specialist (MAS) designations, which require 70 and 170 hours of training respectively.

Despite all the revenue growth and increased sophistication in the industry, Reckziegel believes that only the surface is being scratched in Canada, with plenty of growth to come. He's enthusiastic about the formation of IMA Canada – Council, with high hopes for its efforts to educate end-users about the power of incentive, recognition and performance improvement initiatives.

Okay, now that we've established the health and vibrancy of the industry, let's get to the juicy part. Here is what's hot in client gift-giving for the upcoming holiday season.

