

▶ **Industry Outlook for 2023:
Merchandise, Gift Cards and Event Gifting**

▶ Survey Overview

- The Incentive Research Foundation (IRF) sponsors regular trending surveys that cover topics of current interest to those in the incentive industry: incentive providers, suppliers to the industry, and corporate incentive merchandise and travel buyers.
- The Gift Card/Merchandise Outlook study has been conducted since 2009, as part of the IRF's industry tracking studies.
- This report summarizes findings from data collected in late August-early September 2022.
- For the second straight year, the study has included European data as well as North American data.

- ✓ **500 Industry professionals were recruited by an independent research panel company.**
 - **200 North American Respondents**
 - **400 European Respondents**
- ✓ **43 additional respondents were recruited to participate in the survey by numerous groups and incentive communities to supplement the panelists.**
 - ✓ **Total respondents = 543**
 - ✓ **239 North Americans; 304 Europeans**

67%

Corporate (e.g., Buyer, Planner, Sales, HR)

- **Up from 60% in 2021**
 - **North America 75%**
 - **Europe 60%**

33%

Third Party (e.g., Incentive Company, Travel Agency, Consultant)

- **Comparable to 31% in 2021**
 - **North America 25%**
 - **Europe 40%**

<1%

Industry Supplier*

- **Down from 9% in 2021**

* As the sample has shifted from a list-based 'volunteer' sample to a sample comprised primarily of paid panelists, the focus has shifted to buyers, rather than sellers of services, accounting for only a small number of suppliers in the sample who are only asked select questions.

▶ Countries Represented in the Study

Country	Total N	Percent
United States (North America)	187	34%
Germany (Europe)	58	11%
United Kingdom (Europe)	54	10%
Canada (North America)	52	10%
Spain (Europe)	50	9%
Sweden (Europe)	49	9%
France (Europe)	47	9%
Italy (Europe)	46	9%

▶ Methodology Considerations

Audience

- The study included European respondents for the second straight year.
- In 2022, the study added respondents from Sweden and Italy, along with sample from the UK, Germany, Italy, France, and Spain who were included last year. Four (4) additional European respondents came as a result of 'volunteer' recruitment efforts from various incentive networks and communities.
- The 239 North Americans came from both panel sources and volunteer efforts, with 200 coming from the panel company and 39 additional respondents recruited through volunteer lists.
- All respondents indicated some level of responsibility for gift card and/or merchandise incentive programs and affirmed they could confidently answer questions about non-cash incentive programs, including spend questions.

Weighting

- No weighting is done on the data to control for variances in response counts across the stakeholder groups. Totals reported are simple totals across all survey respondents.
- The extremely small supplier sample prohibits separate breakouts of this group. Supplier responses are counted within the totals.
- North American and European results are presented separately.

▶ Client Sectors Represented (Client Side)

Sector	2020 NA Percent	2021 NA Percent	2022 NA Percent	2021 European Percent	2022 European Percent
Services	21%	22%	23%	26%	23%
Banking/Financial/Insurance	18%	16%	11%	10%	10%
IT/Technology	16%	14%	26%	21%	18%
Manufacturing/Industrial	11%	13%	14%	20%	20%
Pharmaceutical	7%	4%	3%	6%	5%
Retail/Wholesale trade	7%	15%	14%	15%	13%
Automotive	6%	5%	1%	2%	5%
Other	15%	10%	8%	0%	7%

▶ Client Sectors Serviced (Supplier Side)

Sector	2020 Percent	2021 NA Percent	2022 NA Percent	2021 European Percent	2022 European Percent
Services	37%	53%	63%	16%	38%
Banking/Financial/Insurance	32%	39%	39%	30%	20%
IT/Technology	32%	33%	46%	16%	35%
Manufacturing/Industrial	32%	39%	32%	22%	25%
Pharmaceutical	26%	26%	29%	9%	9%
Retail/Wholesale trade	26%	38%	29%	21%	19%
Automotive	26%	35%	29%	22%	12%
Other	13%	9%	9%	1%	5%

▶ Company Revenues

Country	North American Corporate	North American Third Party	European Corporate*	European Third Party*
Less than \$1 million	9%	4%	13%	7%
Between \$1 million and \$4.9 million	16%	20%	22%	21%
Between \$5 million and \$9.9 million	18%	16%	20%	22%
Between \$10 million and \$99.9 million	32%	45%	21%	32%
Between \$100 and \$ 1 billion	17%	11%	19%	12%
Over \$1 billion	7%	5%	6%	6%

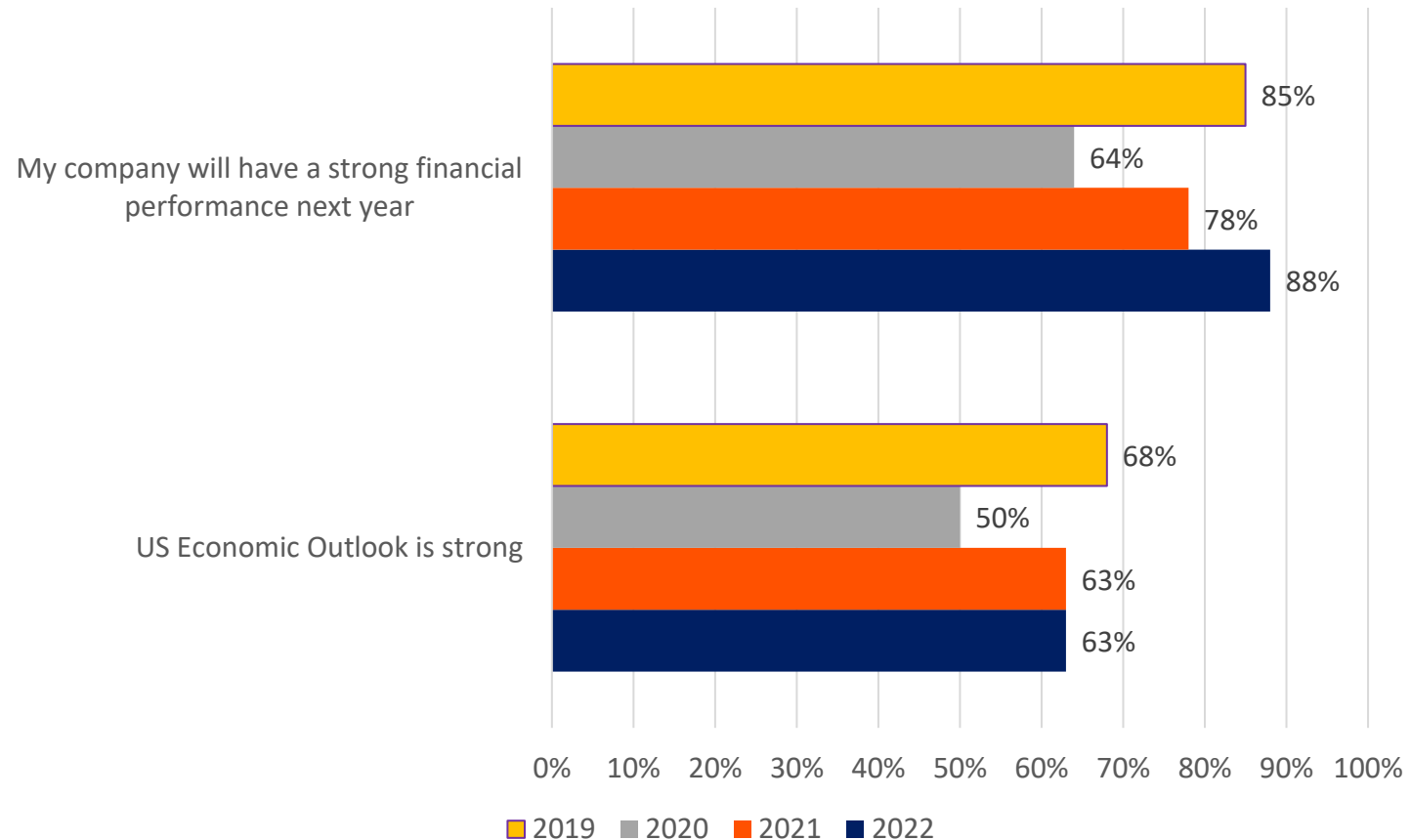
*Asked in Euros/Pounds



General Program Outlook

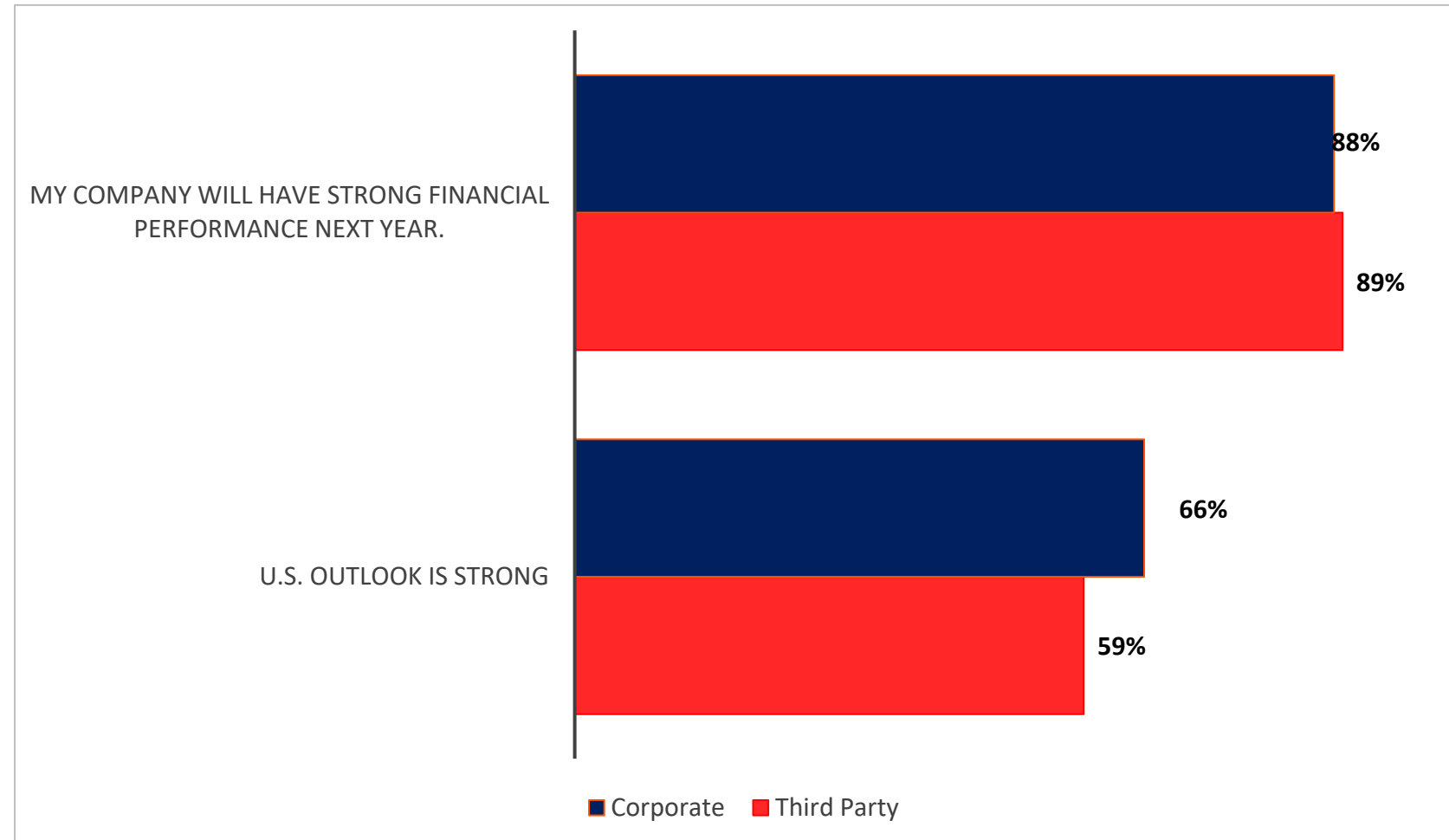
▶ North American Overall Financial Outlook

- Within the North American sample, the data show a very high level of optimism about expected company financial performance in 2023, with 88% 'agreeing' or 'strongly agreeing' their companies will have a strong financial performance next year.
- Optimism about the economy is also strong with two-thirds (63%) believing the economic outlook is strong, the same as last year.



▶ North American Economic Outlook by Type of Respondent

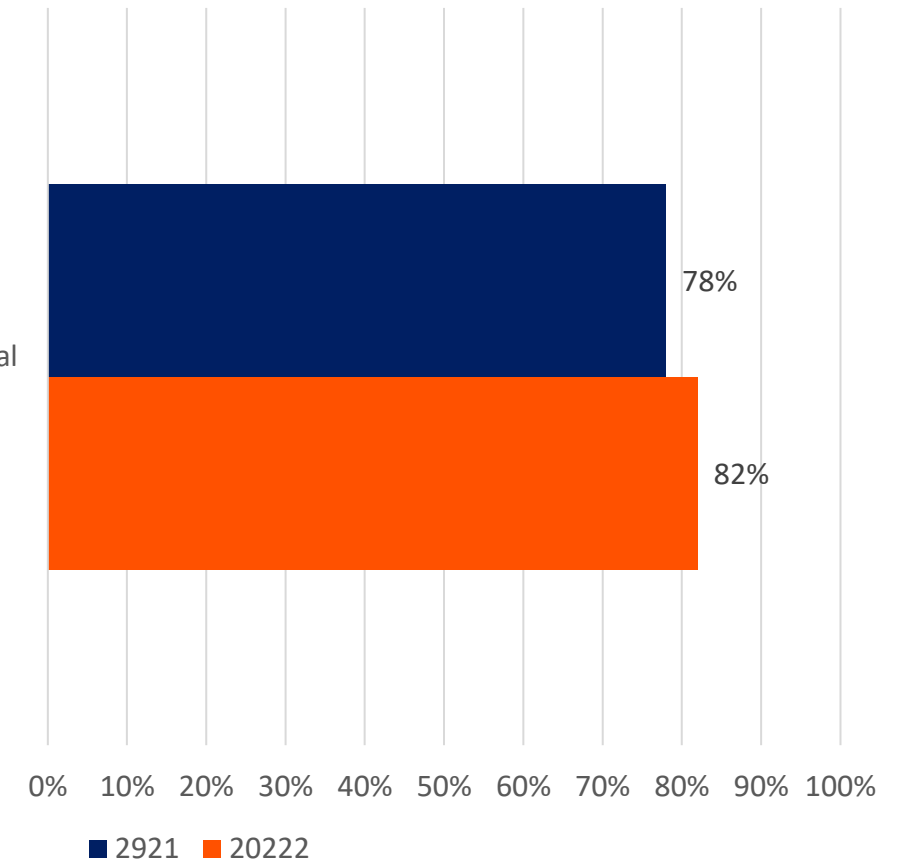
- Both North American corporate clients and third-parties have an equally high amount of optimism about their companies' financial outlook for the coming year.



▶ European Overall Financial Outlook

- Those that work at European companies also have a strong positive outlook of their companies' upcoming financial performance.
- While not statistically significant, the percentage of optimists (82%) is slightly higher than last year (78%).

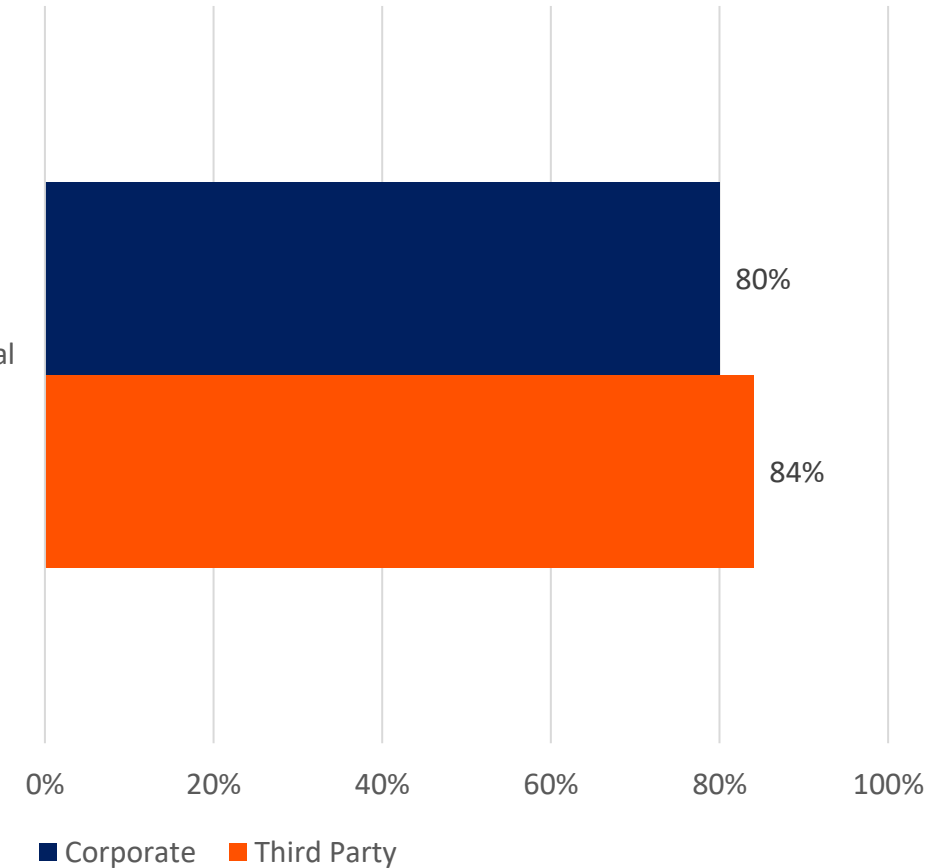
My company will have a strong financial performance next year



▶ European Economic Outlook by Type of Respondent

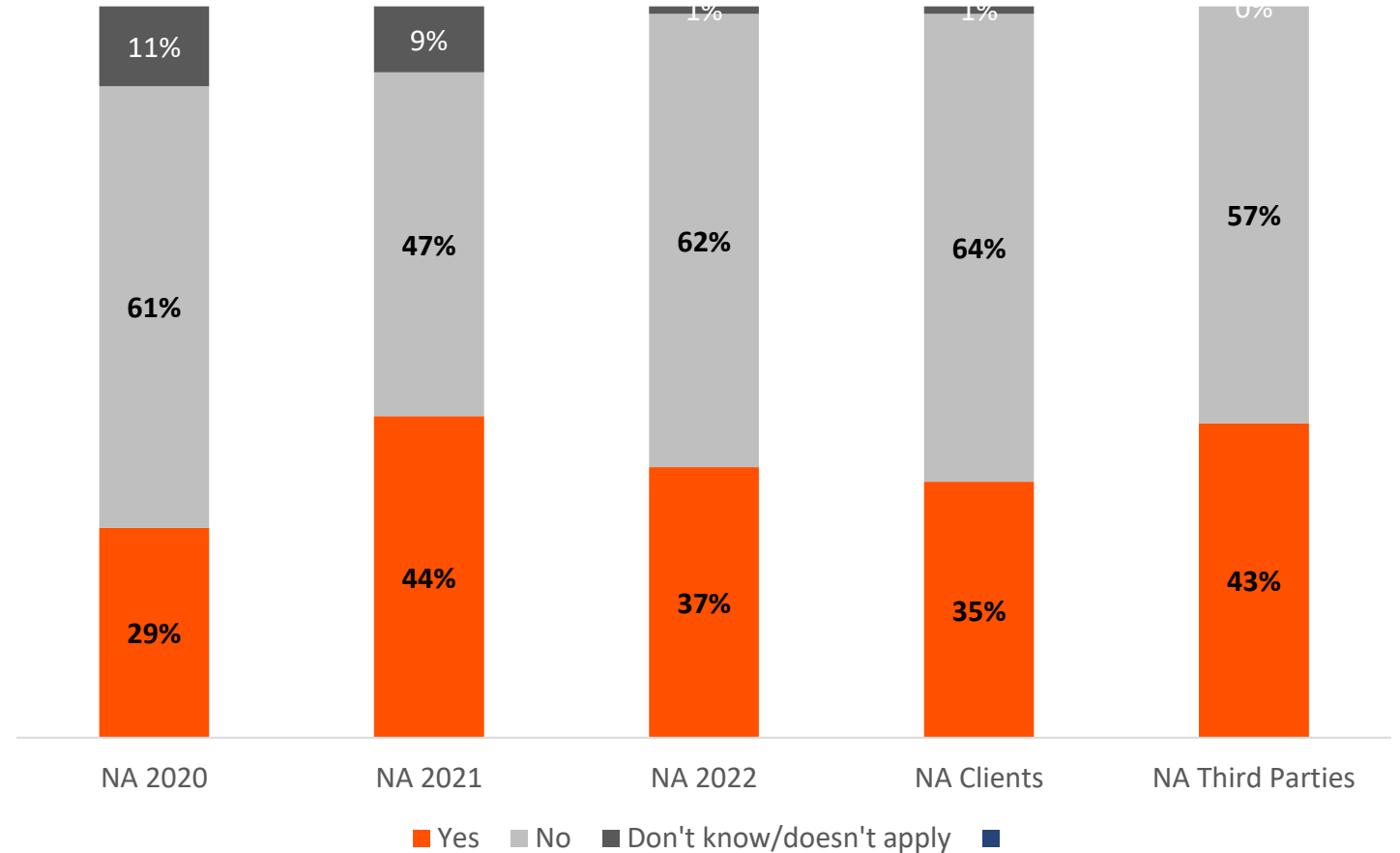
- Europe is similar to North America in that both corporate and third-party respondents have very positive views of their companies' financial outlook in 2023.

My company will have a strong financial performance next year



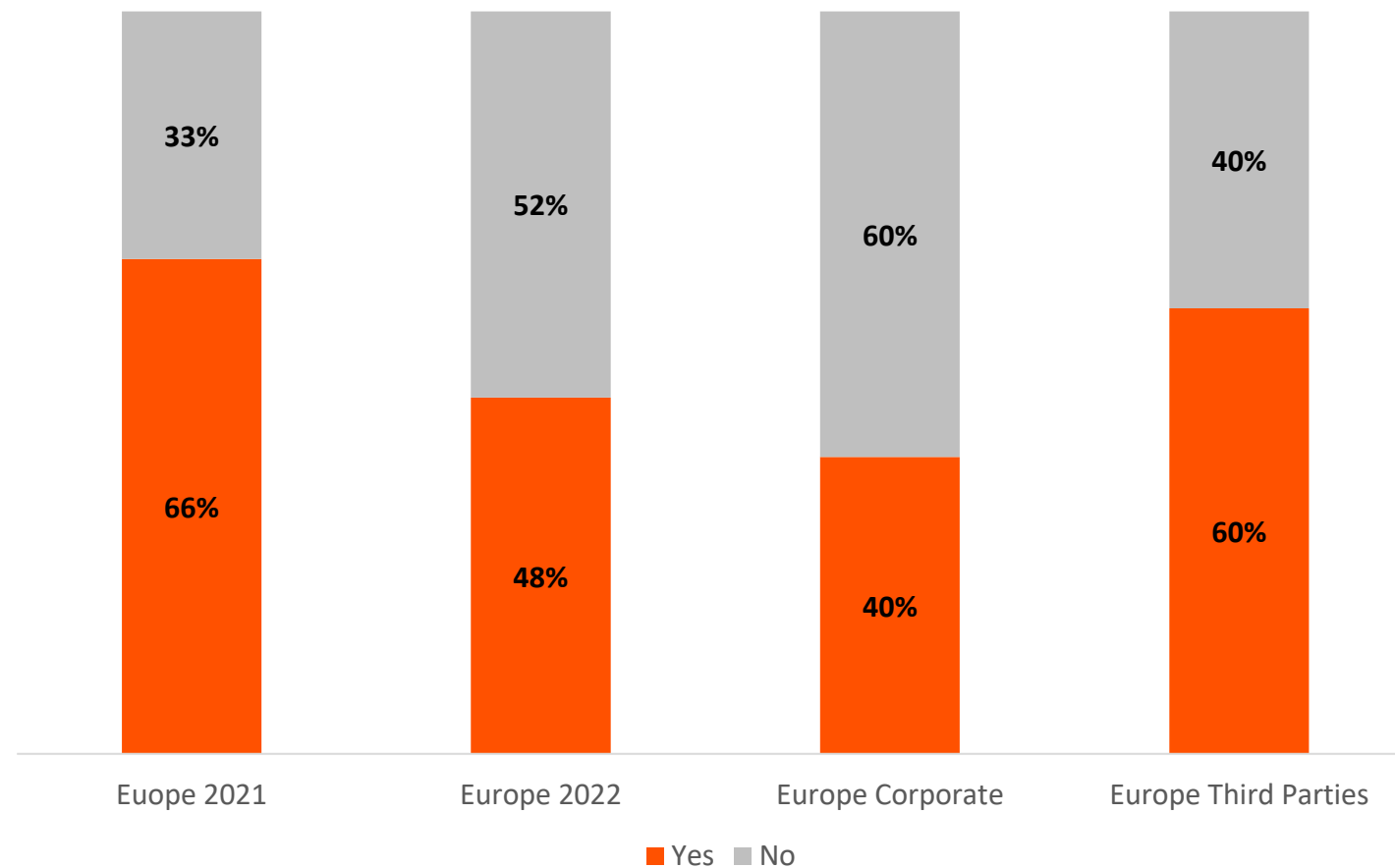
37% Cancelled a Program in the Past 12 Months in North America

- The percentage that cancelled gift card/merchandise programs declined in North America from 44% to 37%. While this is still a high number of cancellations, it represents some degree of improvement.
 - In 2021, 43% of corporate respondents said they cancelled a program compared to 35% in 2022.
 - Nearly half (49%) of third-party respondents reported a program cancellation in 2021 compared to 43% in 2022.



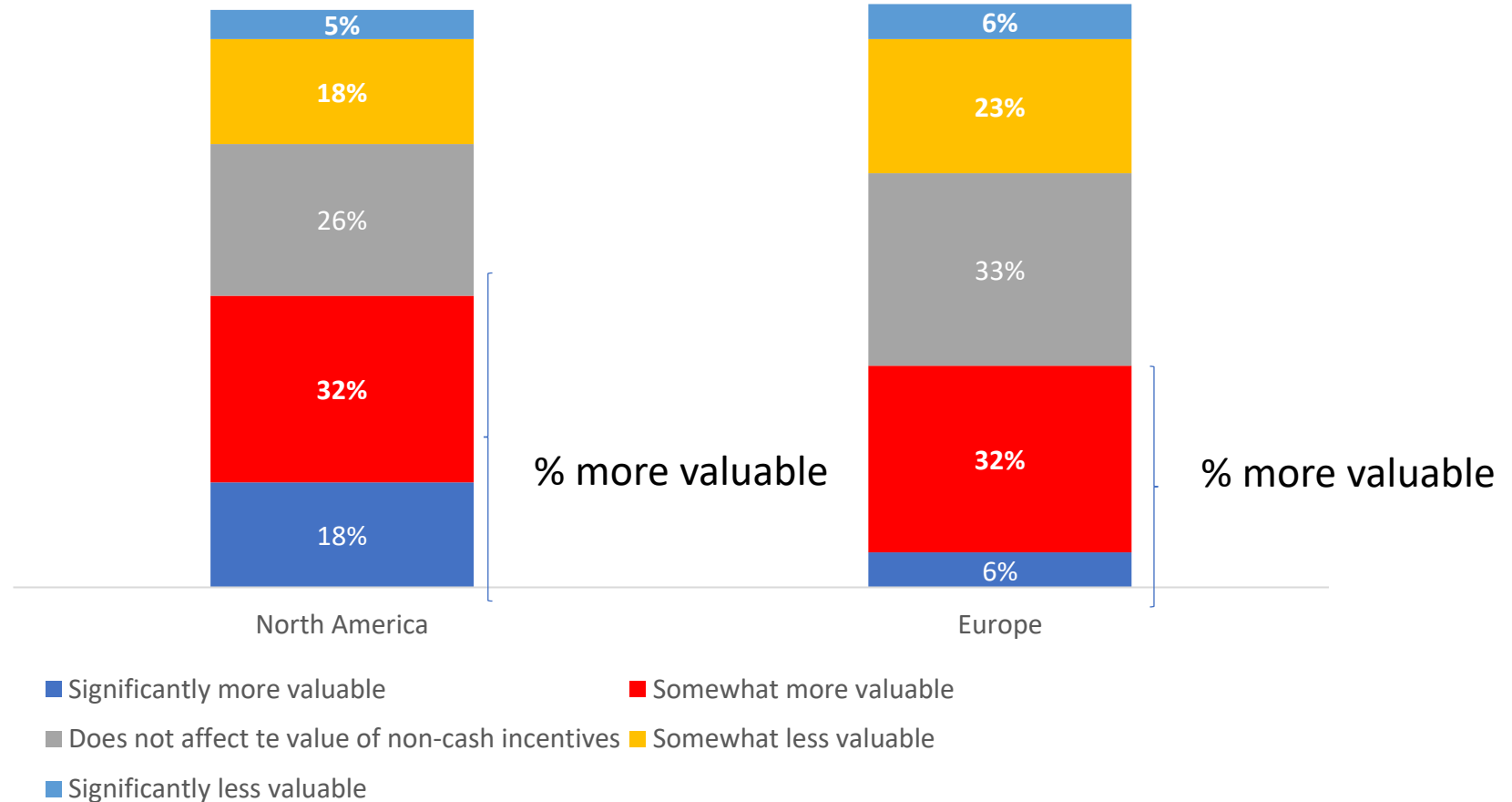
Program Cancellations in Europe are Still High but Down from 2021

- European program cancellations are still very high (48%) but certainly improved from 2021 when two-out-of-three (66%) reported a program cancellation.
- The decline in program cancellations was primarily driven by corporate respondents.
 - Reported cancellations among third-parties was still quite high (60%).



▶ Do you believe inflation generally makes non-cash incentives such as gift cards/merchandise more/less valuable to recipients

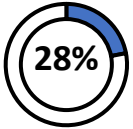
- Fifty-percent (50%) of North Americans believe inflation increases the value of non-cash incentives, double the percentage (23%) who believe inflation makes non-cash incentives less valuable.
- Europeans are more divided about how inflation influences the value of non-cash rewards with 38% saying inflation makes them more valuable and 29% believing non-cash rewards are less valuable due to inflation..





Factors Impacting Gift Card/Merchandise Rewards

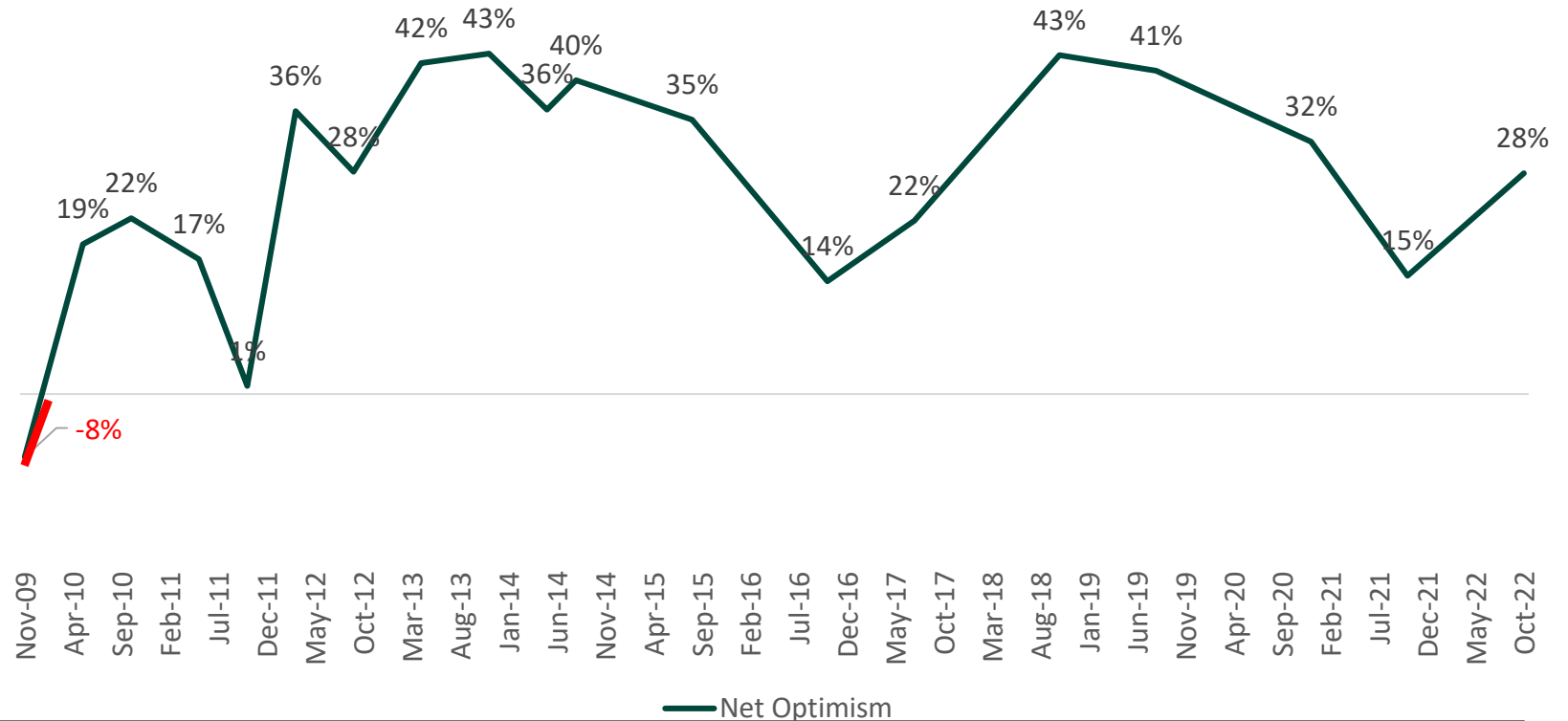
North American Net Optimism – Impact of Economy on Programs



Fall 2022 North American Optimism Index

+13 Percentage Points from Fall 2021

- Economic optimism bounced back after a decline last year, rising to a net optimism score of +28%.

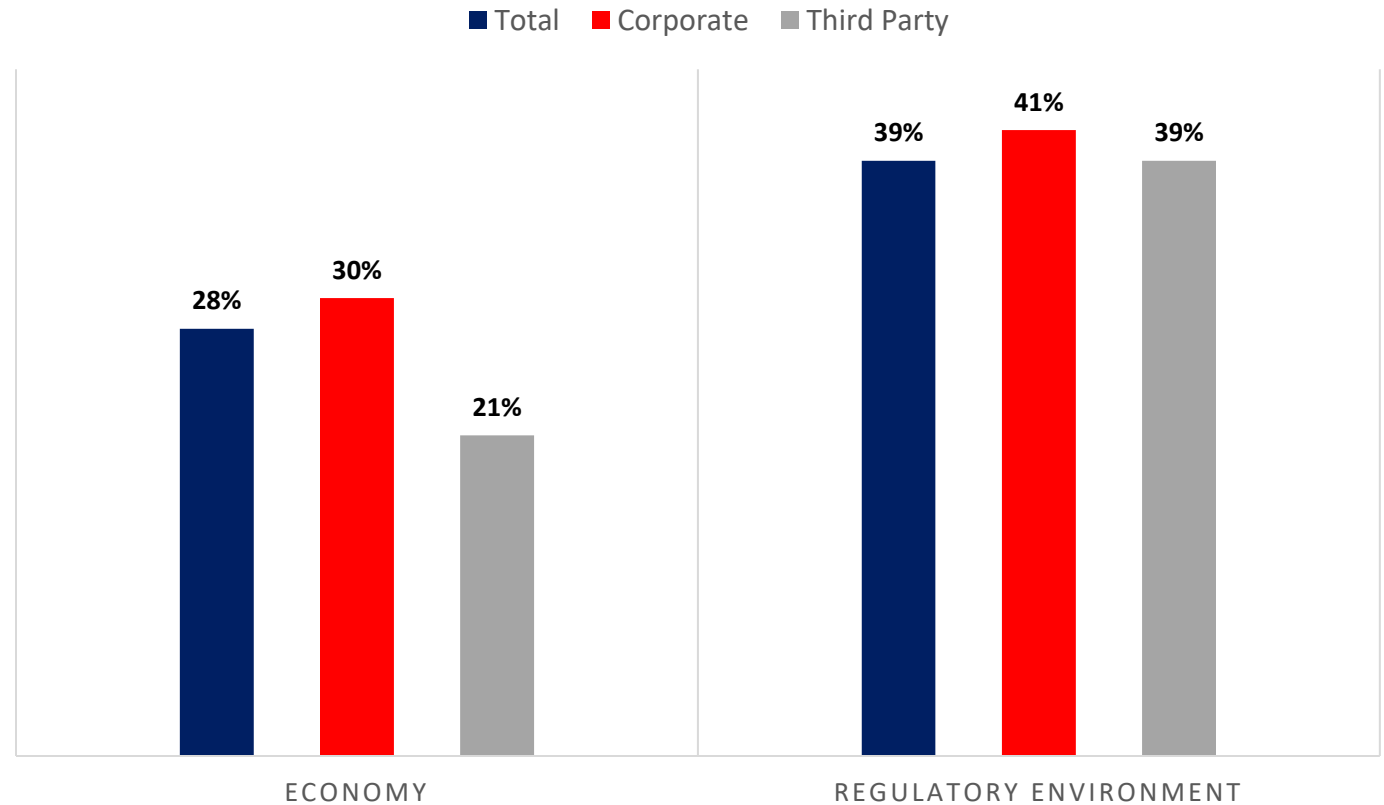


In the coming year, what impact will the factors below have on your/your clients' non-cash reward and recognition program planning and execution: The economy

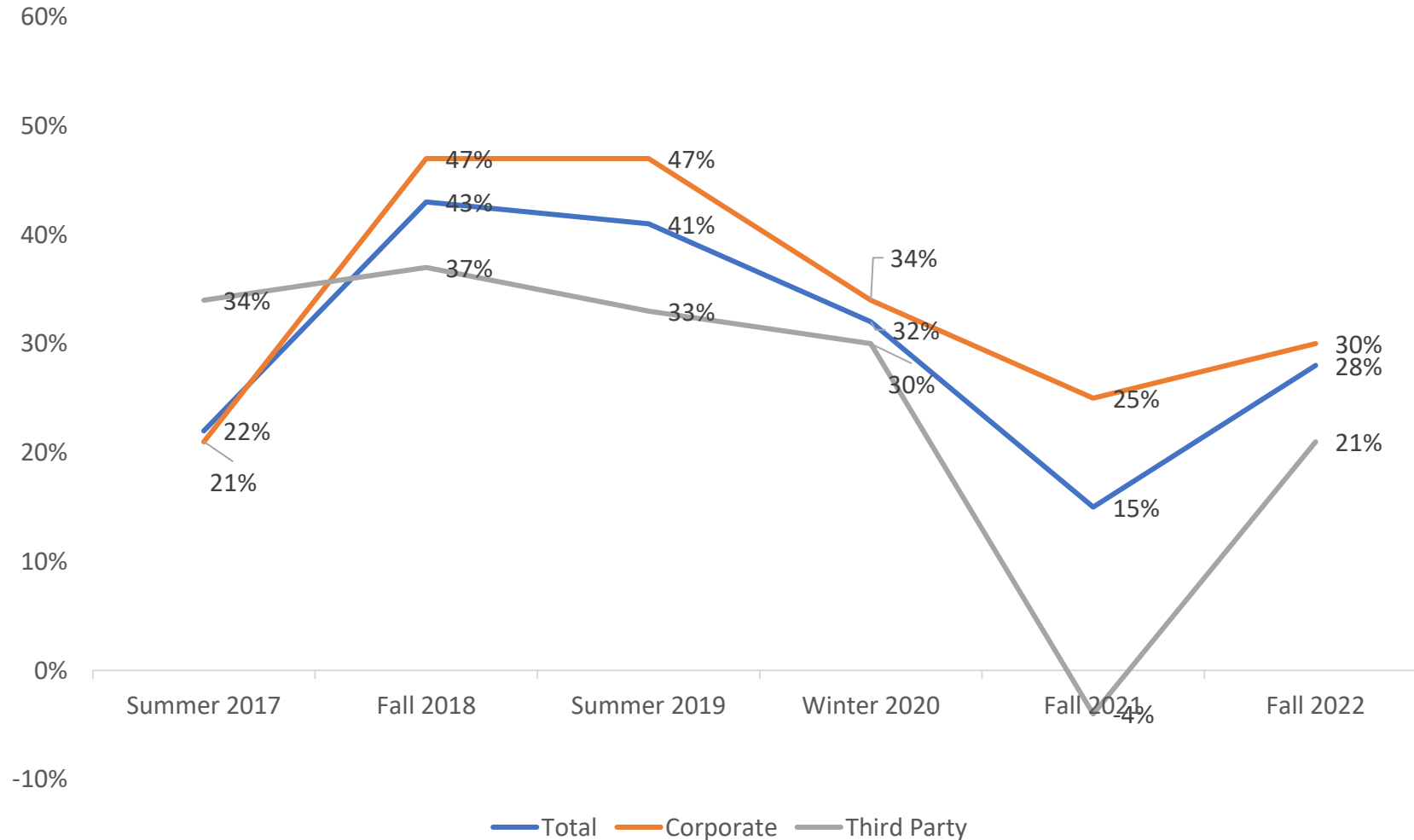
Net Optimism Score= % positive about the economy- % negative about the economy

▶ North American Net Optimism by Audience

- The gap between corporate and third-party respondents relative to their optimism about the economy narrowed considerably from last year.
 - Last year, the net optimism score was 25% for corporate respondents. In 2022, corporate optimism rose to 30%.
 - In 2021, third party optimism was -4%, driving much of the overall decline in economic optimism. In 2022, third party optimism about the economy went up significantly to 21%.
- Net optimism toward the regulatory environment was at the highest observed level in years at 39%.
 - Client optimism regarding the regulatory environment doubled from 20% to 41%, while third-party net optimism about the regulatory environment also rose significantly from 0% to 39%. This is one of the more notable findings on the North American side of the study.



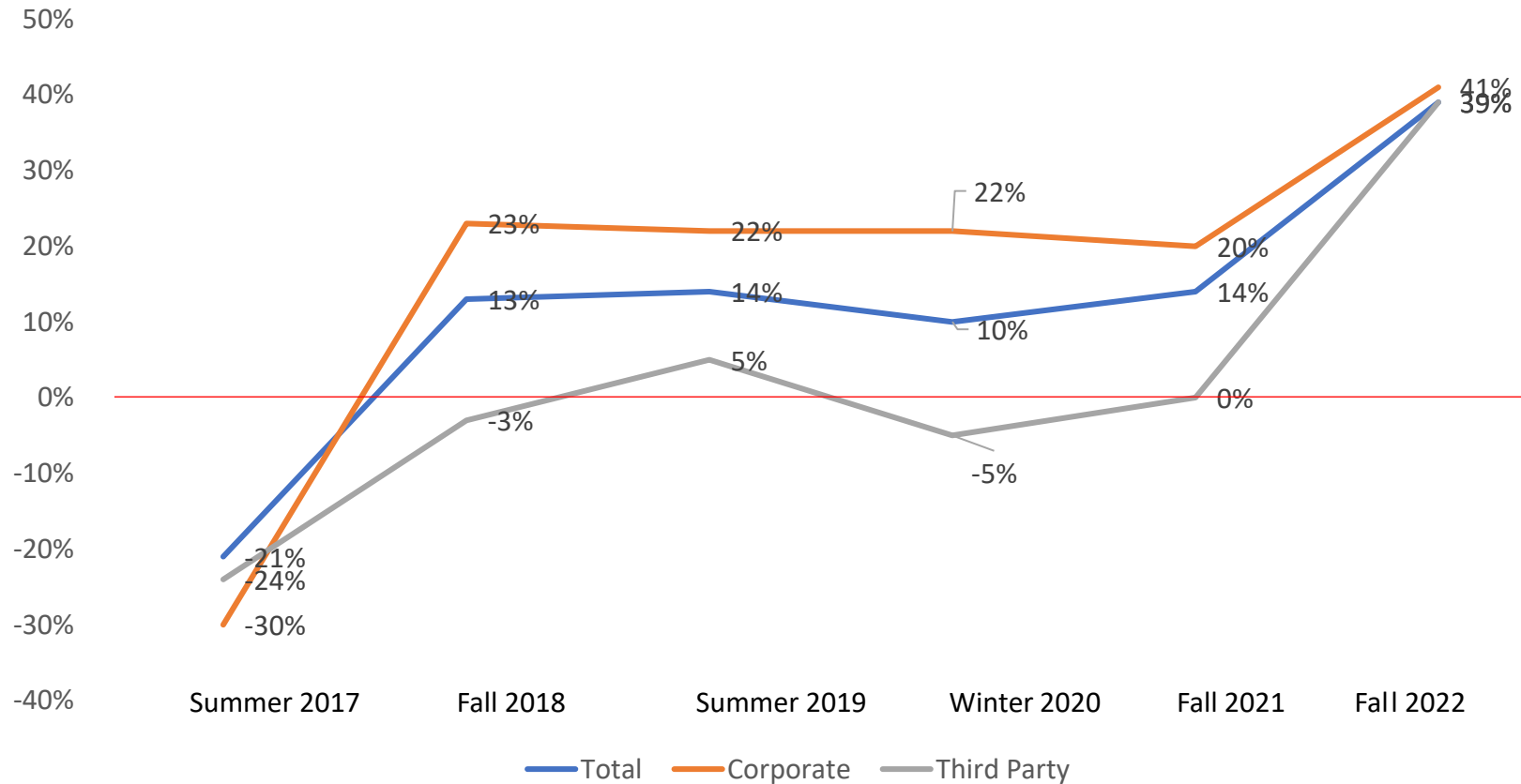
▶ North American: Net Optimism Regarding the Economy Compared to Prior Years by Audience



In the coming year, what impact will the factors below have on your/your clients' non-cash reward and recognition program planning and execution?
Net Optimism: % Positive Impact - % Negative Impact



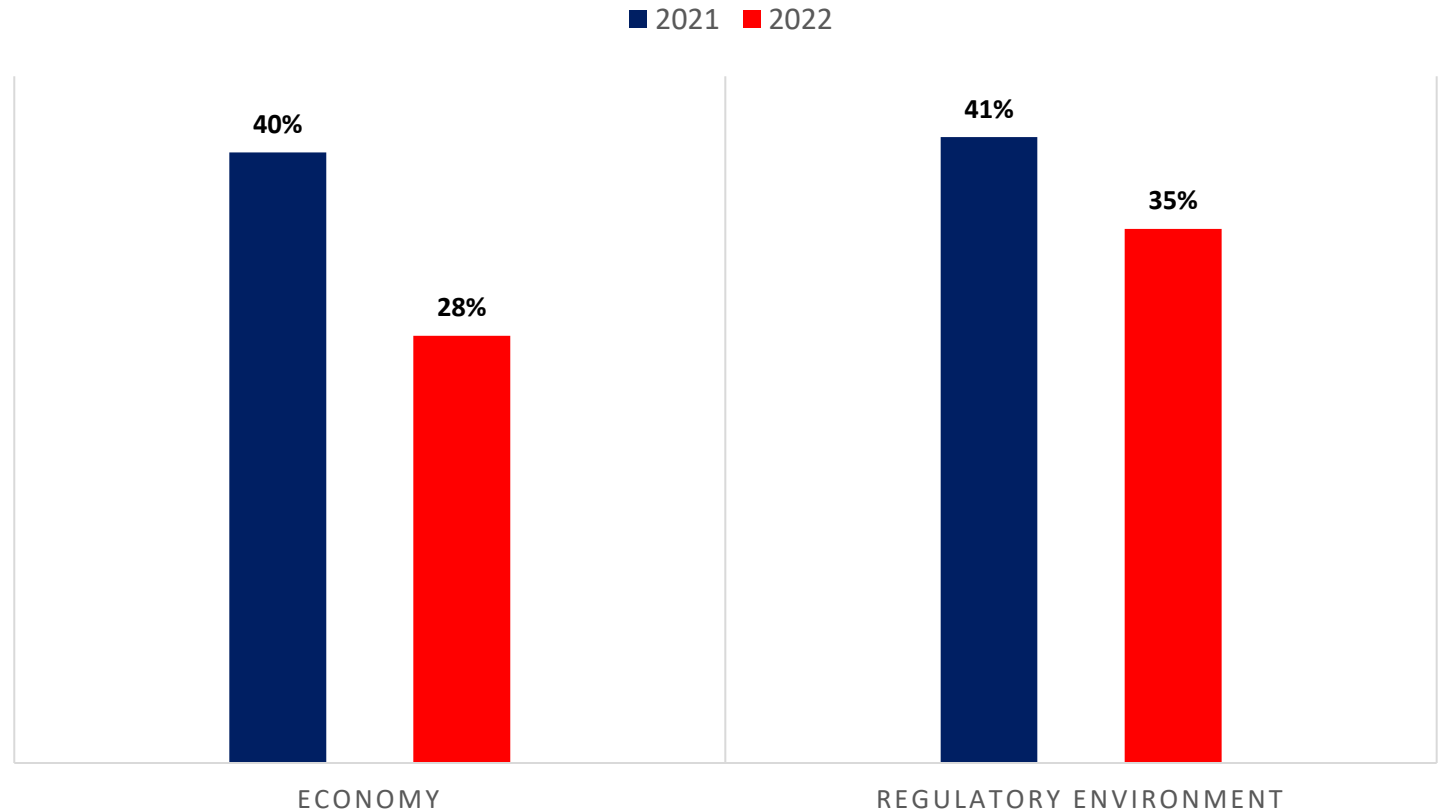
North American Net Optimism Regarding the Regulatory Environment Compared to Prior Years by Audience



In the coming year, what impact will the factors below have on your/your clients' non-cash reward and recognition program planning and execution?
Net Optimism: % Positive Impact - % Negative Impact

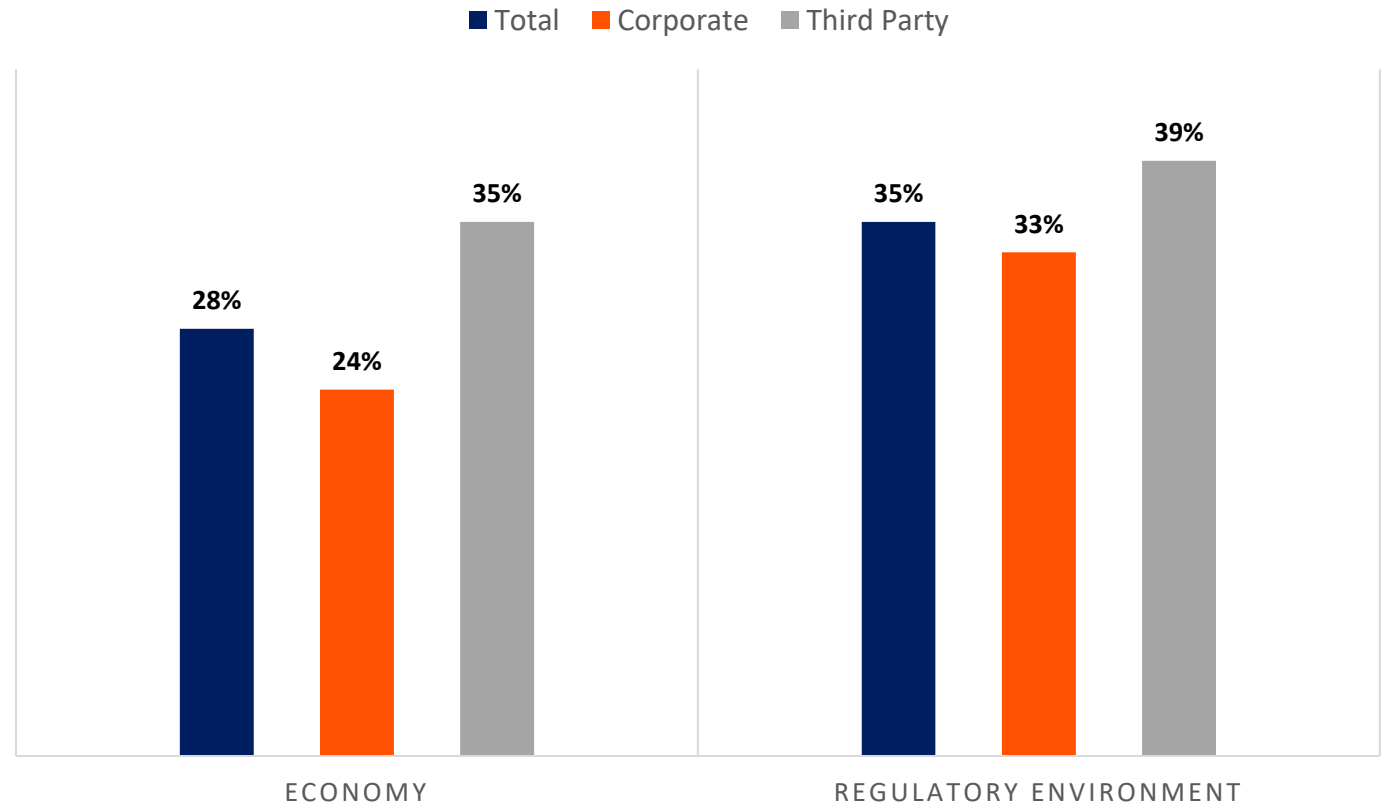
▶ Europe—Net Optimism 2021 v. 2022

- While down a bit from 2021, European optimism regarding the economy is identical to North America, with 52% seeing the economy having a positive impact on non-cash rewards programs next year, and 24% believing it would have a negative impact for an overall score of +28%.
- European optimism about the regulatory environment is quite positive and comparable to that of North America (35% Europe vs. 39% North America.)



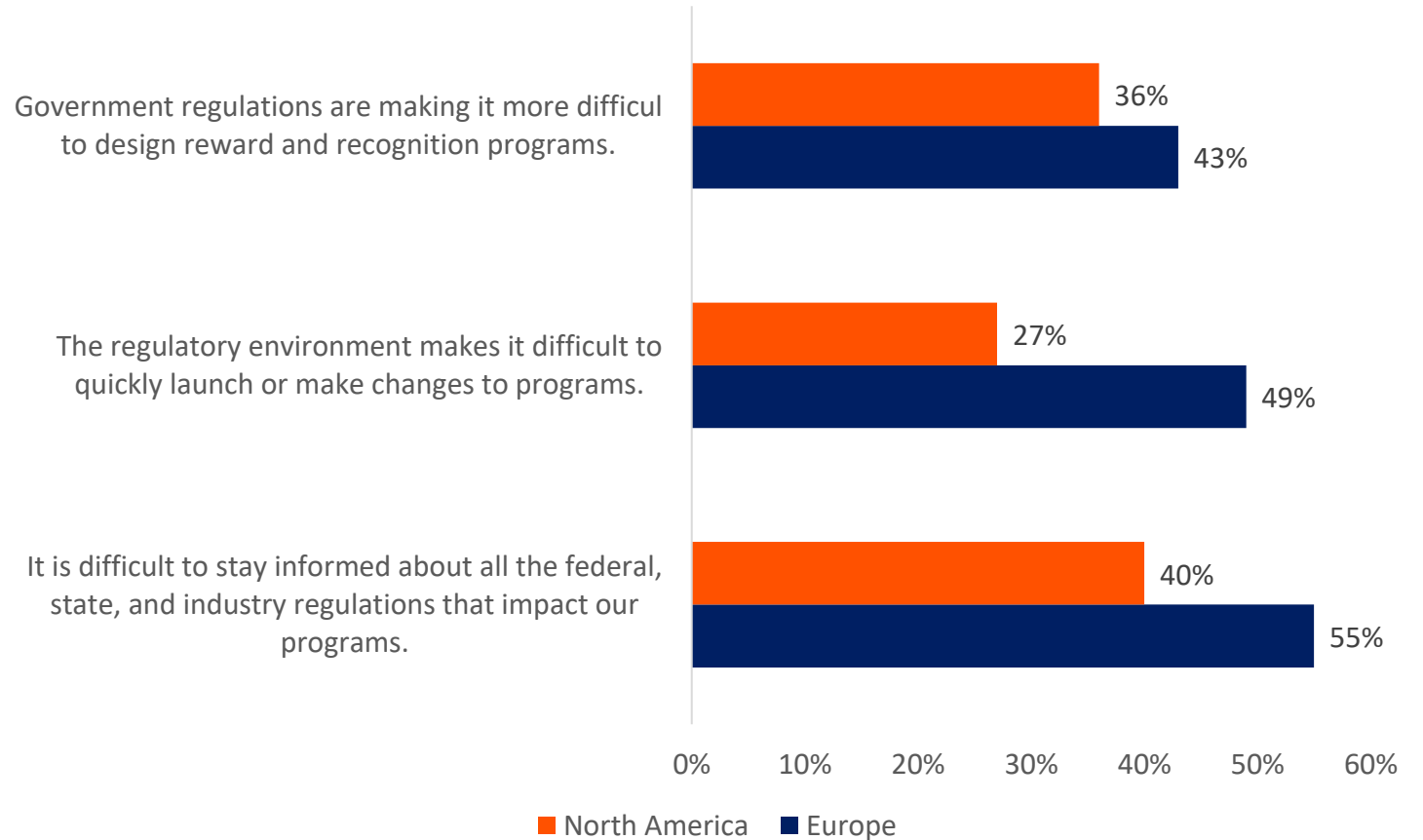
▶ European Net Optimism by Audience

- There is some disparity in Europe between corporate and third-party respondents on how they view the economy.
 - Among corporate respondents, 49% feel the economy will be strong, while 25% feel negatively about the economy.
 - By contrast, 57% of third-party respondents feel the economy will remain strong, while only 22% feel the economy will impact non-cash programs negatively. Both are strong numbers, although third parties have a stronger view of the economy.
- There was not a great deal of difference between corporate and third-party respondents on their optimism toward the regulatory environment, with both groups rating the regulatory environment as positive by about a 3 to 1 margin.



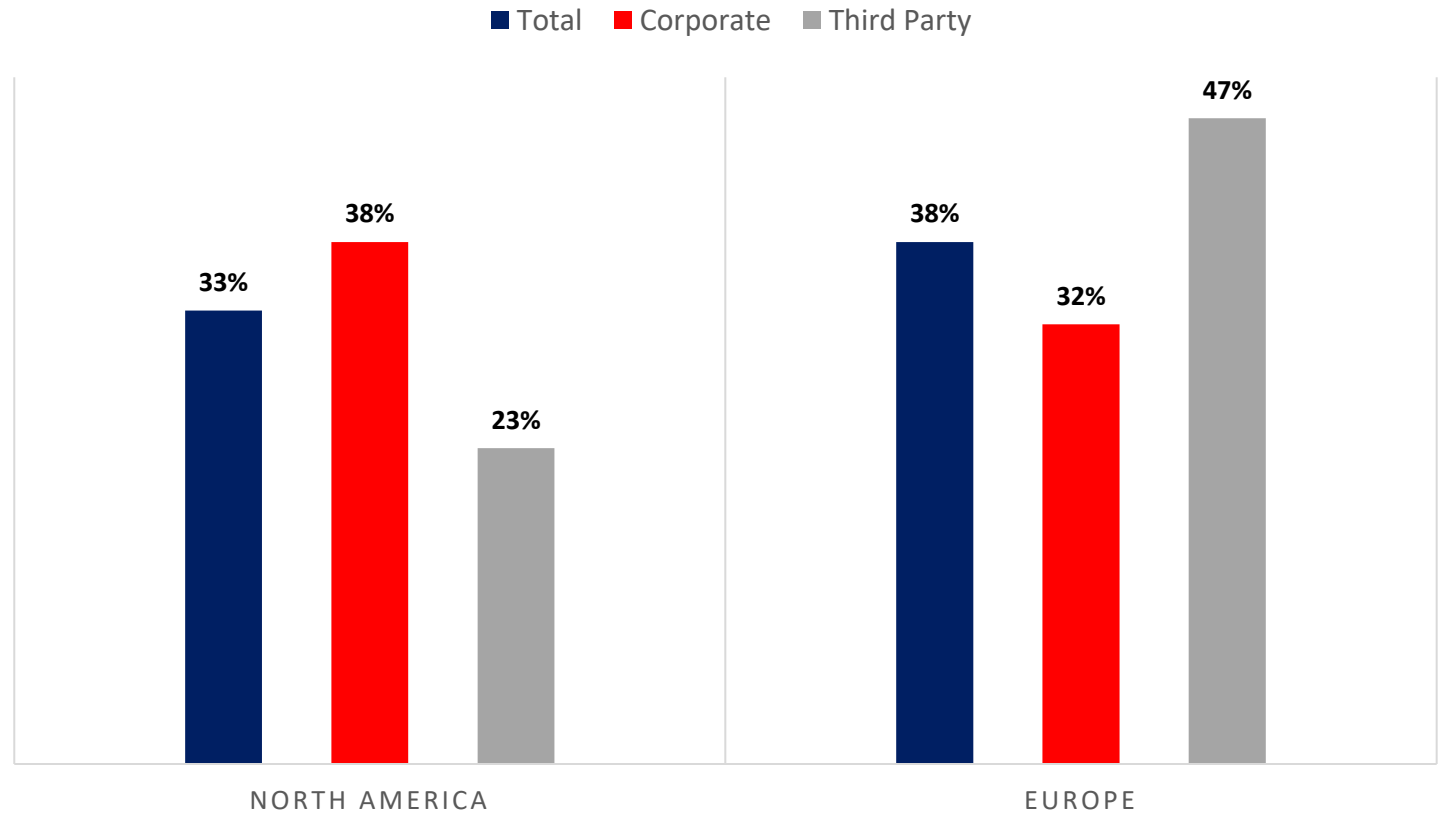
Regulation Issues Influencing Non-Cash Recognition Programs

- While attitudes toward the regulatory environment are generally positive, both in North America and Europe, there is still quite a bit of agreement with negative statements regarding the regulatory environment, particularly in Europe.
- Being able to stay informed about regulations is the biggest challenge.



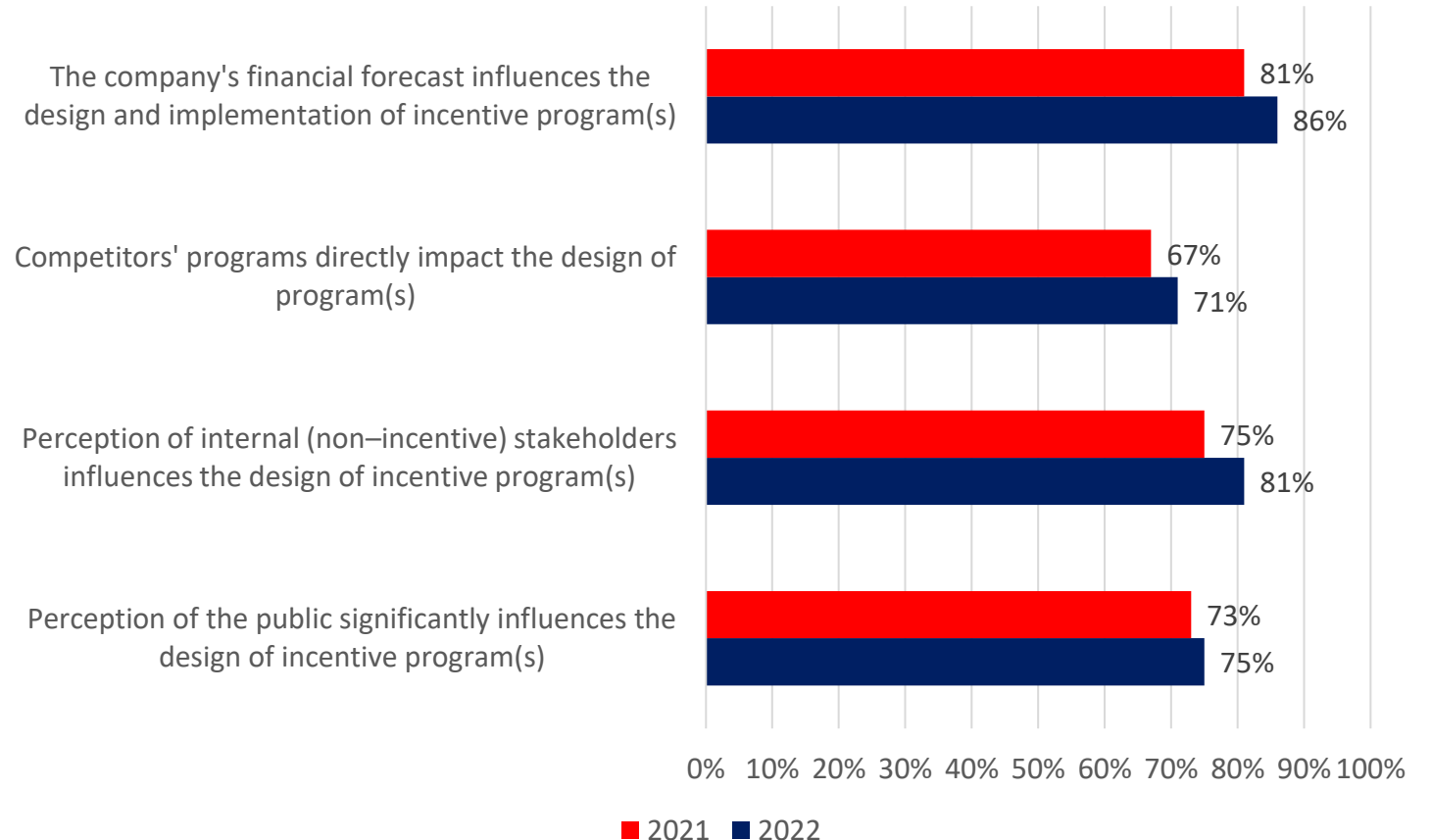
▶ Supply Chain Optimism

- Given the supply chain challenges since the pandemic, the level of positivity regarding the supply chain's impact on non-cash reward programs is higher than might be expected.
- However, North America and Europe both show disparities between corporate respondents and third-party respondents, although in opposite directions.
 - In North America, corporate respondents feel much more positively regarding the supply chain, while the exact opposite is true in Europe, with third-parties holding the more positive view.



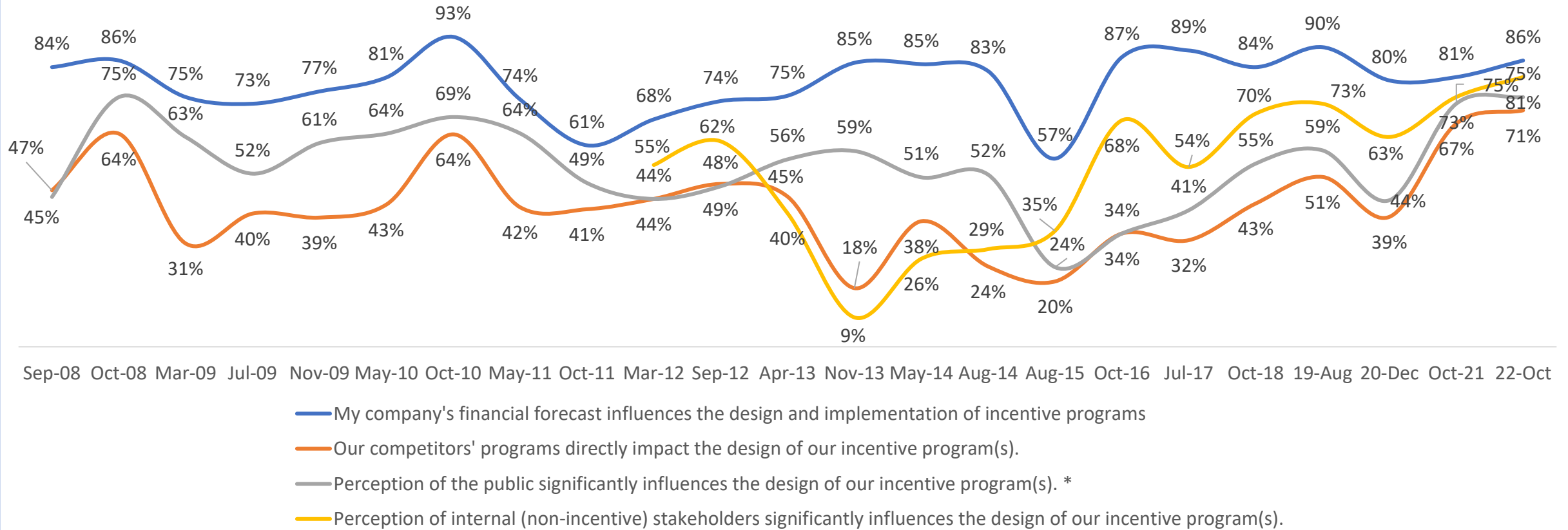
▶ North American Considerations for Non-Cash Program Design

- The company's financial forecast is the most prominent consideration for the design and influence of North American incentive programs listed as important to 86% of the respondents.
- North American considerations did not change significantly from a year earlier.



▶ Long Term Trends for Issues Impacting NA Incentive Programs

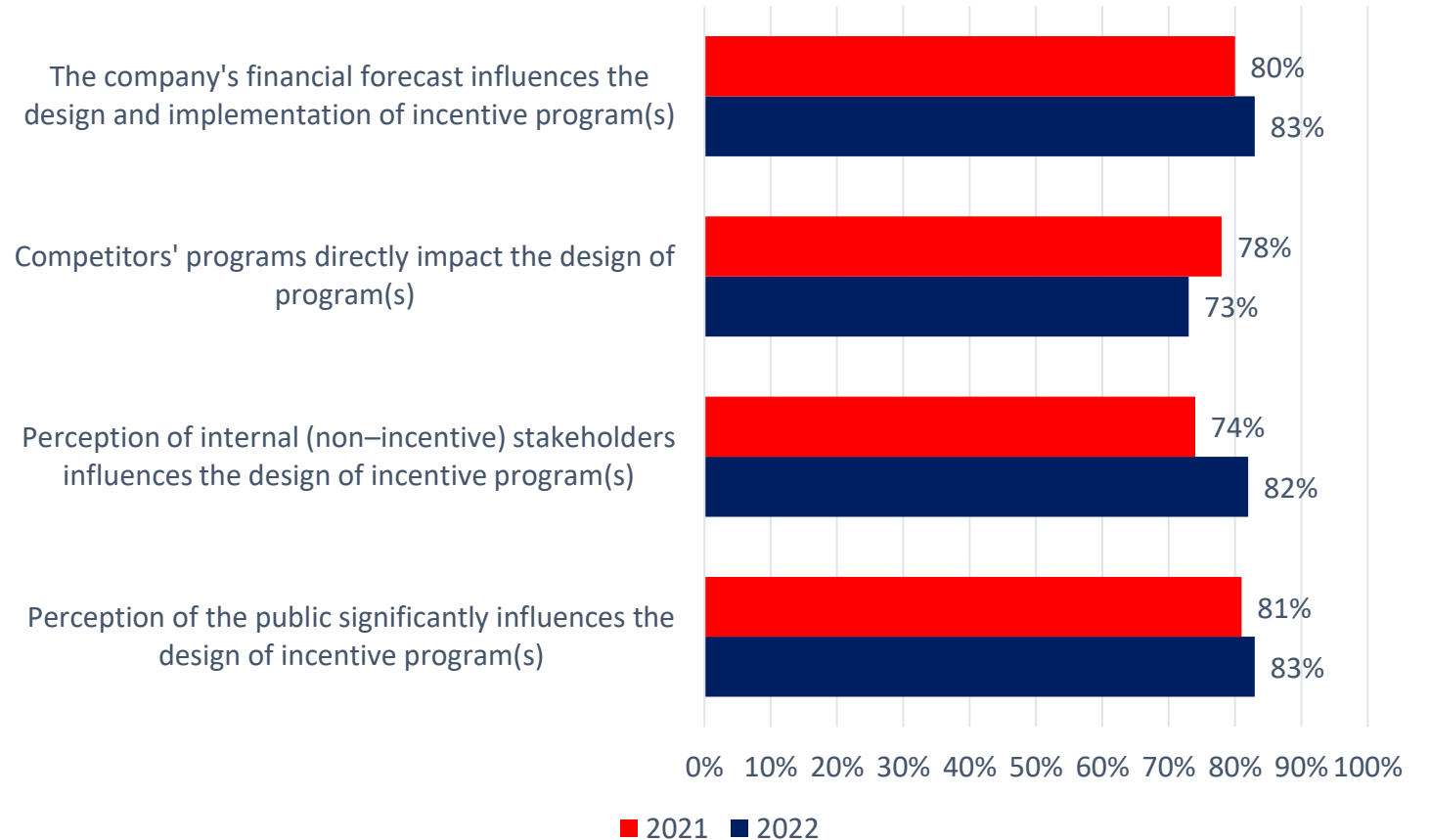
While the financial forecast has always been the most important consideration in designing North American programs, the importance of internal stakeholders, the public, and competitor programs has trended upward in importance over the past several years.



Please indicate the level of your agreement or disagreement with the following statements as they relate to your most recent incentive program.
Percentage 'Agree' or 'Strongly Agree'

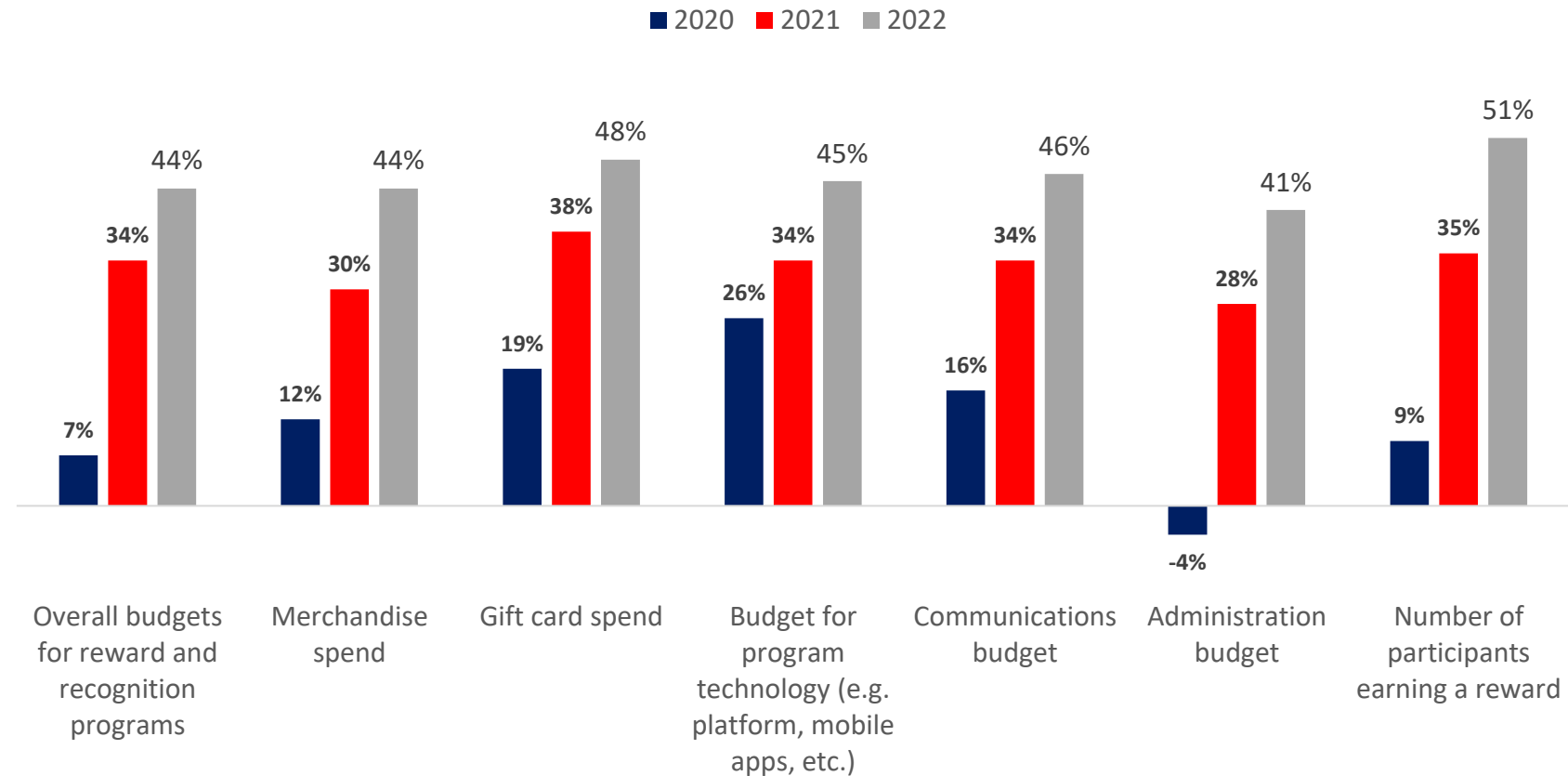
▶ European Considerations for Non-Cash Program Design

- European considerations are similar to North America with financial forecasts, public perception, and perception of internal stakeholders all being an important consideration for 80+% of the European respondents.



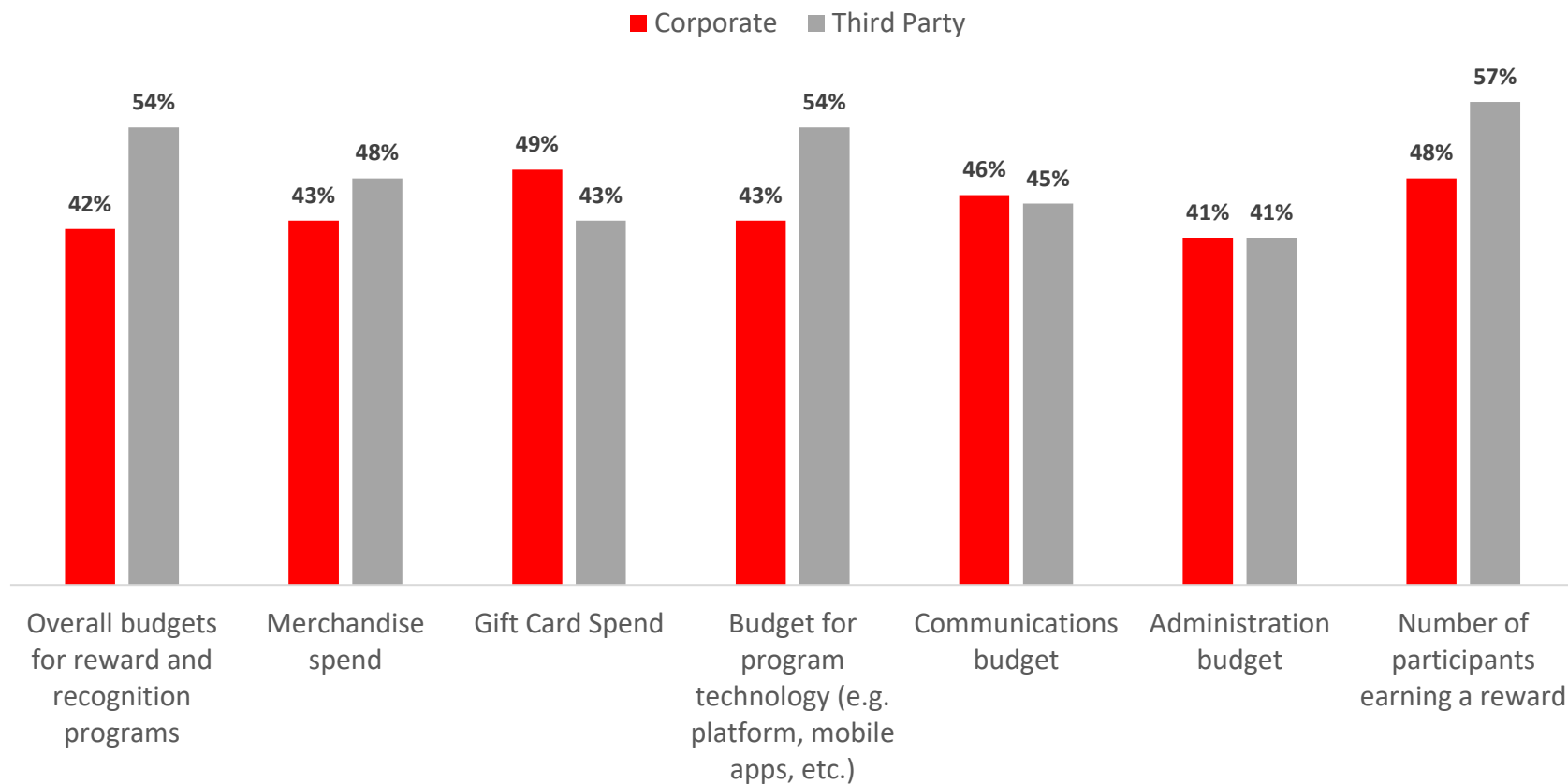
▶ North American Outlook for Rewards Budgets – Net Change

- The data show that budgets are expected to show a net increase across the board, continuing a trend observed in 2021.
- The largest net increase is expected in the number of participants earning a reward where 61% indicate this budget will increase as opposed to only 10% who expect a decrease in budgeting for the number who will earn a reward.



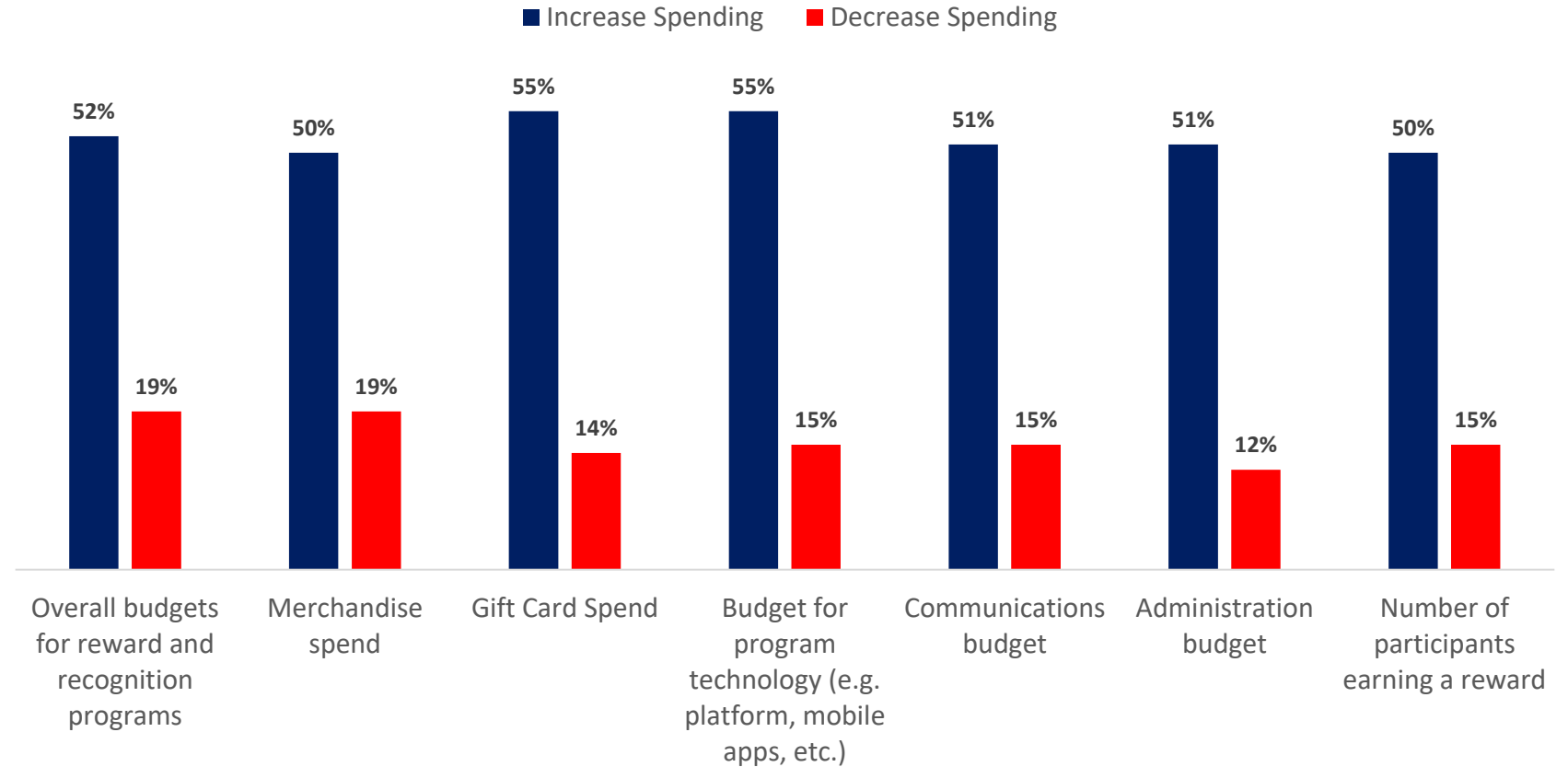
North American Outlook for Rewards Budgets – Net Change Across Audiences

- While North American budgets are going up across the board, the anticipated increase budgets for third-parties is steeper than for clients.
- Sixty-eight percent (68%) of third parties anticipated a budget increase next year, compared to 14% who anticipate a decrease.
- By contrast, 58% of corporate respondents anticipate a budget increase with 17% anticipating a decrease.



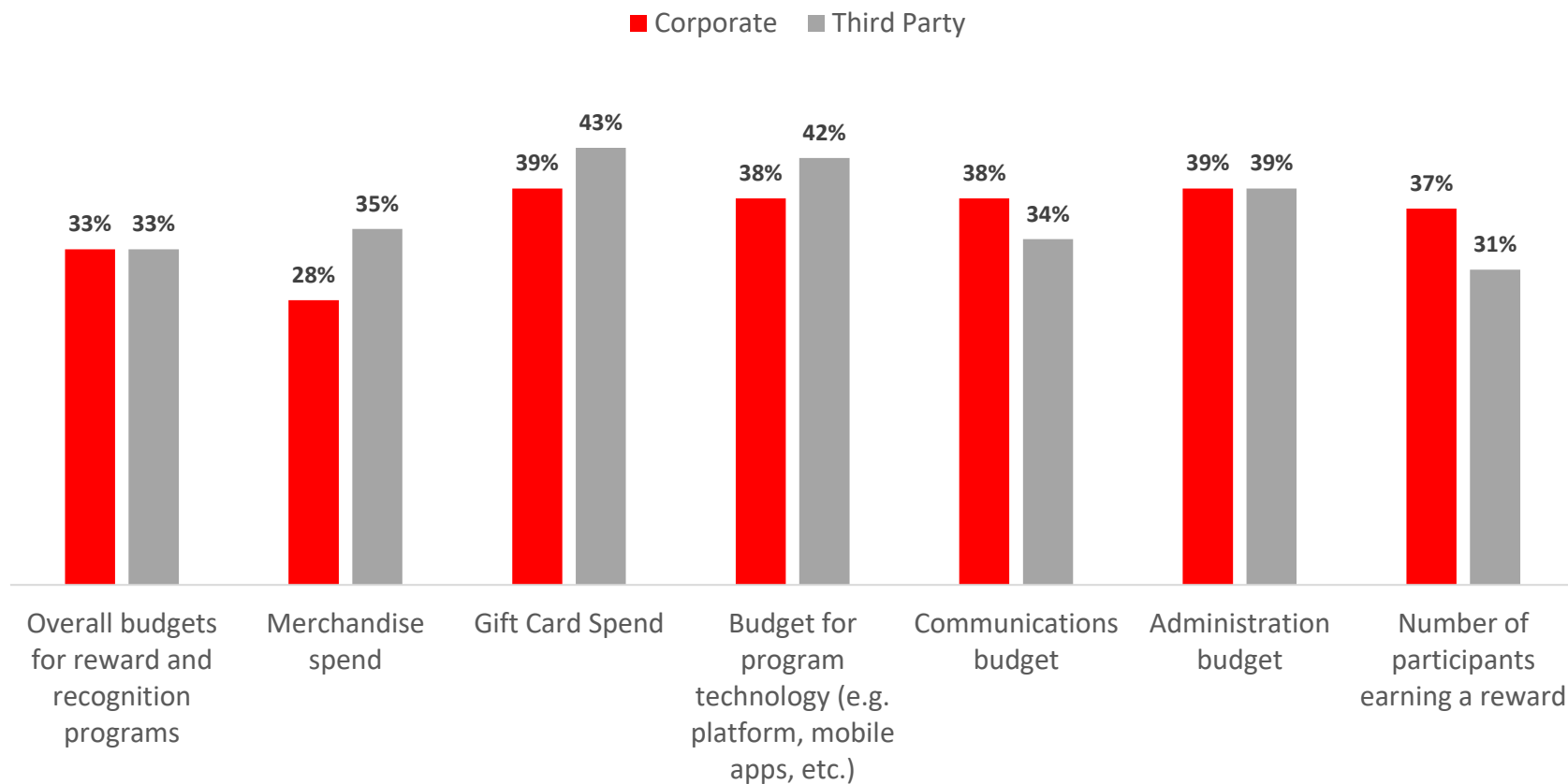
▶ European Outlook for Rewards Budgets

- Over half (52%) of Europeans anticipate an overall increase in their reward and recognition program budgets, while 19% anticipate a budget decrease.
- Gift card spend and technology budgets appear to have the largest anticipated net increases for 2023 among Europeans.



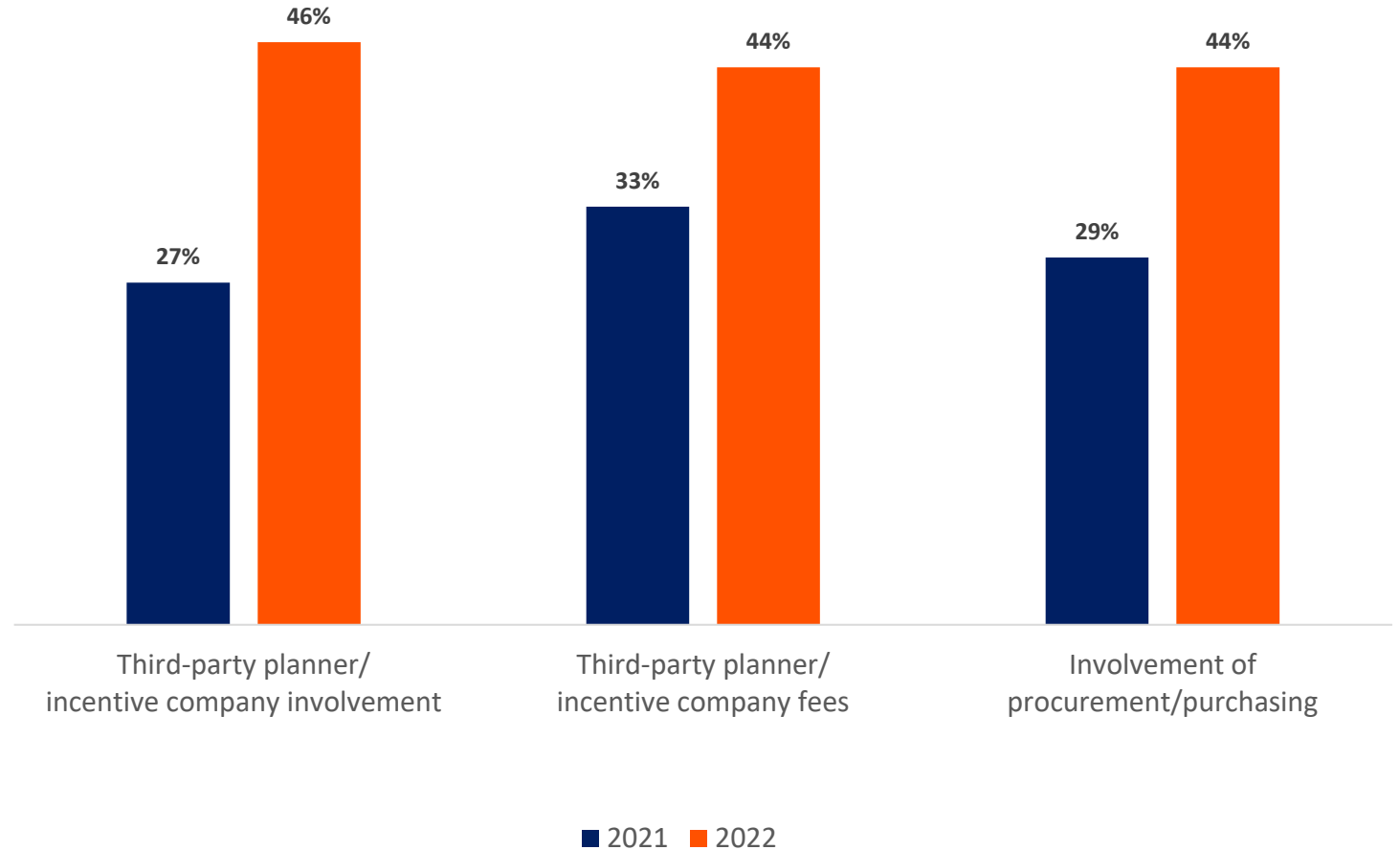
European Outlook for Rewards Budgets – Net Change Across Audiences

- In contrast to North America, there were not large differences between corporate and third-party respondents regarding net budget increases for 2023. The net differences were generally within the margin of sampling differences.



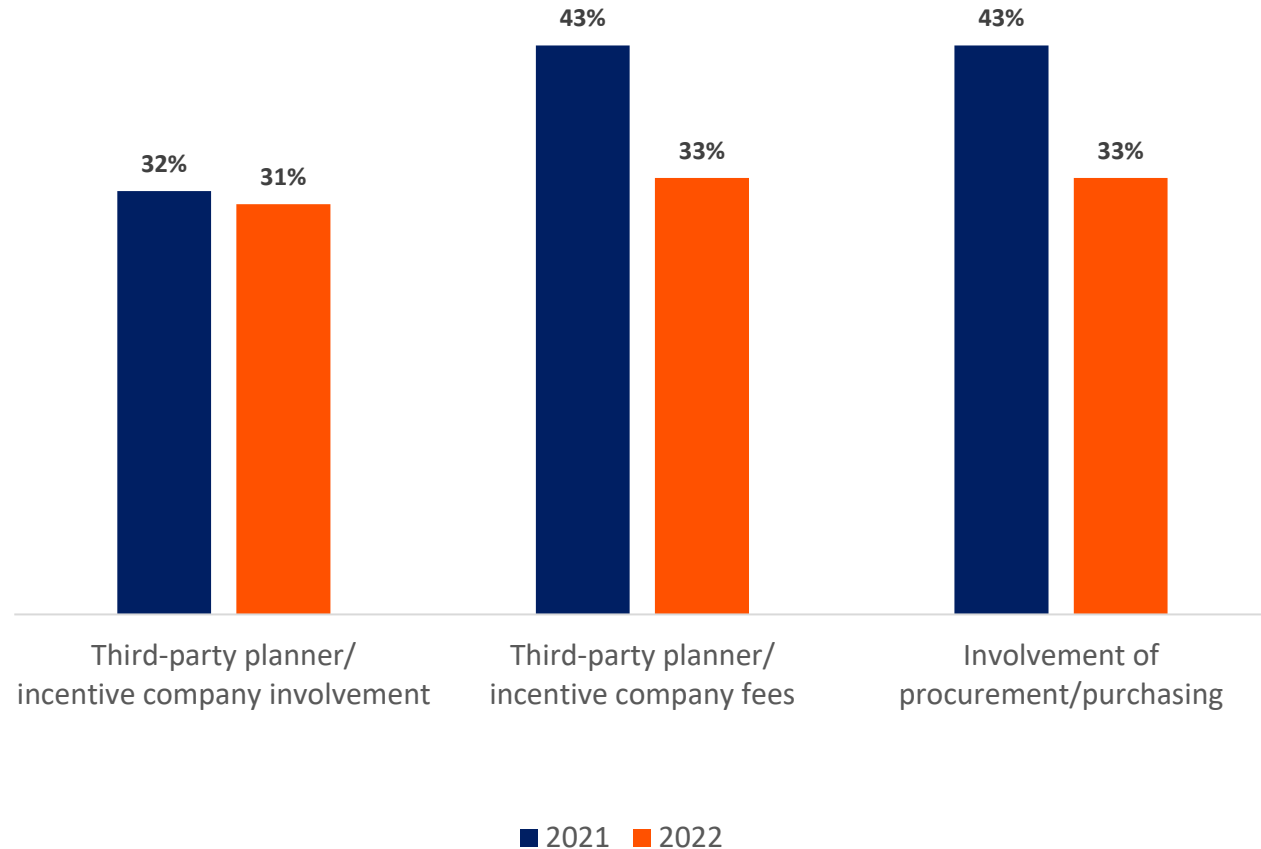
▶ North American Outlook for Rewards Partners – Net Change

- North American outlook for 2023 suggests continued growth for the use of partners, with over half indicating they expect their use of partners to increase and less than 10% anticipating a decrease.
- The involvement of procurement, which increased last year, is expected to increase further.



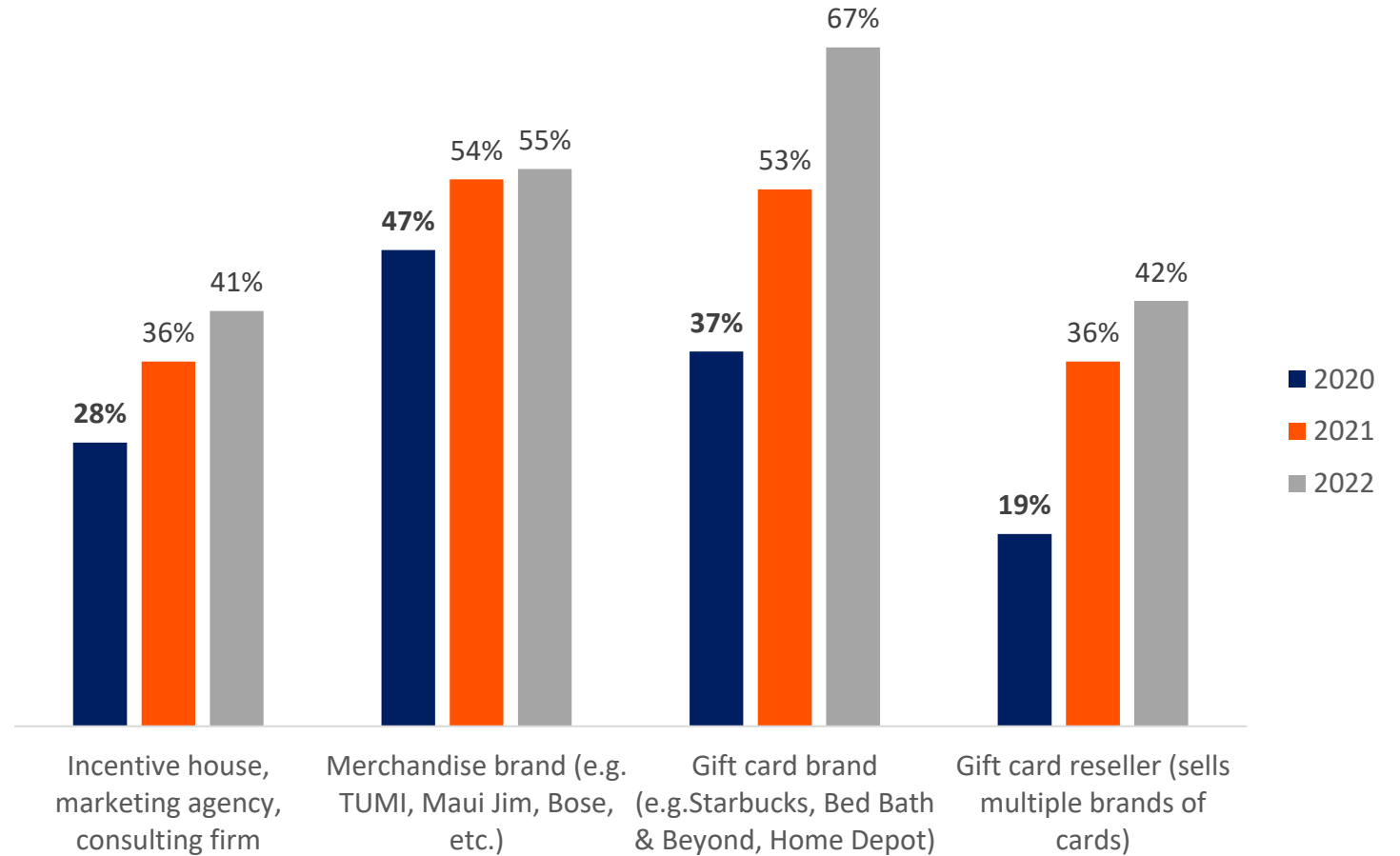
▶ European Outlook for Rewards Partners – Net Change

- While Europeans anticipate the involvement of others will continue to grow in 2023, the rate of growth is not anticipated to be as large as North America.



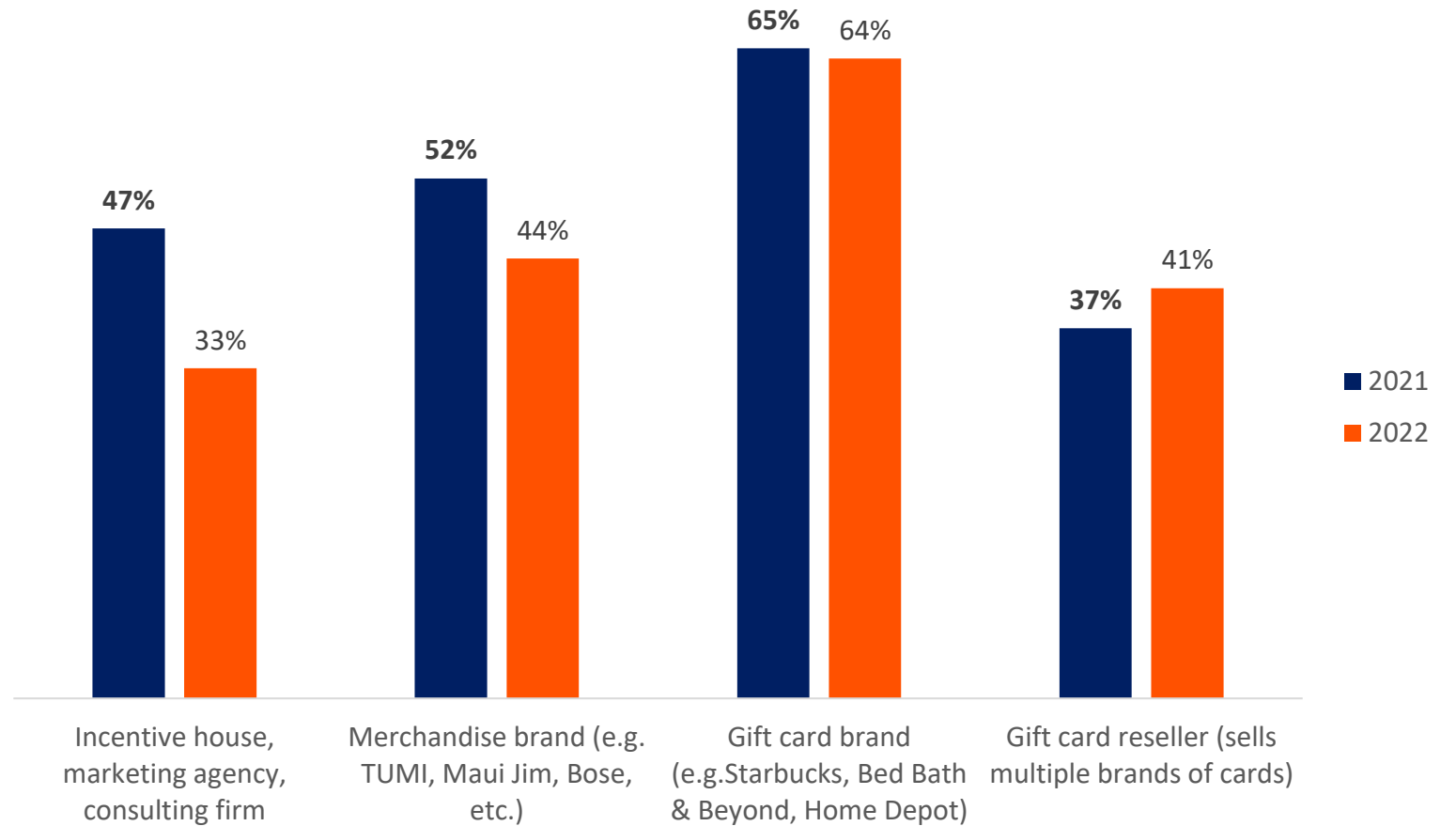
▶ North American Use of Partners (Direct Working Relationship)

- The data show continued growth in the direct working relationships with partners, especially gift card brands.



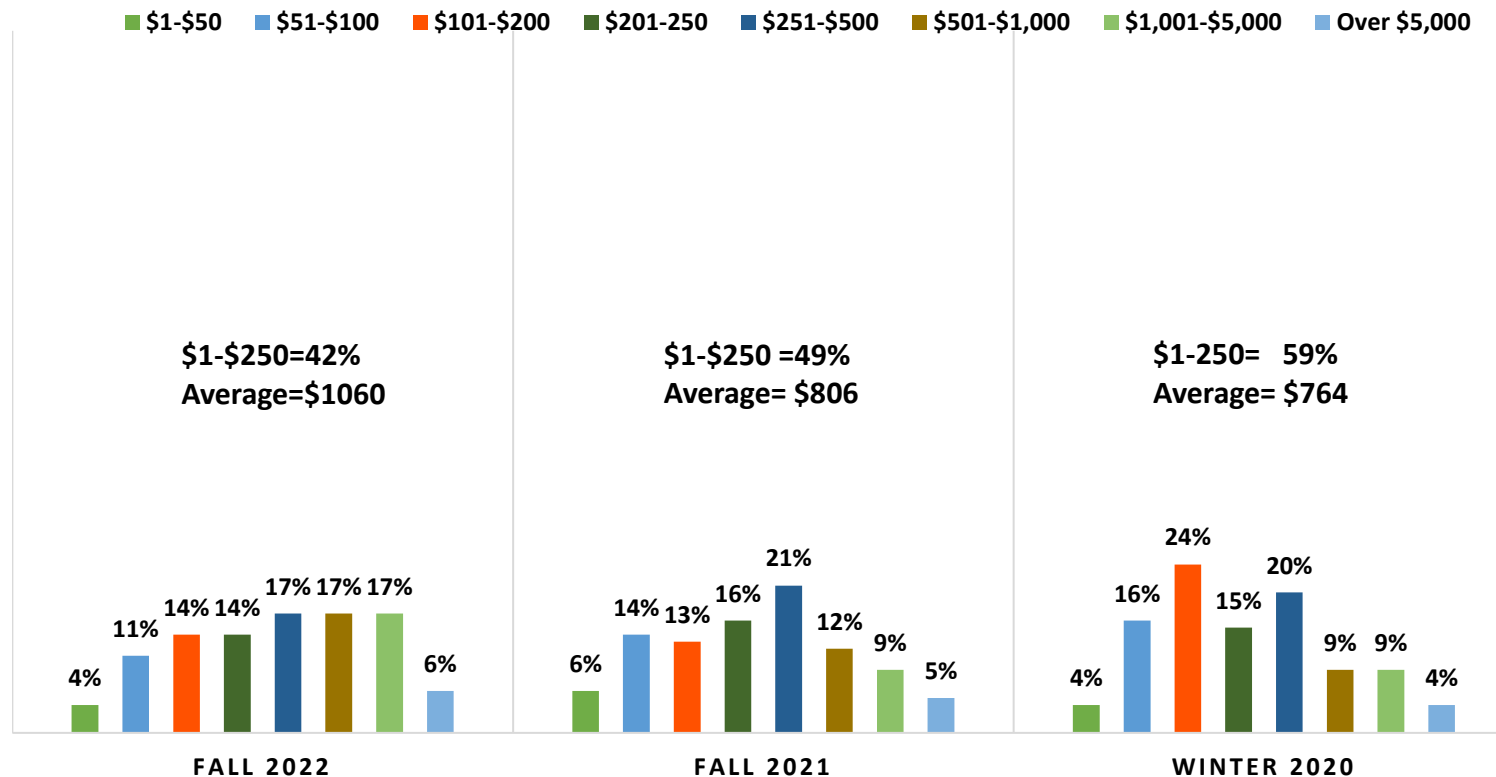
▶ European Use of Partners

- Compared to North America, Europeans are less likely to work with incentive houses, marketing agencies, and consulting firms and merchandise brands.
- Direct partnerships with incentive houses and merchandise brands have declined significantly in Europe since last year.

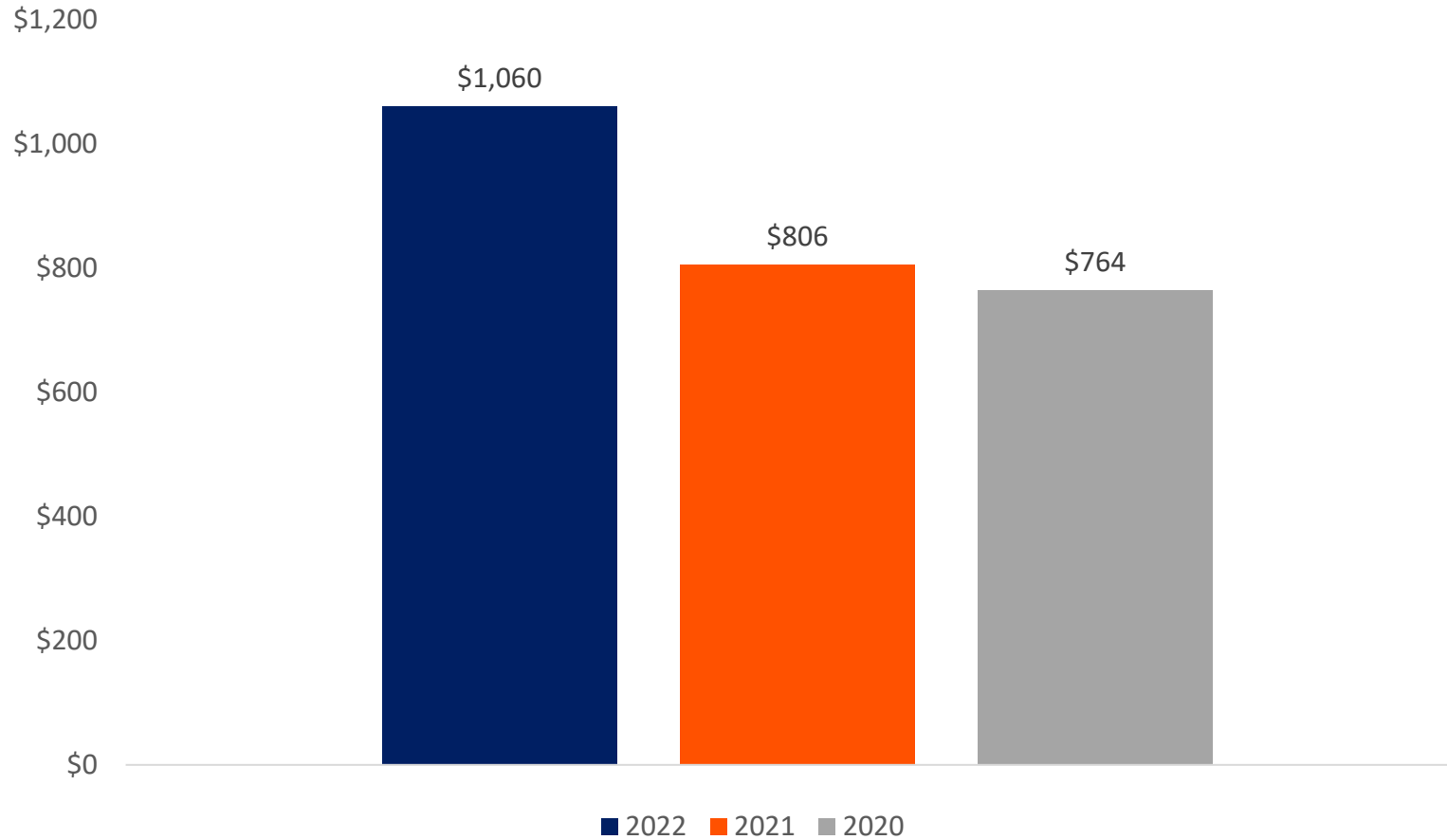


North American Average Per-Person Spend – Non-Cash Reward & Recognition Programs

- The average per-person spend on North American per-person spend on gifts continues to rise.
- The average per-person spend was reported to be \$1060 compared to \$806 the previous year.
- Fifty-eight percent (58%) spent more than \$250 per person, compared to 51% the previous year.

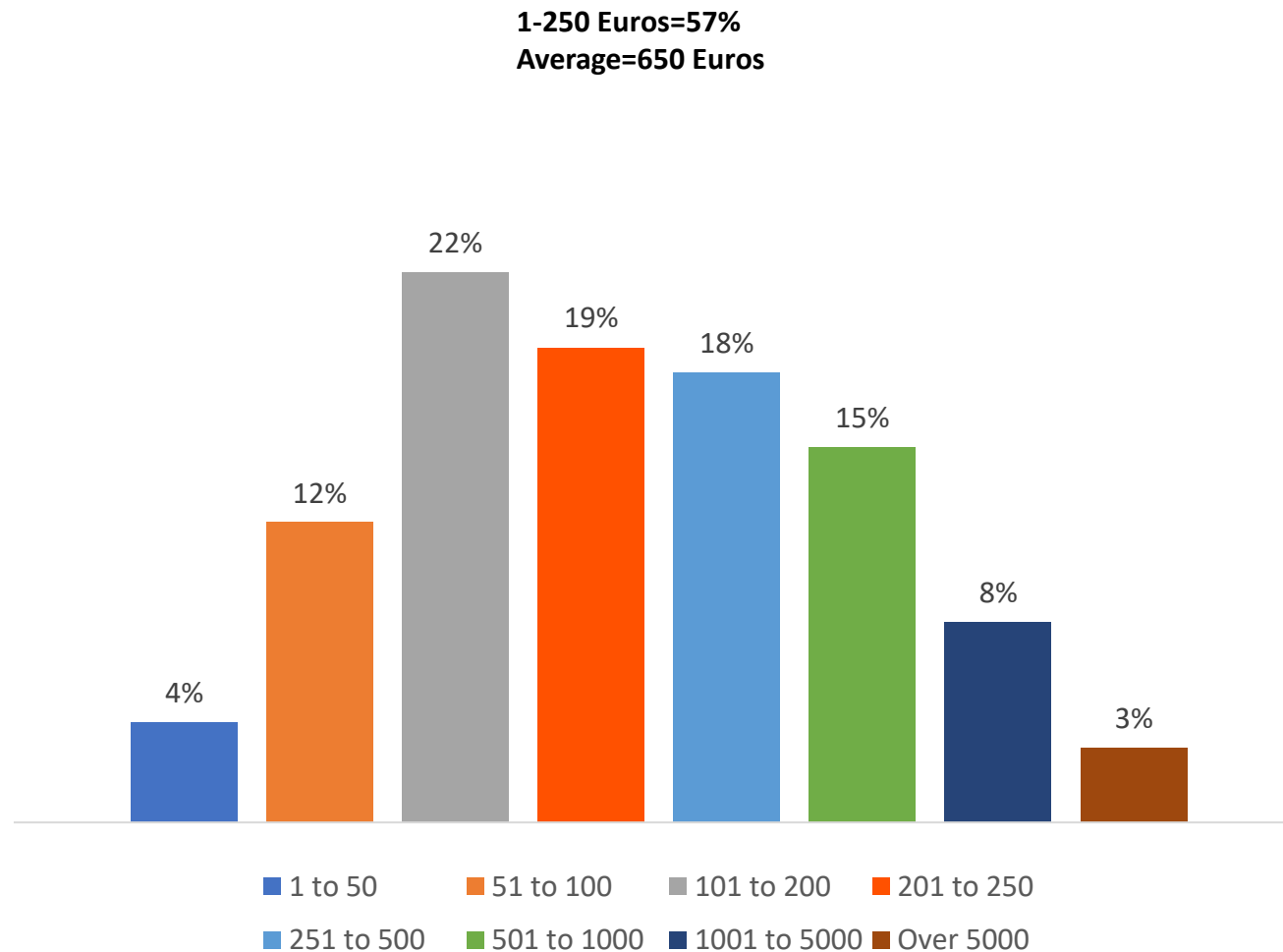


North American Average Per-Person Spend – Non-Cash Reward & Recognition Programs



European Average Per-Person Spend – Non-Cash Reward & Recognition Programs

- The average amount spent per person on non-cash rewards in Europe is 650 Euros, less than in North America.
- Likewise, only 43% spend more than 250 Euros compared to 58% of North Americans who spend more than \$250 per person on non-cash rewards and recognition programs.



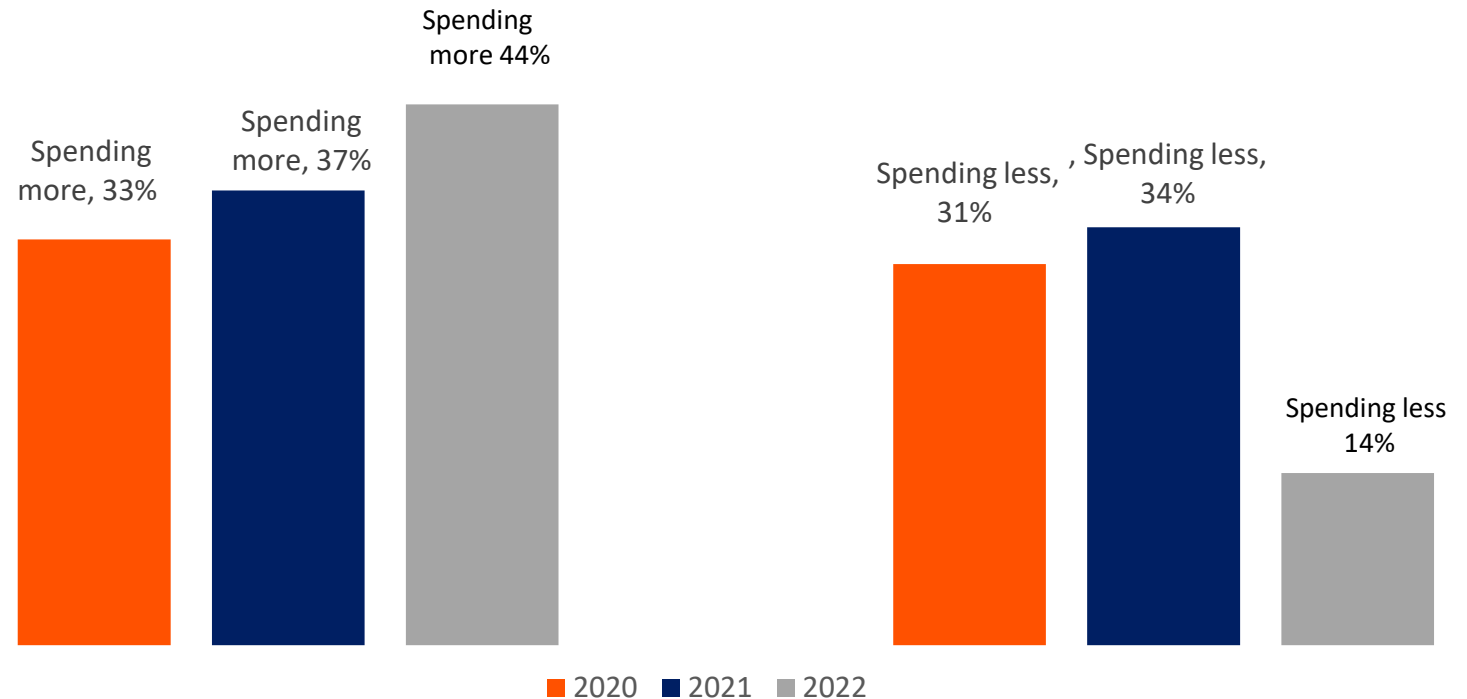


Non-Cash Reward & Recognition: Merchandise

▶ Merchandise spending has grown in North America

- North American spend on merchandise has grown with 44% saying their merchandise spending increased in the past year compared to only 14% who said they spent less.

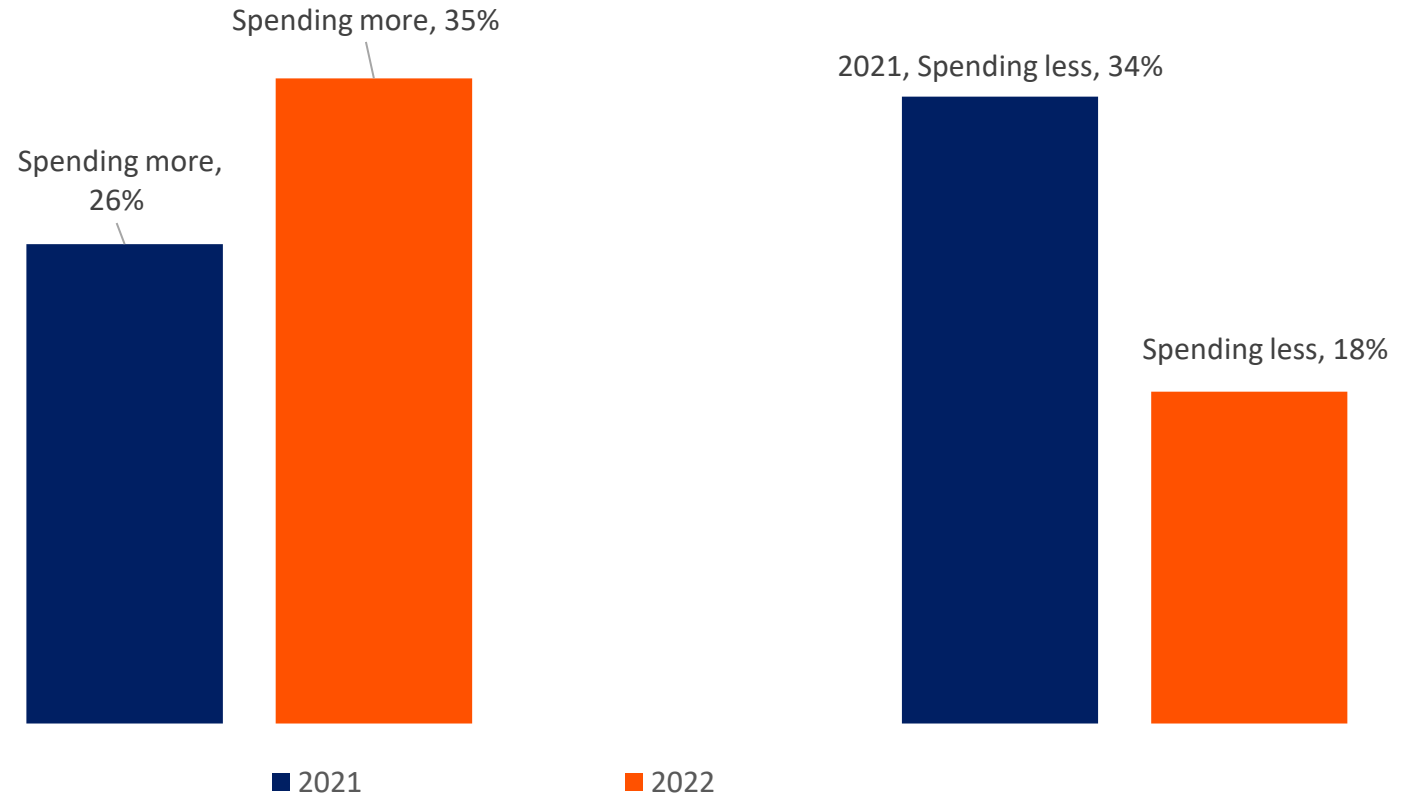
Percent Spending More/Less on Merchandise



▶ Merchandise Spend in Europe has also grown since 2021

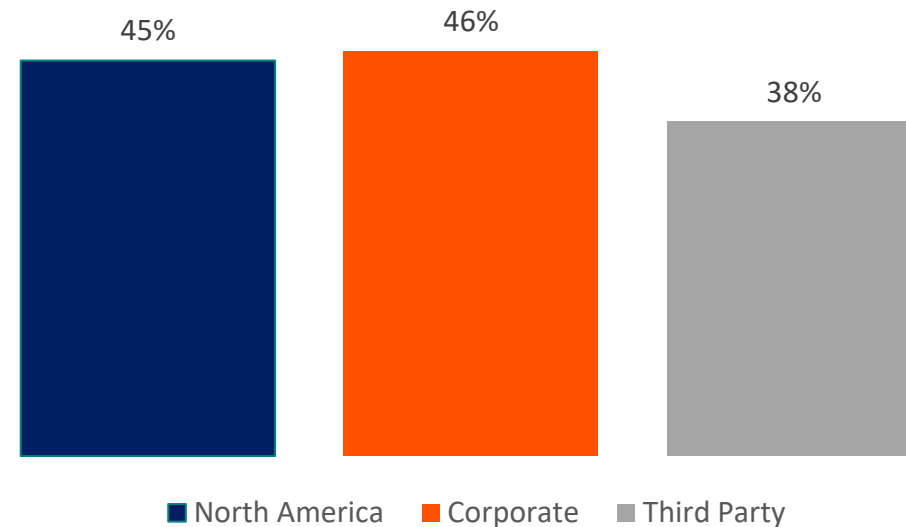
- While not quite as strong as North America, merchandise spending in Europe showed a net positive gain compared to 2021 when it showed a slight net decline.

Percent Spending More/Less on Merchandise



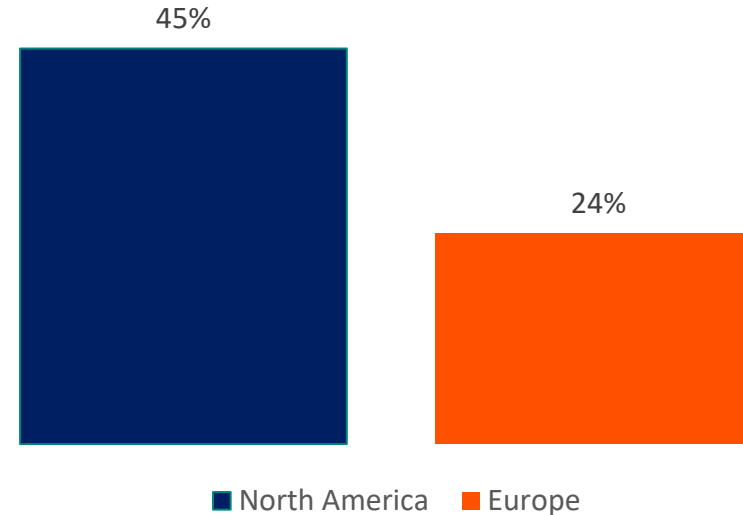
▶ North American Merchandise Gifts: Net Increases for 2023

- North American respondents anticipate a strong net increase in 2023 for merchandise gifts next year with 58% anticipating an increase and only 13% predicting a decrease..



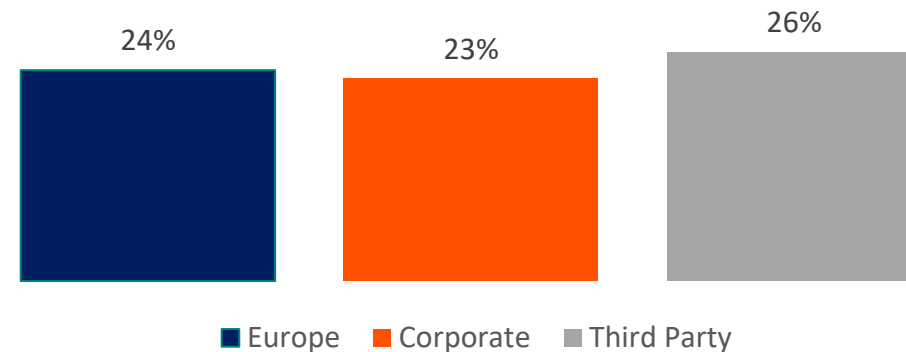
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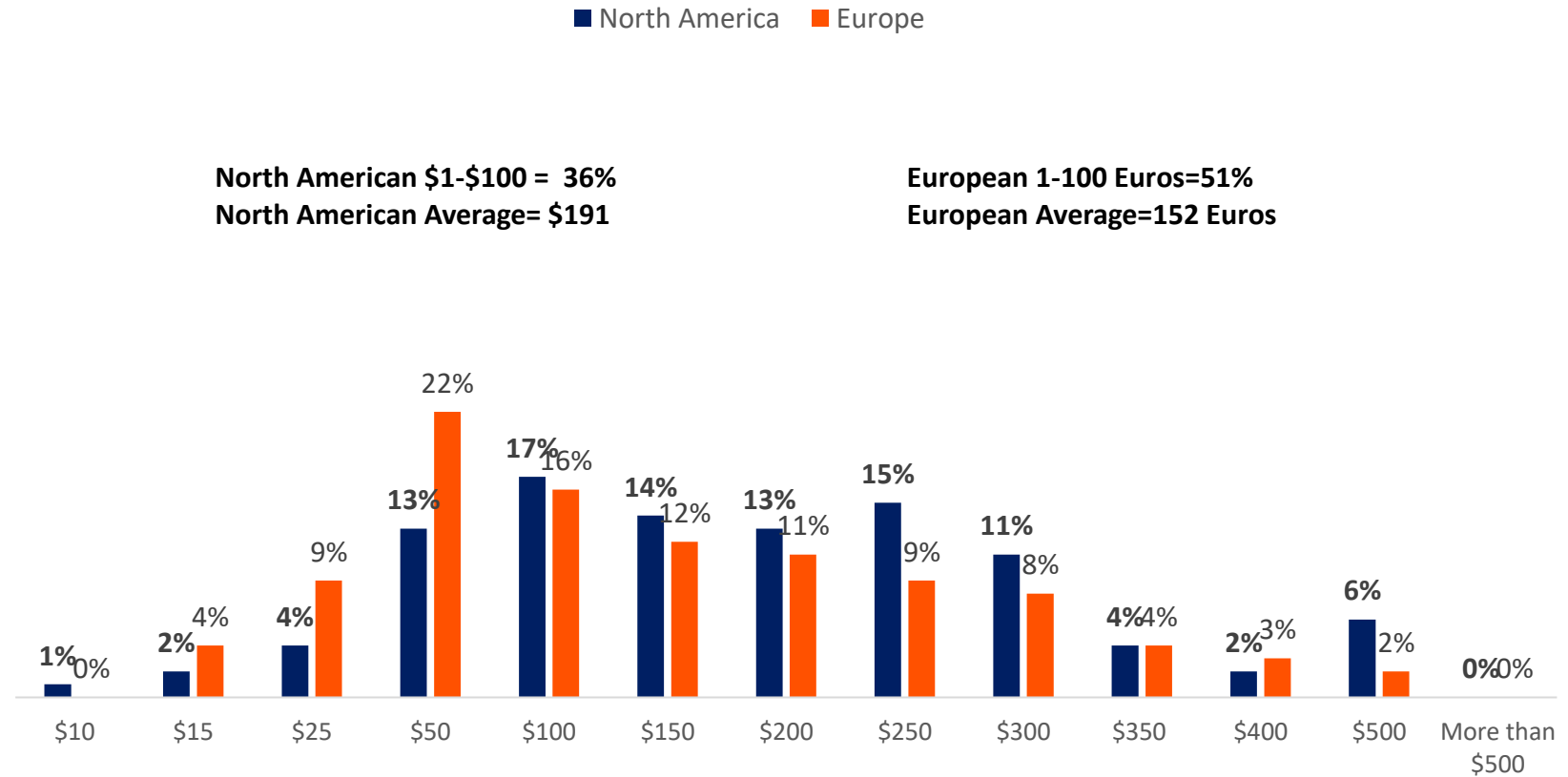
▶ European Merchandise Gifts: Net Increases for 2023

- While Europeans also plan to increase their merchandise budgets in 2023, the net increase is not as large as North America, with 43% planning an increase in merchandise gift spend, 18% planning a decrease, and 39% planning to spend the same amount.



Average Value of Merchandise Reward

- The average value of a North American merchandise reward is \$191, up from \$152 last year, and up from the previous three waves of the study which were \$160.
- The percentage of North Americans that spent over \$100 has increased from 53% to 64%.
- The European average merchandise value was 152 Euros.
- Only 49% spent more than an average value of 100+ Euros or more.

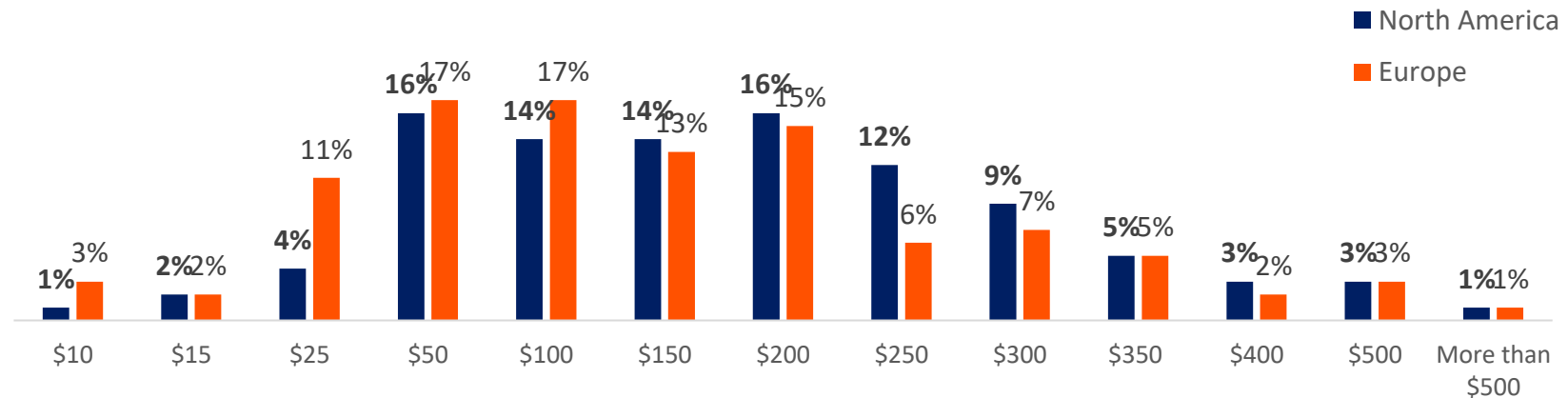


▶ Typical Value of Merchandise Reward for On-Site Gifting

- The average value of a merchandise reward for on-site gifting for North America is \$185, with 63% spending more than \$100.
- Europeans spent slightly less for on-site merchandise rewards, averaging 156 Euros, with 51% spending over 100 Euros.

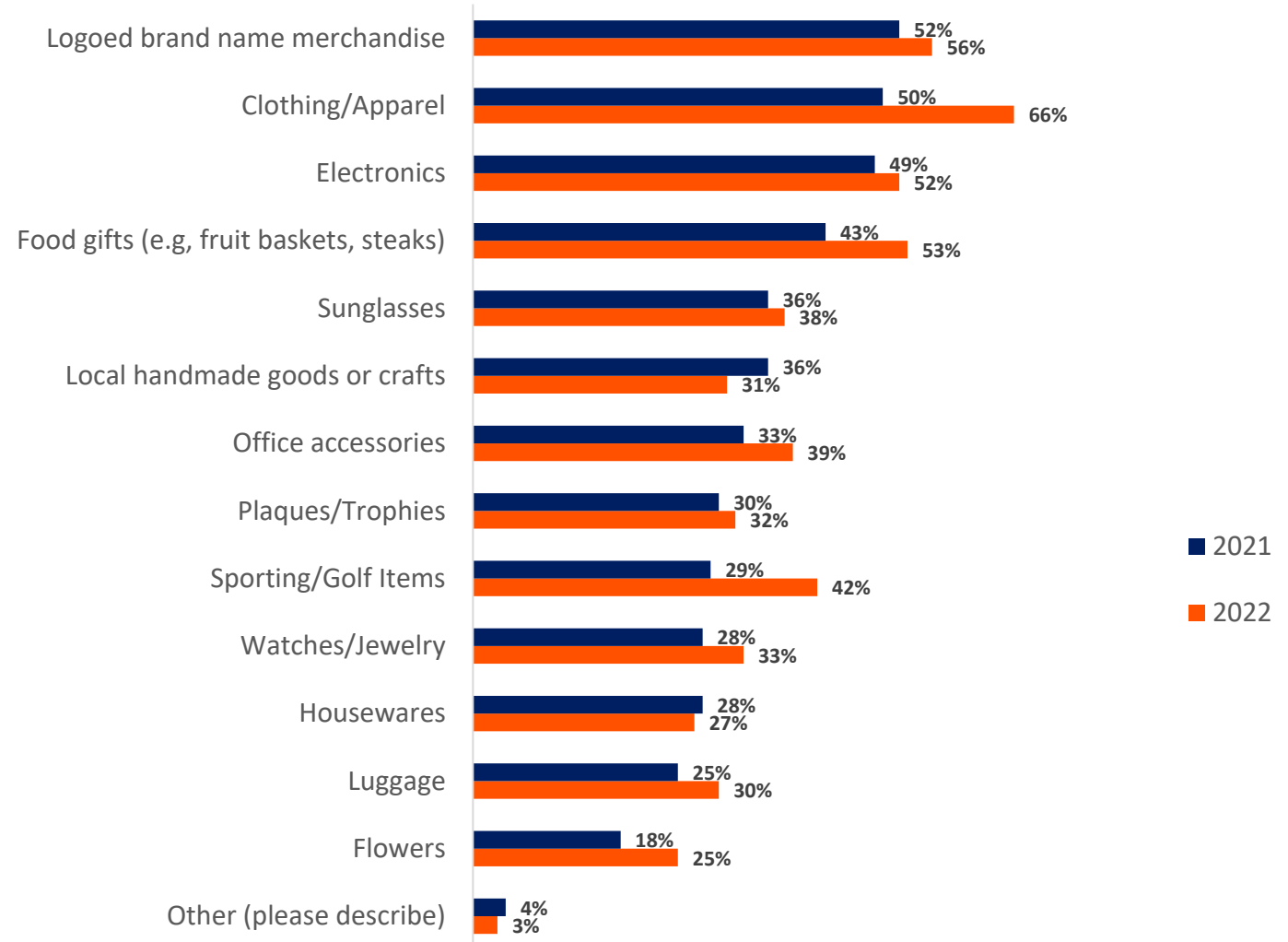
North America \$1-\$100 = 37%
North America Average=\$185

European 1-100 Euros: 49%
European Average: 156 Euros

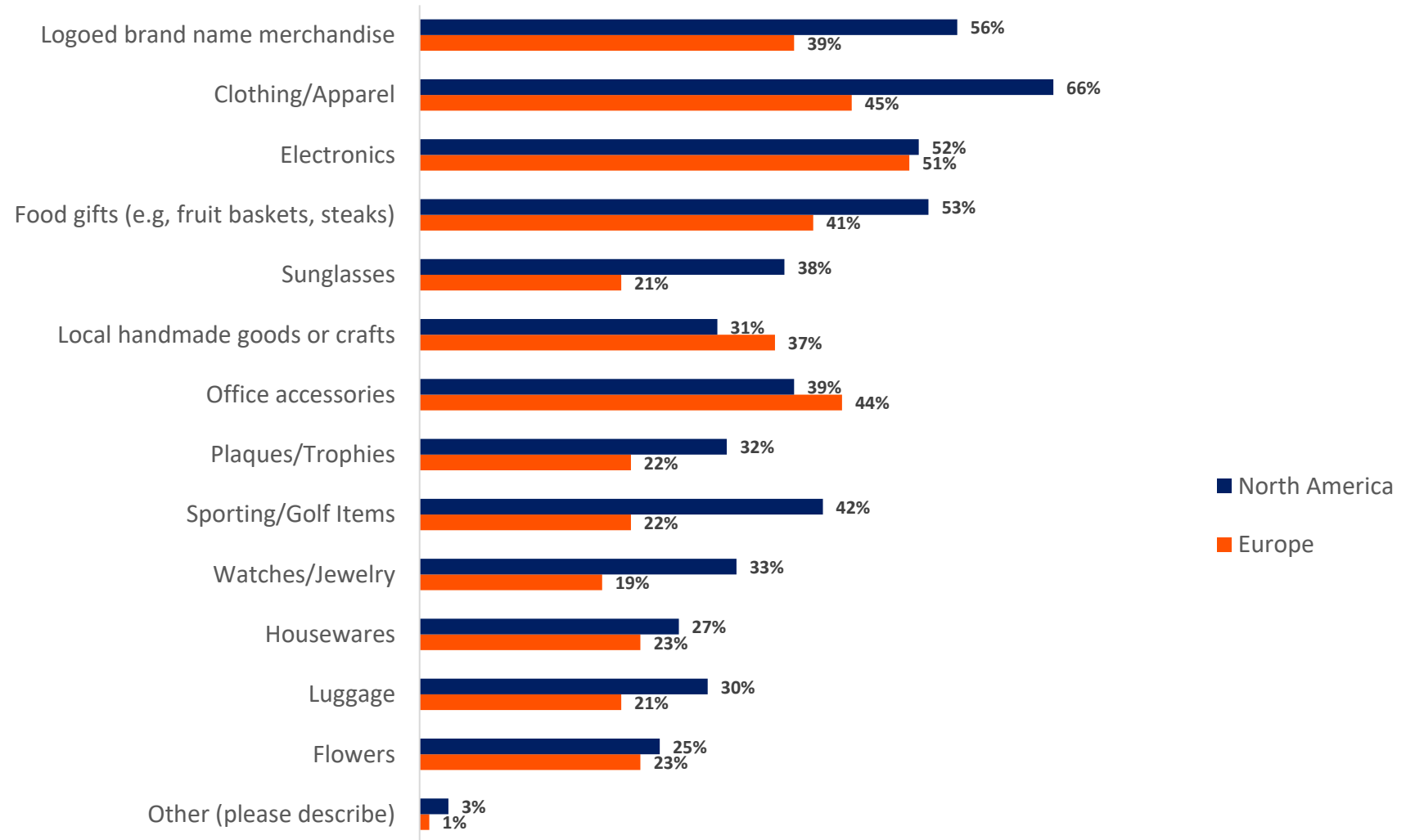


▶ North American Merchandise Prevalence 2021 v. 2022

- Clothing apparel (66%), logoed brand merchandise (56%) and food gifts (53%) have the highest prevalence in North America in the 2022 study.
- The data are consistent with the 2021 study except for the following items, which showed the largest increase in prevalence: (1) clothing (50% up to 66%); (2) sporting goods (29% up to 42%); and (3) food gifts (43% up to 53%).

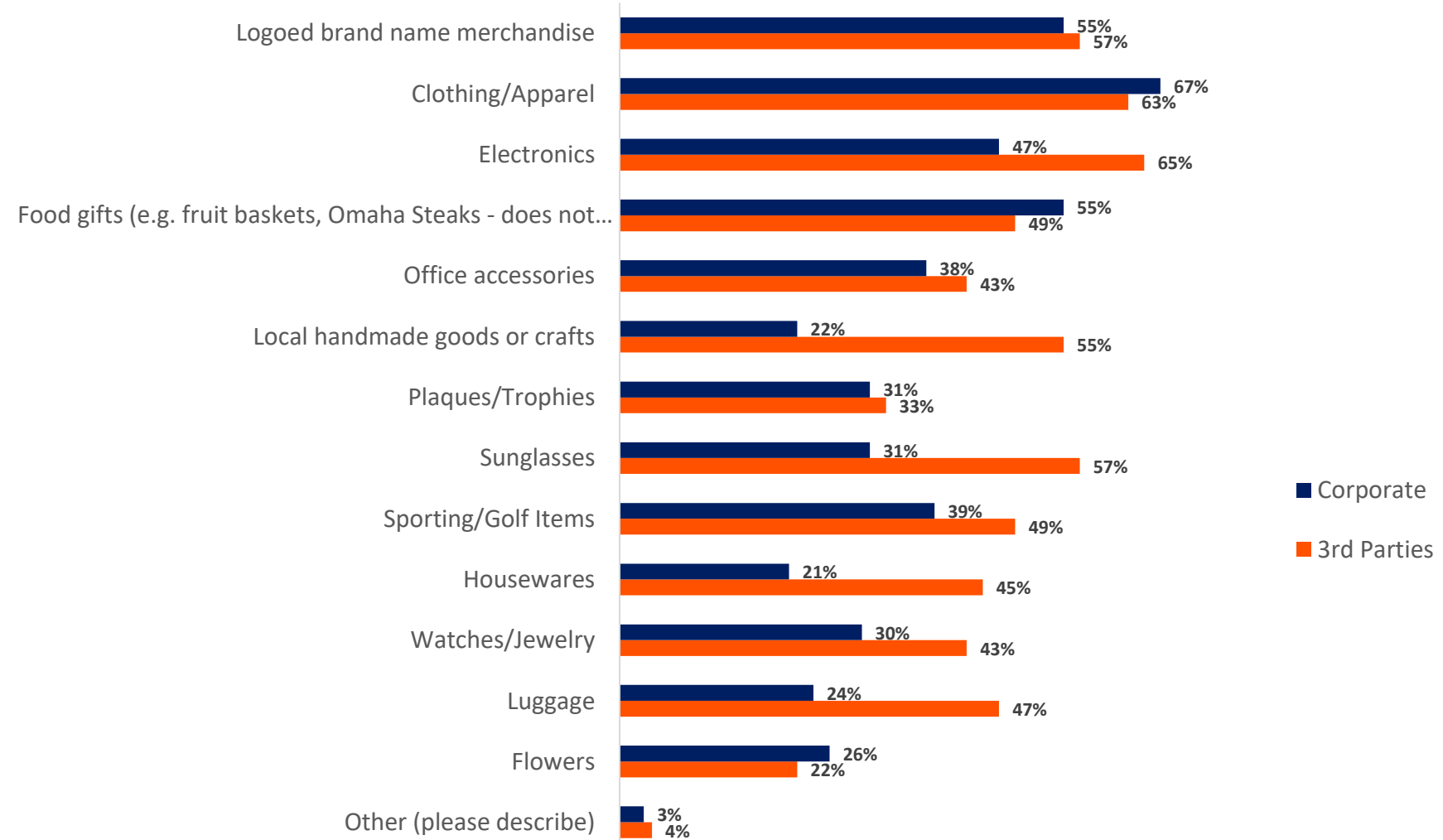


Merchandise Prevalence: North America vs. Europe



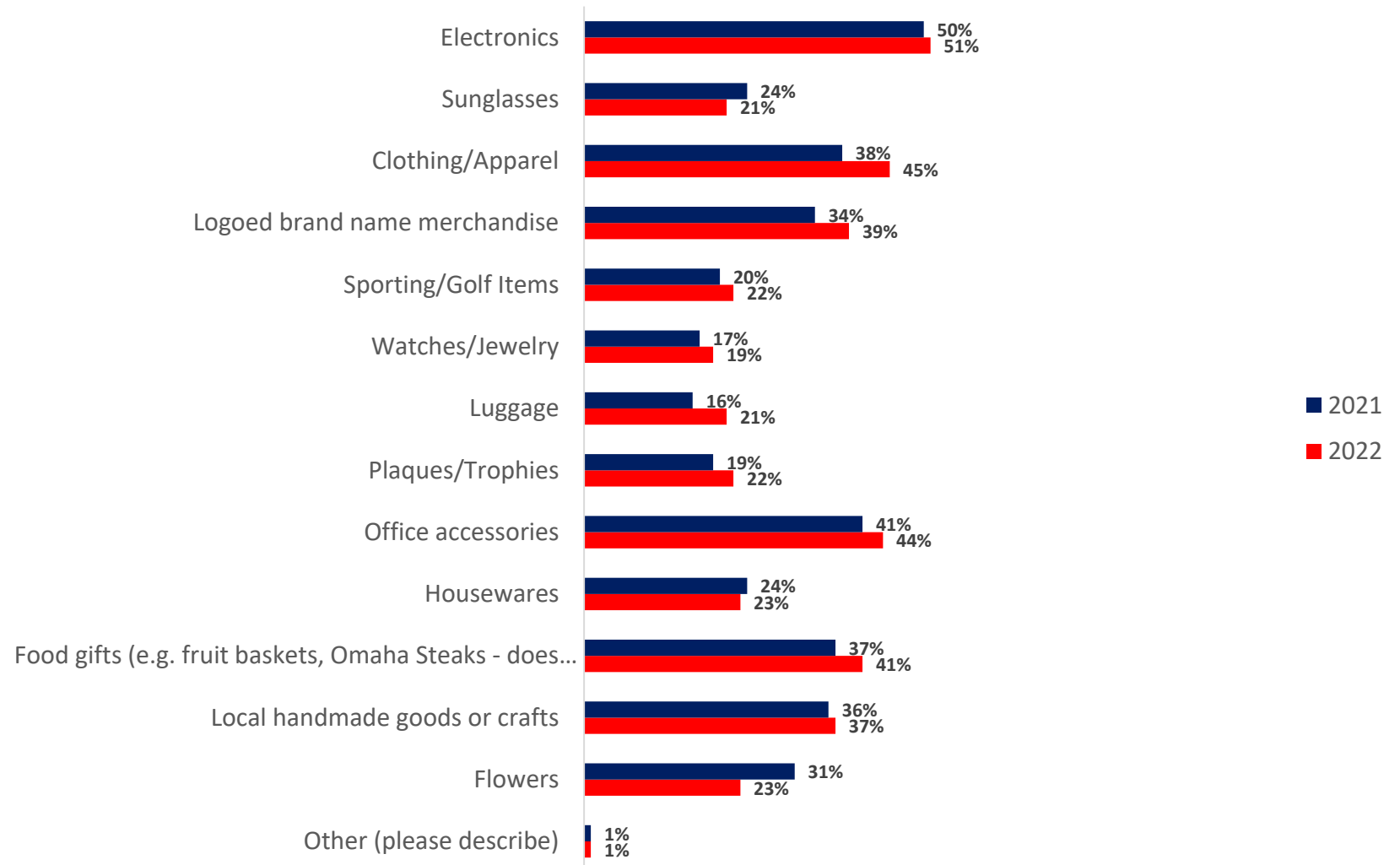
▶ North American Merchandise Prevalence by Audience

- North American third parties are much more likely to give a greater variety of merchandise rewards.
- Third parties have a much higher prevalence of giving local goods, sunglasses, housewares, luggage, electronics and watches/jewelry.
- Corporate respondents have a greater prevalence of giving sporting goods as merchandise gifts.



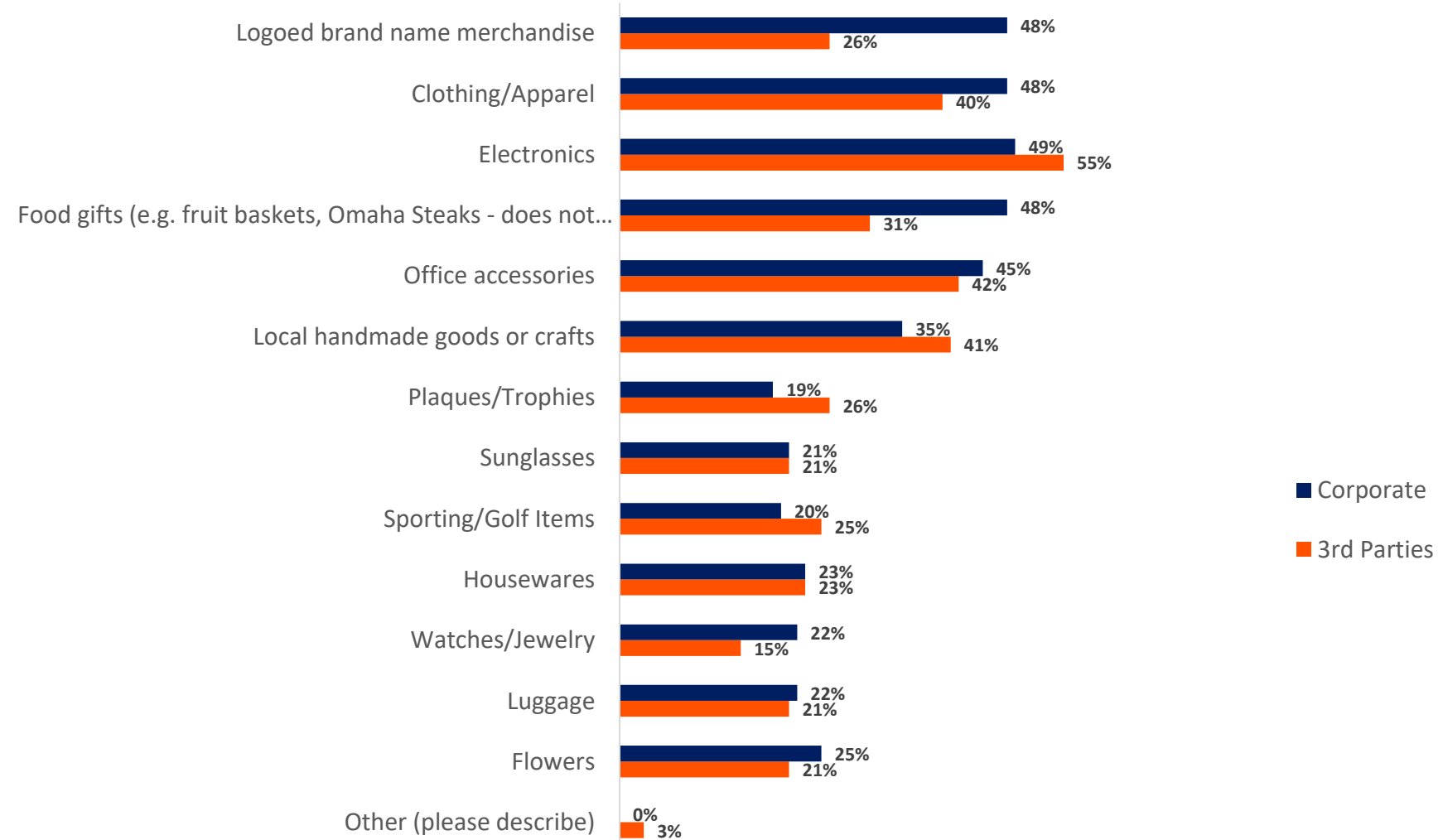
▶ European Merchandise Prevalence

- The most common merchandise gifts in Europe are electronics (51%), clothing (45%) and office accessories (44%).
- Unlike North America, the prevalence of specific merchandise gifts did not shift much from last year. Exceptions are clothing gifts, which were more prevalent (38% to 45%) and flowers which are less prevalent (31% down to 23%).
- Compared to North America, Europe has a much lower prevalence in merchandise gifts in most categories, but particularly in clothing, sporting goods, sunglasses, watches/jewelry, and logoed merchandise.



▶ European Merchandise Prevalence by Audience

- Unlike North America, European third parties do not provide a greater variety of merchandise gifts compared to corporate respondents. In most cases, the prevalence of merchandise gifts is not much different between corporate and third-party respondents.
- Corporate respondents are significantly more likely to give logoed merchandise and food gifts compared to third-parties.



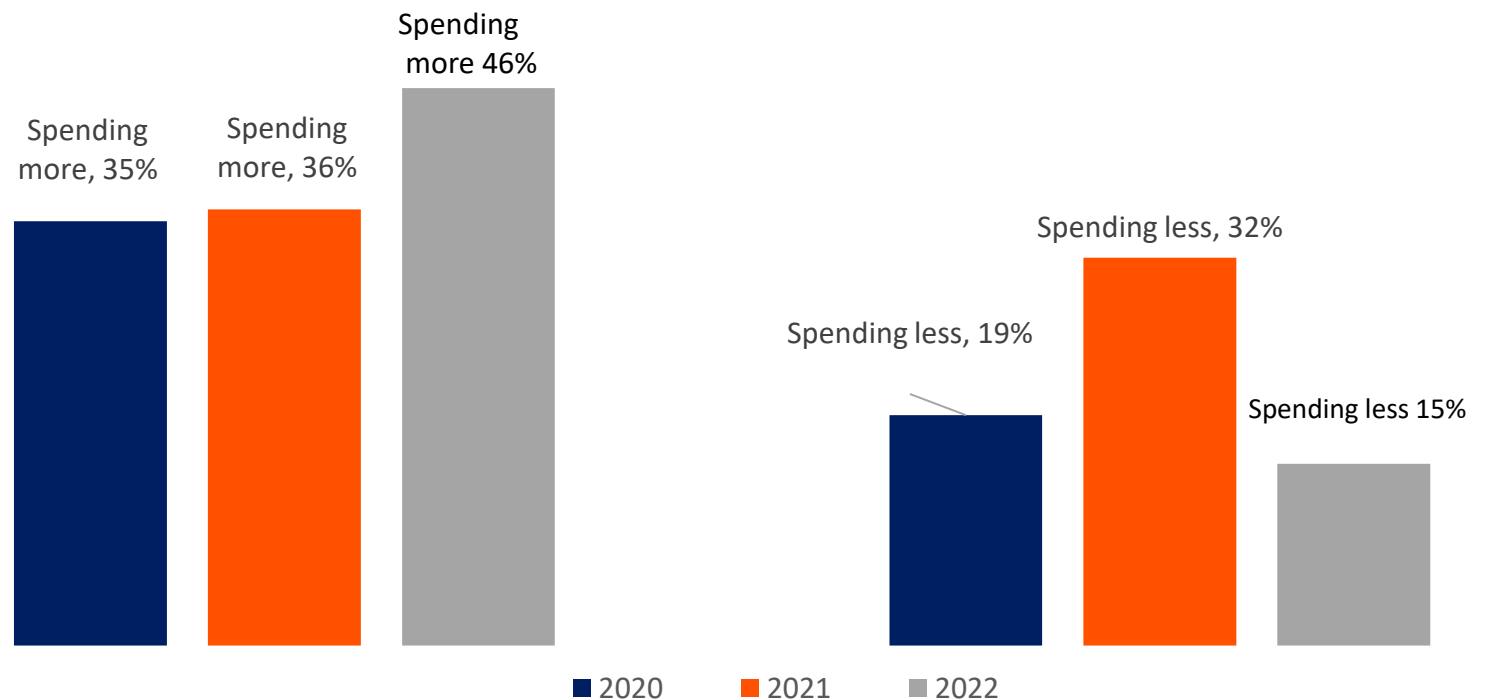


Non-Cash Reward & Recognition: Gift Cards

North American spending on gift cards has increased significantly

- After some decline in gift card spending after the pandemic, gift card spending has rebounded significantly in the past year within North America.

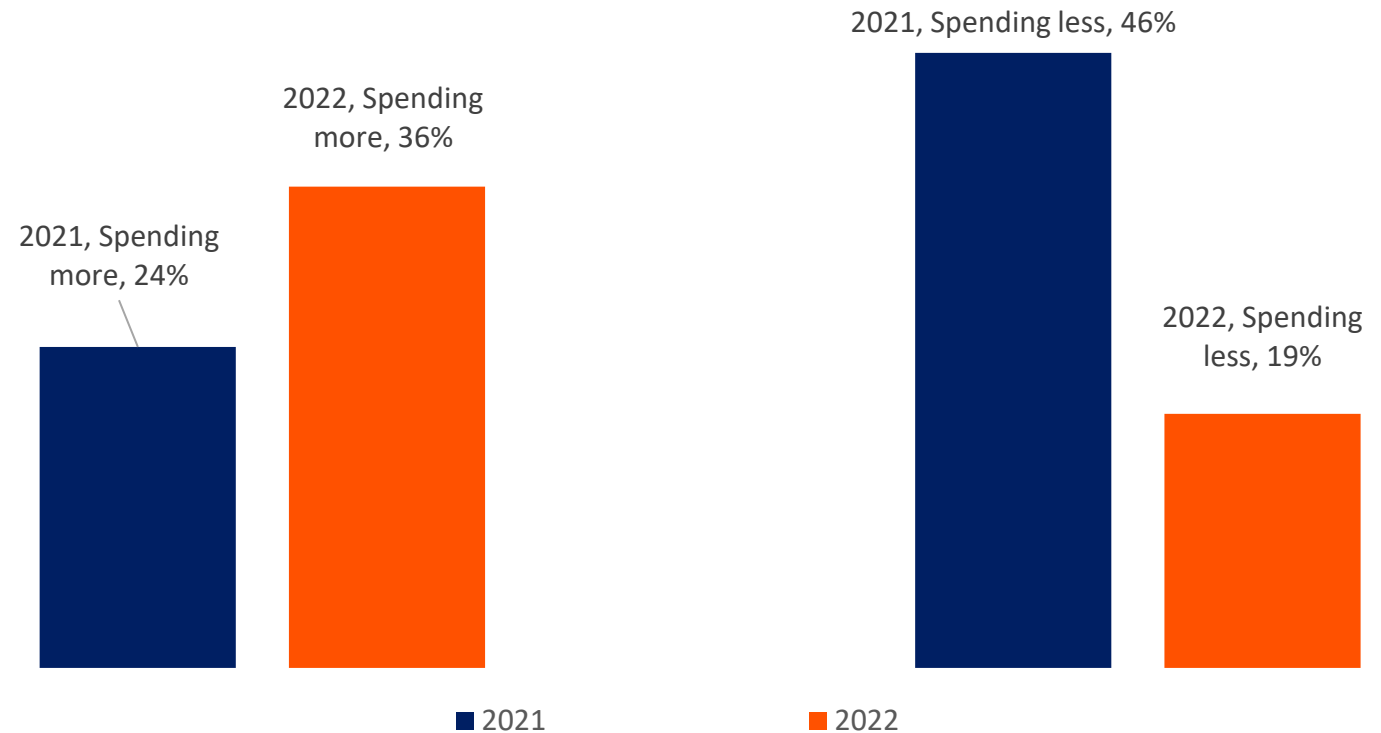
Percent Spending More/Less on Gift Cards



▶ Gift Card spend has also rebounded in Europe

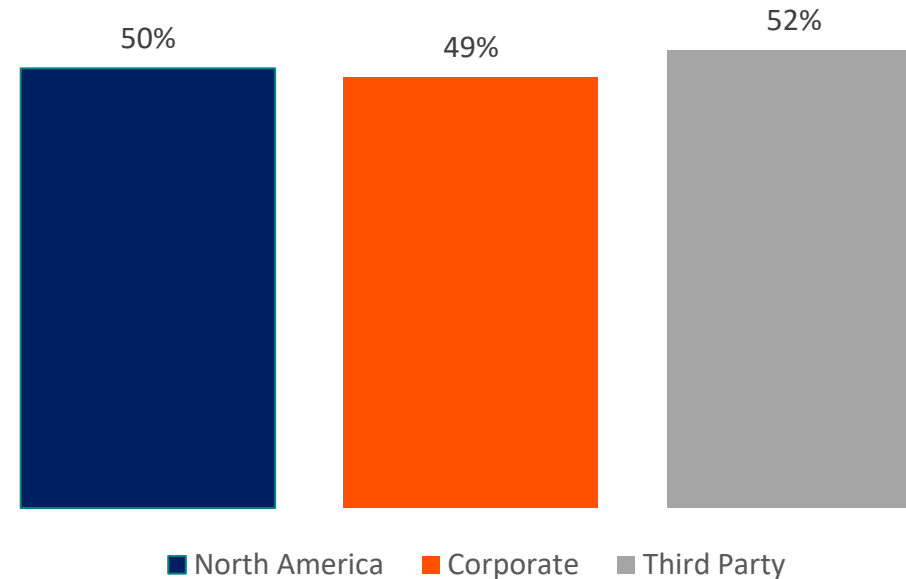
- After a very steep decline in gift card use in Europe last year, those spending more on gift cards outnumber those spending less by a 2-to-1 margin (36% to 19%),

Percent Spending More/Less on Gift Cards



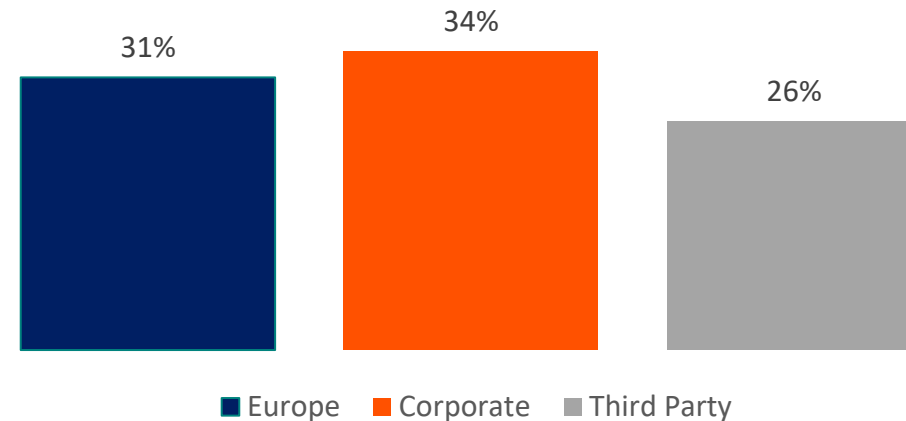
▶ North American Gift Cards: Net Increases for 2023

- North American respondents anticipate a strong net increase in 2023 for gift cards next year with 62% anticipating an increase and only 12% predicting a decrease in gift card use.



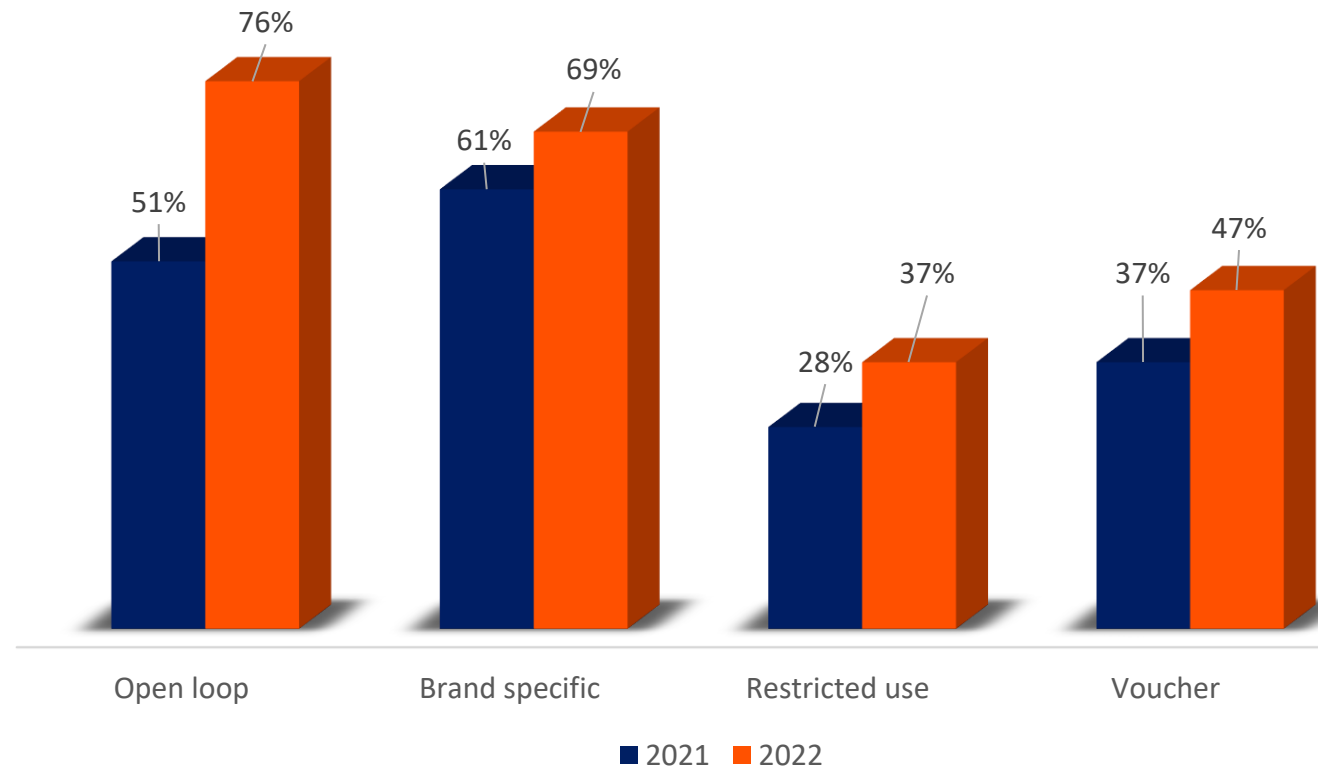
▶ European Gift Cards: Net Increases for 2023

- Similar to merchandise gifts, Europeans plan to raise their gift card budgets in 2023, although the net increase will not be as great as in North America.
- Half (50%) said they expected to increase their gift card spending, while 19% plan to decrease gift card spending.



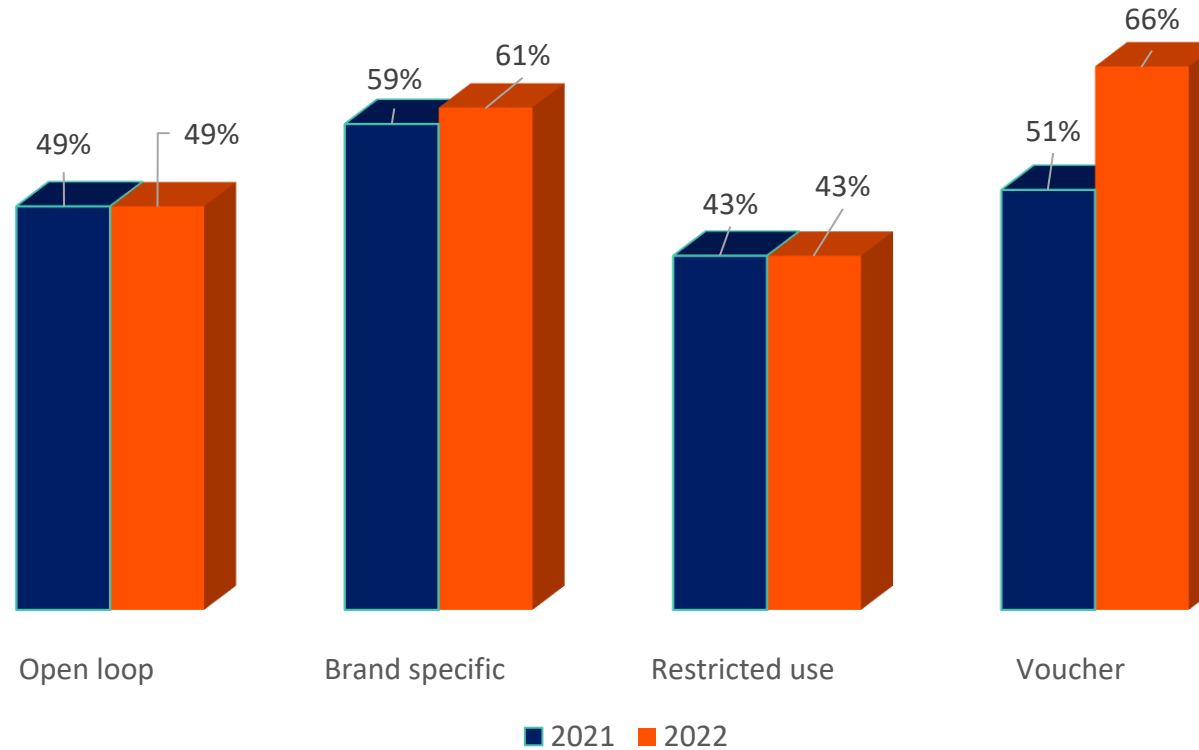
▶ North American Usage by Gift Card Type

- The use of all categories of gift cards increased in 2021. Most notably, the use of open-loop gift cards, which had declined the past two years, increased significantly from 51% to 76%, surpassing pre-pandemic incidence.



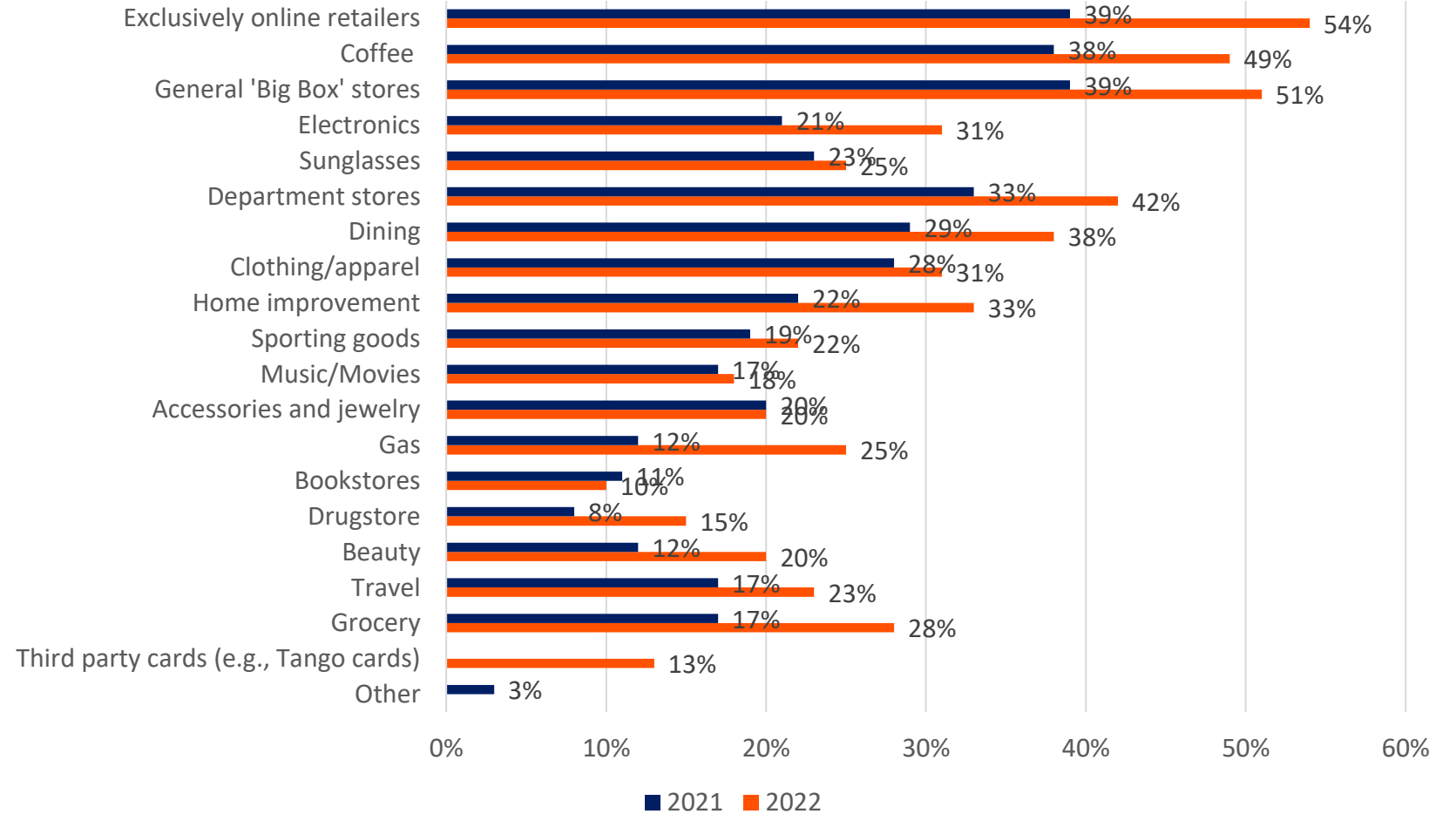
▶ European Gift Card Type

- For the most part, the types of gift cards Europeans used in 2022 did not differ significantly from 2021. The lone exception was gift card vouchers which increased from 51% to 66%.
- Europeans were much more likely to use gift card vouchers while North Americans were much more likely to use open-loop cards.



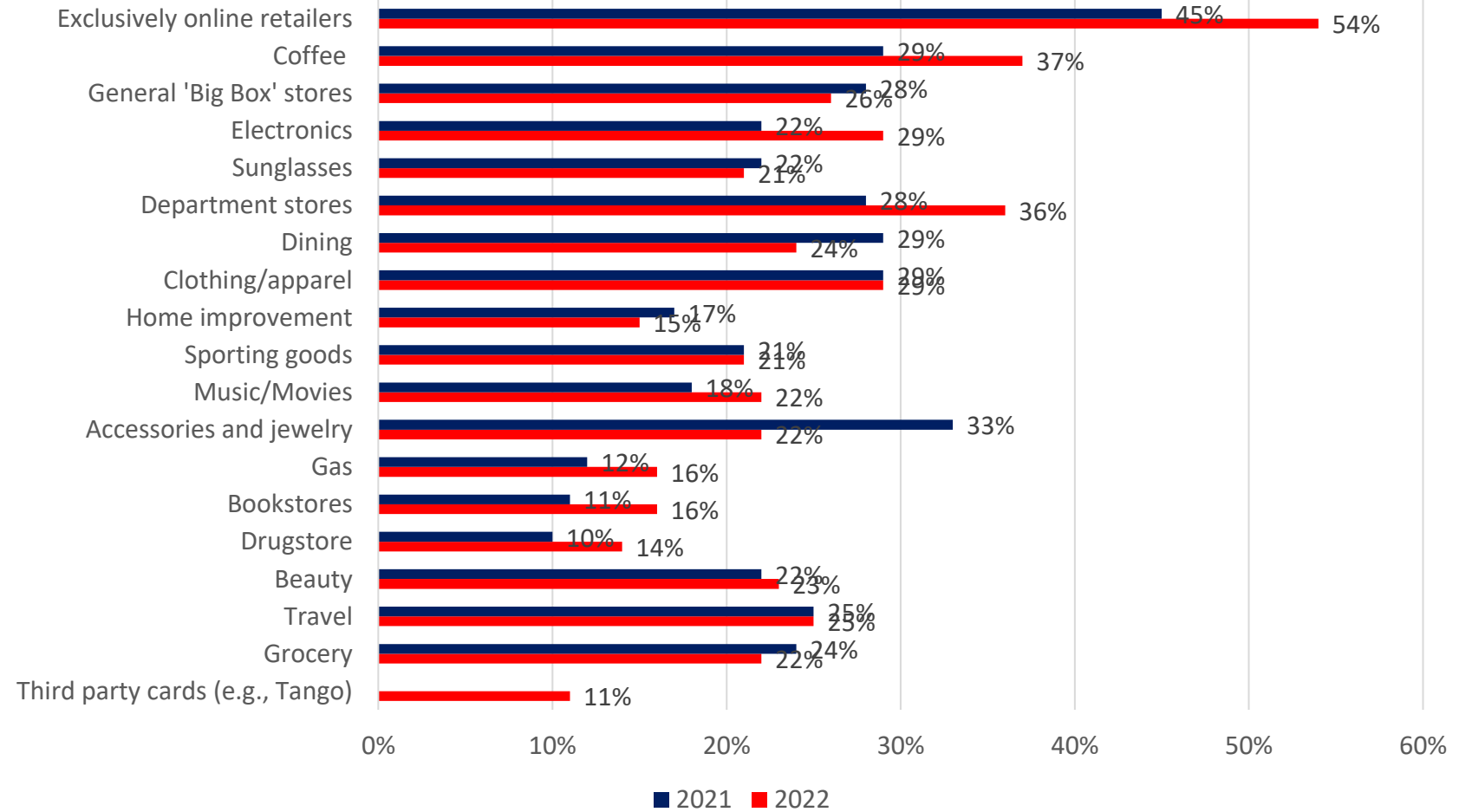
▶ North American Brand-Specific Merchant Types

- The data show an increase in many categories of brand-specific merchant types for gift cards.
- On-line retailers which showed a decline in 2021, rebounded from 39% to 54%; 'Big Box' retail cards also jumped from 39% to 51%.
- The data is consistent that gift card use has increased, both in terms of volume and range of options.



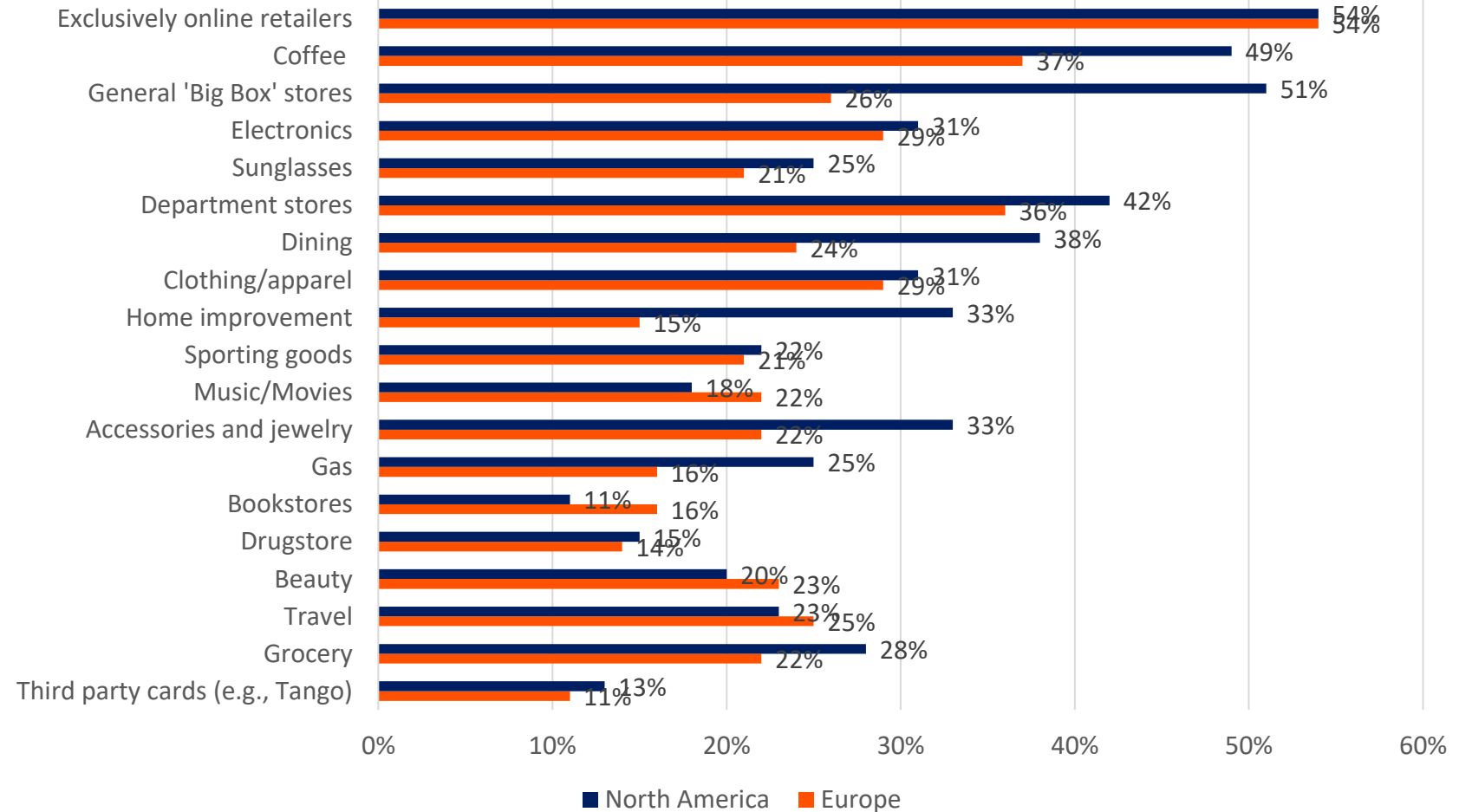
▶ European Brand-Specific Merchant Types

- Similar to North America, online retail cards showed the biggest growth in Europe, going from 45% to 54%.
- Coffee gift cards, and department cards also showed growth, ranking 2nd and 3rd as the most frequent gift card categories in Europe.



Comparisons between North America and Europe on Brand-Specific Merchant Types

- North Americans were significantly more likely to utilize 'Big Box' retail cards, coffee, dining, gas, and home improvement cards compared to Europe.

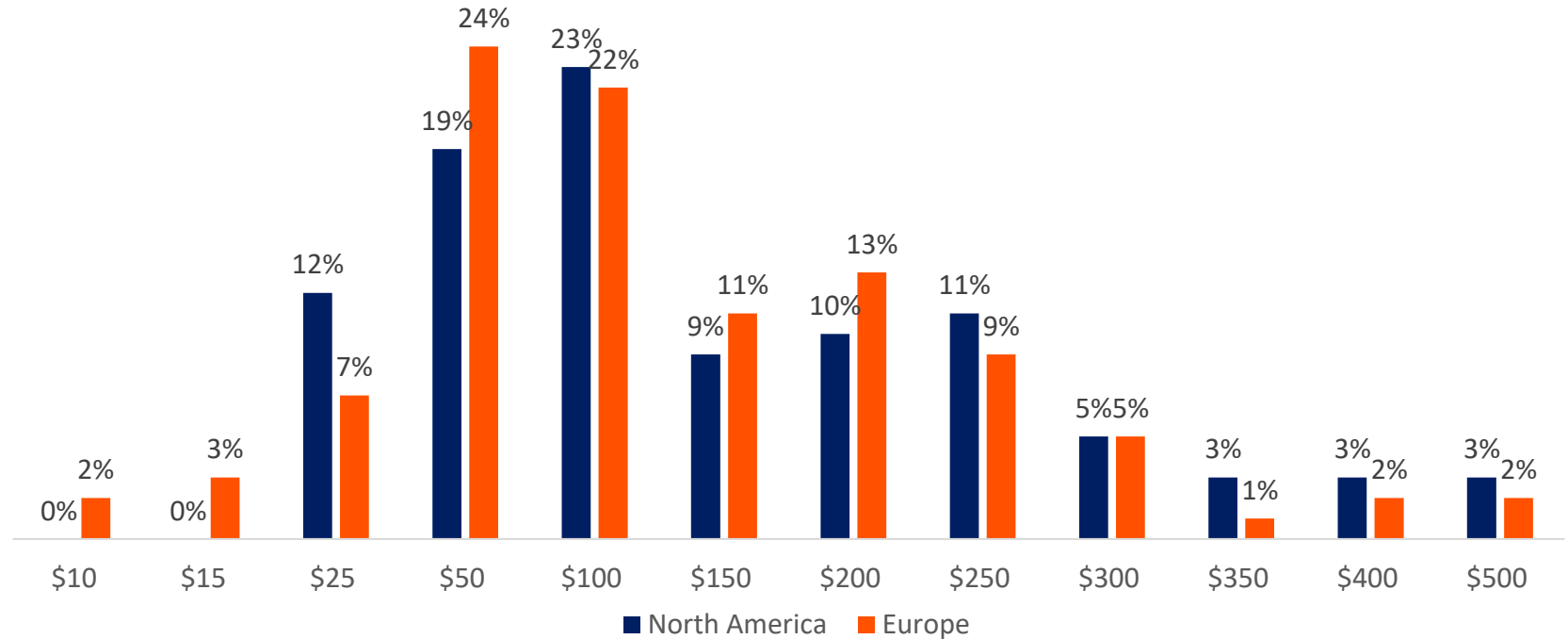


Average Gift Card Denomination

North America \$1-\$100 55%
 North American Median \$100
 North America Average \$153

European 1 Euro to 100 Euros 58%
 European Median 100 Euros
 European Average: 134 Euros

- The median gift card amount for both North Americans and Europeans is 100 (dollars/Euros).
- The percentage of those that average \$100 or less in gift cards is 55%, nearly identical to the 58% reported last year and very similar to the European percentage of 58%.

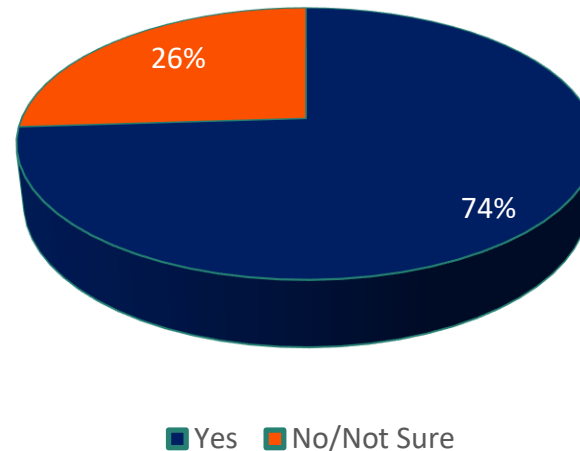


▶ Local Retail Sourcing for Gift Cards

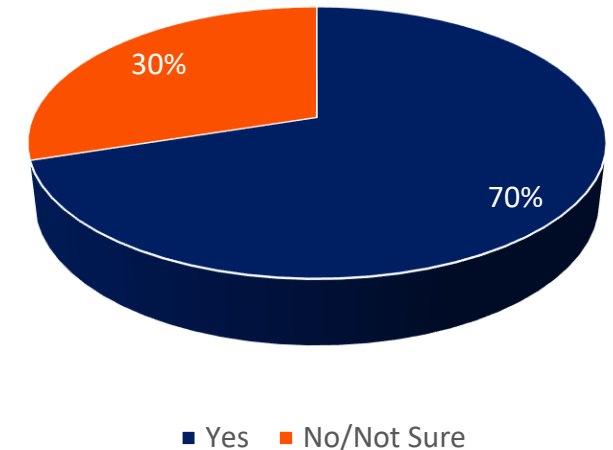
- Local retail sourcing for gift cards in North America increased to 74% from 65% in 2021.
 - In 2020, the percentage was 61%, while in the previous two years, the reported percentage was 69%, all within sampling error.
 - 2022 marked the first year, the percentage topped 70%.
- Seventy-percent (70%) of Europeans sourced their gift cards from retail. While this percentage is still high, it is down quite a bit from the 2021 study where eighty-two percent (82%) of Europeans sourced their own gift cards.

Purchasing at Retail

North America



Europe





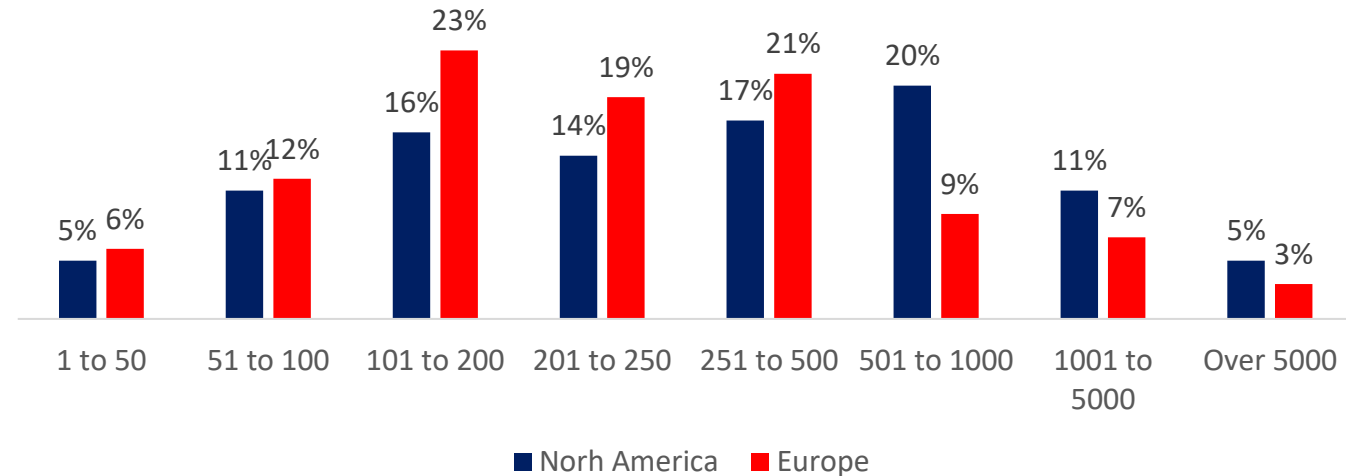
Event Gifting

Average Annual Per Person Spend for Event Gifts

- North Americans spend more than Europeans per person annually on event gifts.
- The average North American annual per person spend is \$850 vs. 600 Euros for Europeans.

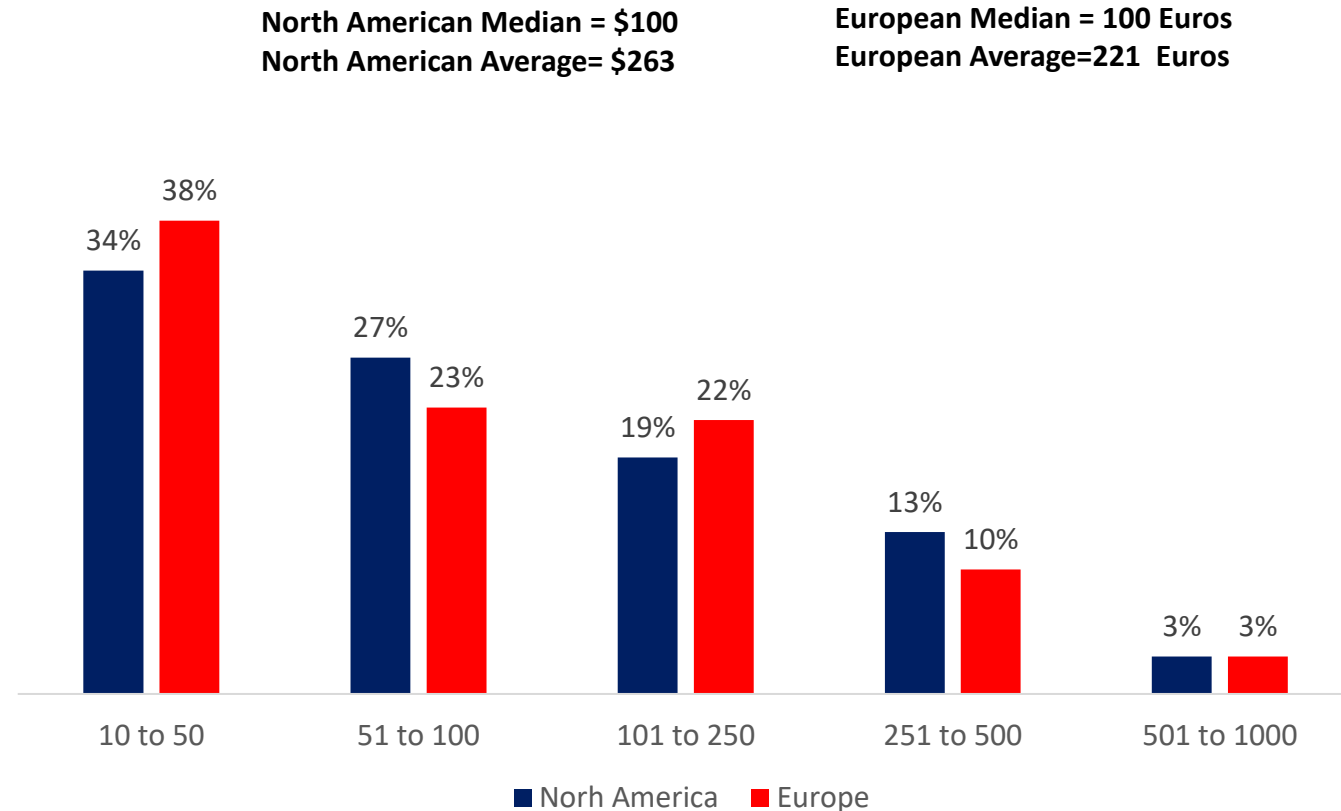
North American Median = \$376
North American Average = \$850

European Median = 226 Euros
European Average = 600 Euros



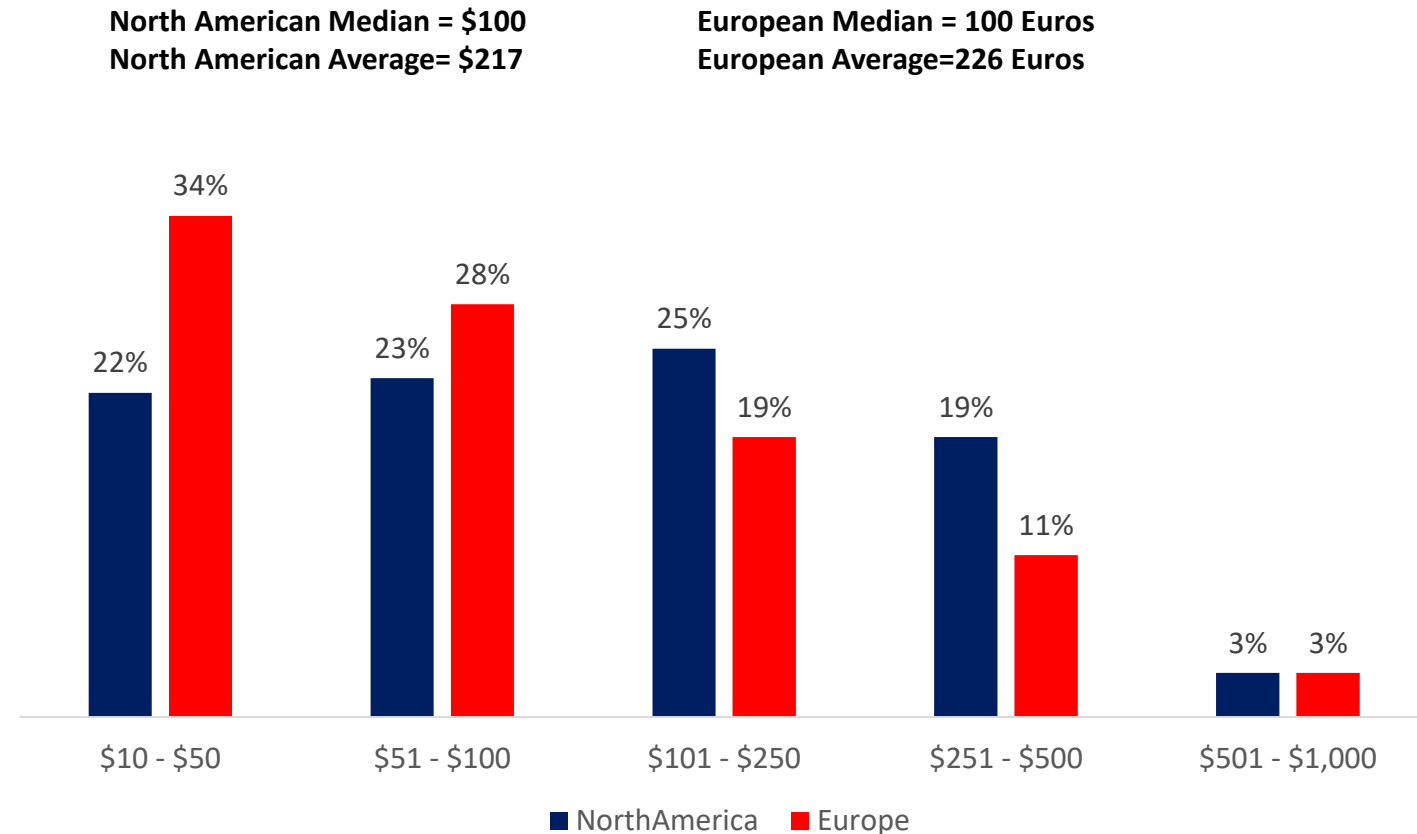
▶ Average Per-Attendee Gifting Spend*

- In 2019, respondents reported spending an average of \$213 with a median spend of \$100. In 2021, average spend was \$96 with a median spend of \$50 per attendee.
 - In 2022, the spend increased to an average spend of \$263 and a median spend of \$100.
- Average European spending per attendee was slightly less than North America at an average spend of 221 Euros and a median spend of 100 Euros.



Average Per-Speaker Gifting Spend*

- In 2019, the median per-speaker gift spend is \$100 and reported average spend was \$171.
- Last year the average gift spend for speakers declined significantly and was \$88 with a median spend of \$50.
 - In 2022, the average speaker gift rebounded significantly to an average spend \$217, with a median spend of \$100.
- 2022 European spending on speaker gifts was almost identical to North America, with an average spend of \$226 Euros and a median spend of \$100 Euros.

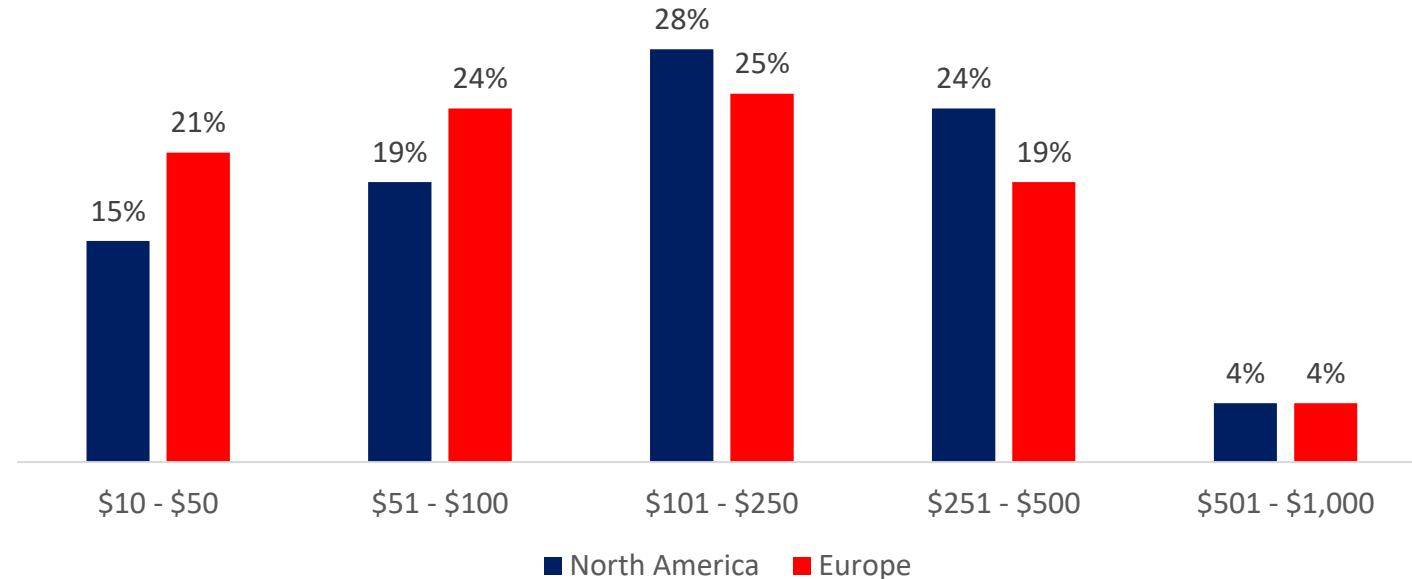


▶ Average Per-VIP Gifting Spend*

- In 2021, North Americans reported spending an average of \$125 on VIP gifts, which was approximately half of what they reported spending in 2019 (\$258).
- The 2021 NA median amount of \$75.50 was also half the median amount of \$150 reported in 2019 for VIP gifts.
- Event gifts for North American VIPs increased in value for 2022 from \$125 to \$291, with the median amount returning to \$150.
- Some Europeans inflated the average VIP spend to 563 Euros, although the median spend was slightly less than NA at 120 Euros.

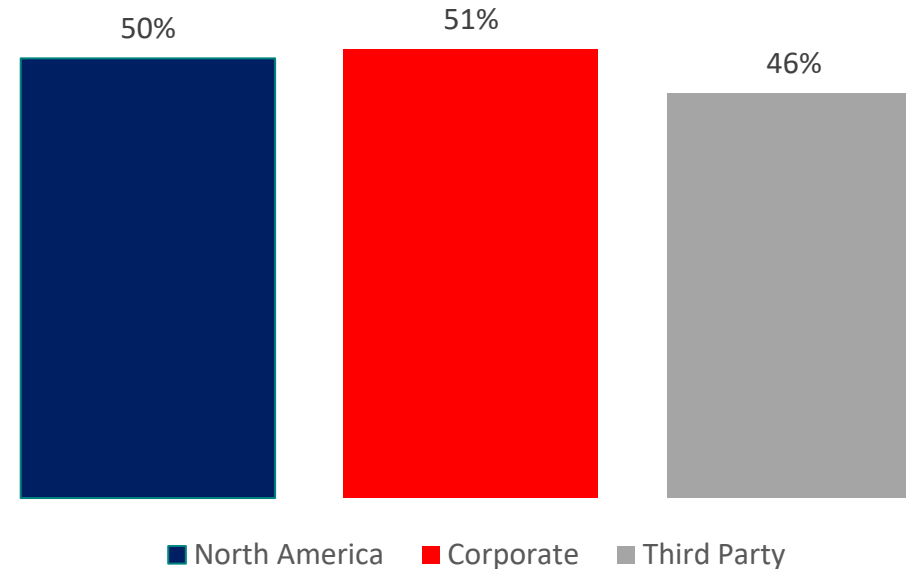
North American Median = \$150
North American Average= \$291

European Median = 120 Euros
European Average=563 Euros



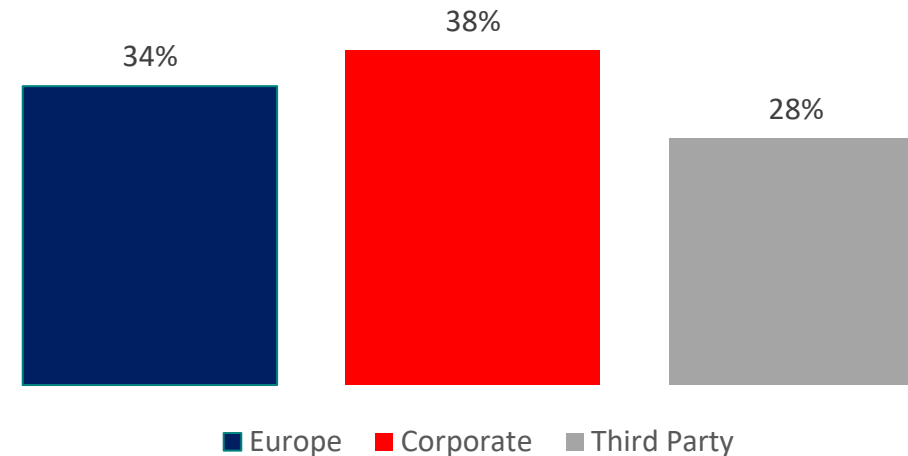
▶ North American Event Gifting Budgets: Net Increases for 2023

- There was a significant increase in North American event gifting budgets in 2022, and this trend looks to continue in 2023 for both corporate respondents and third-parties with strong net increases.
- Sixty-two percent (62%) plan to increase their event gift budgets, with only 12% planning a decrease.



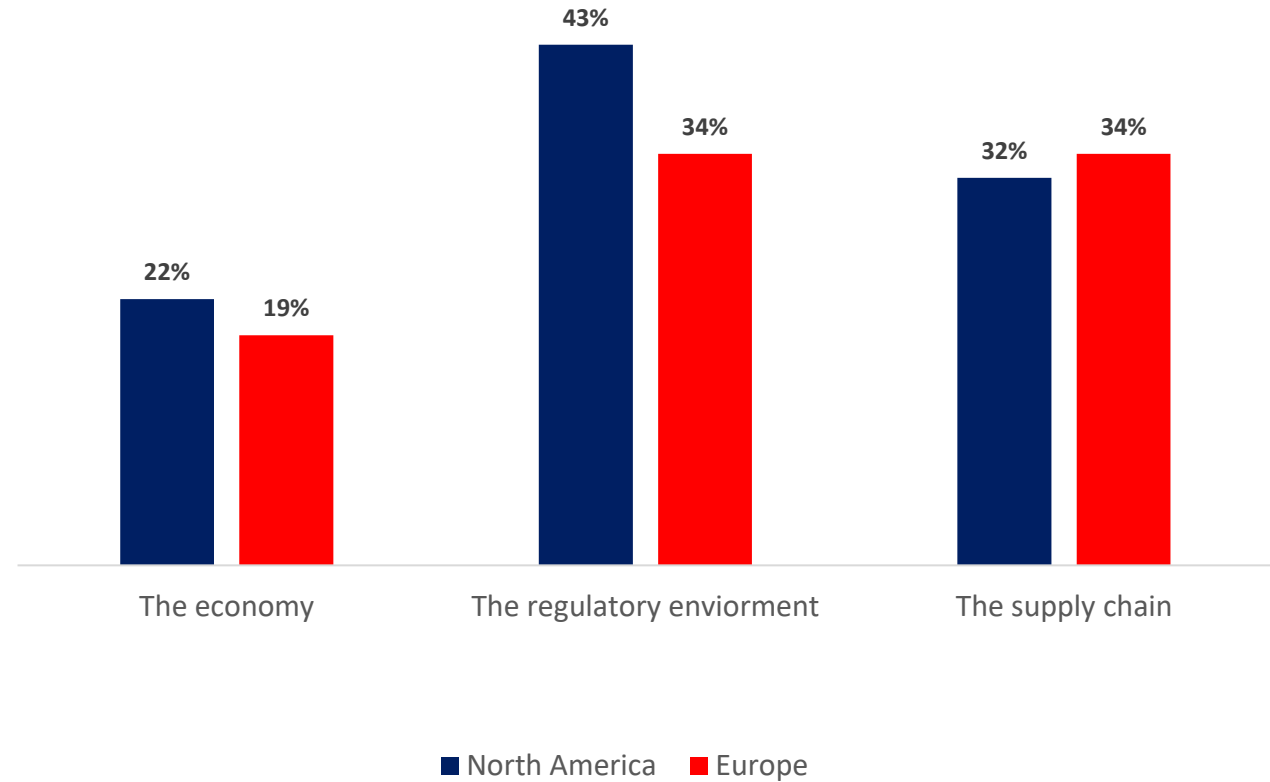
▶ European Event Gifting Budgets: Net Increases for 2023

- While Europeans also plan to increase event gifting budgets in 2023, the net percentage increase is not as large as in North America.
- Fifty-percent (50%) plan to increase budgets, while 16% plan to decrease budgets.



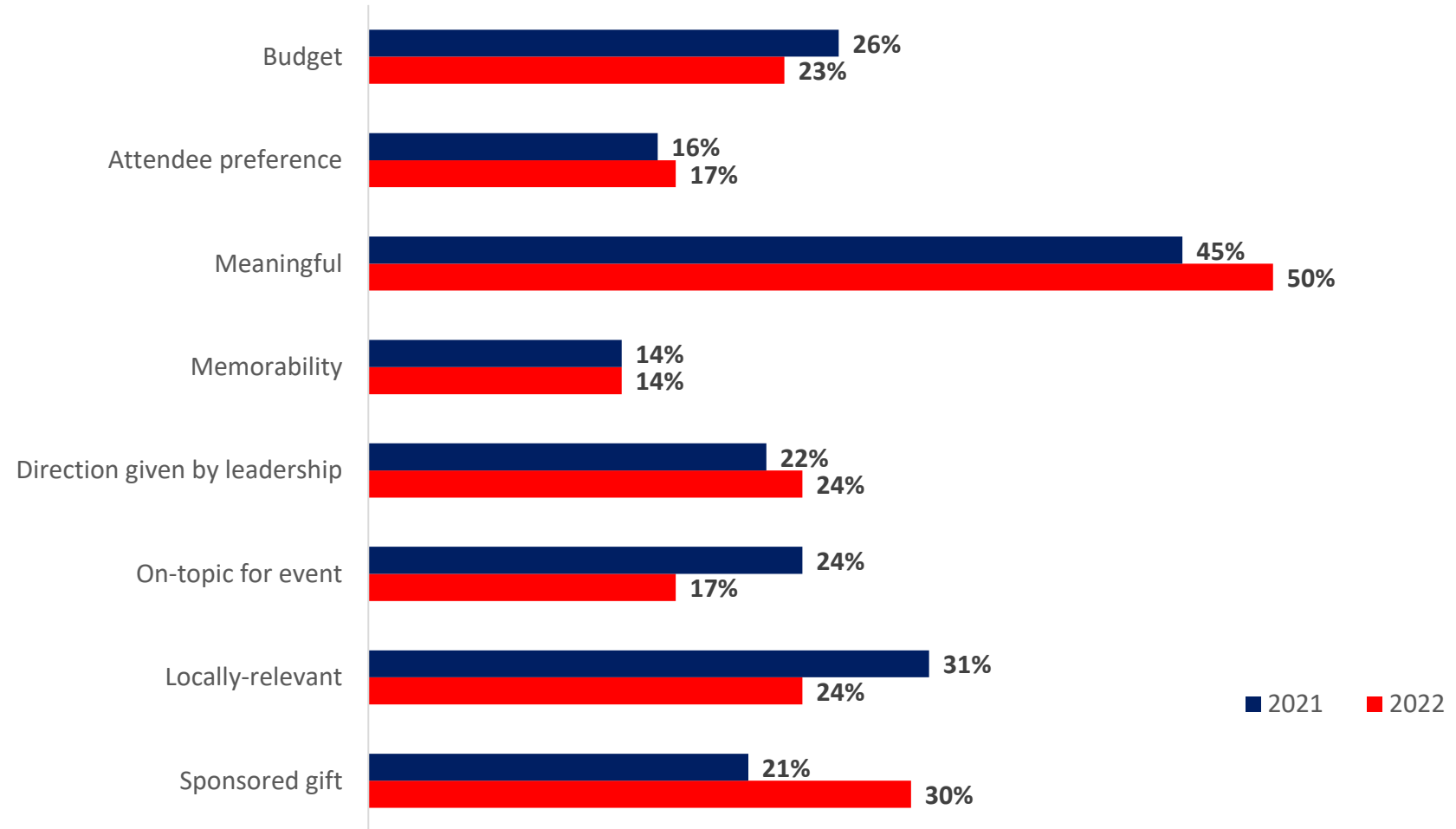
► Impact of Factors on Event Gifting– Net Impact

- The outlook for the factors impacting event gifting, including the economy, the regulatory environment, and the supply chain, is strongly positive in both North America and Europe.
- The regulatory environment in North America is seen as particularly positive for event gifting.



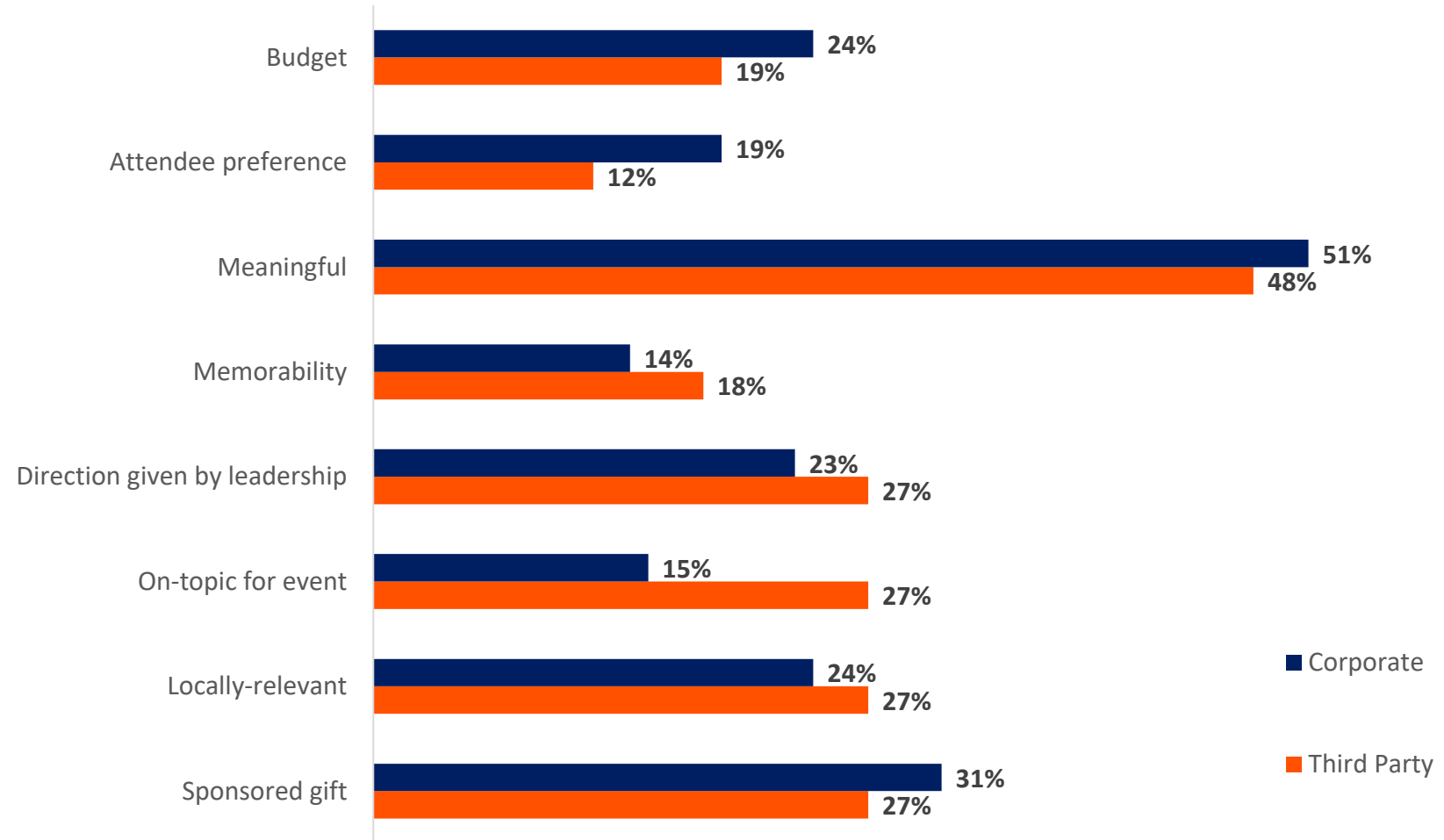
▶ North American Priorities When Selecting Event Gifts

- Sponsorships increased as a priority for event gifts as 30% of North Americans rated it a first or second priority for selection.
- The biggest declines in selection criteria were local relevance and being on topic for the event. These areas are less important priorities this year compared to last.



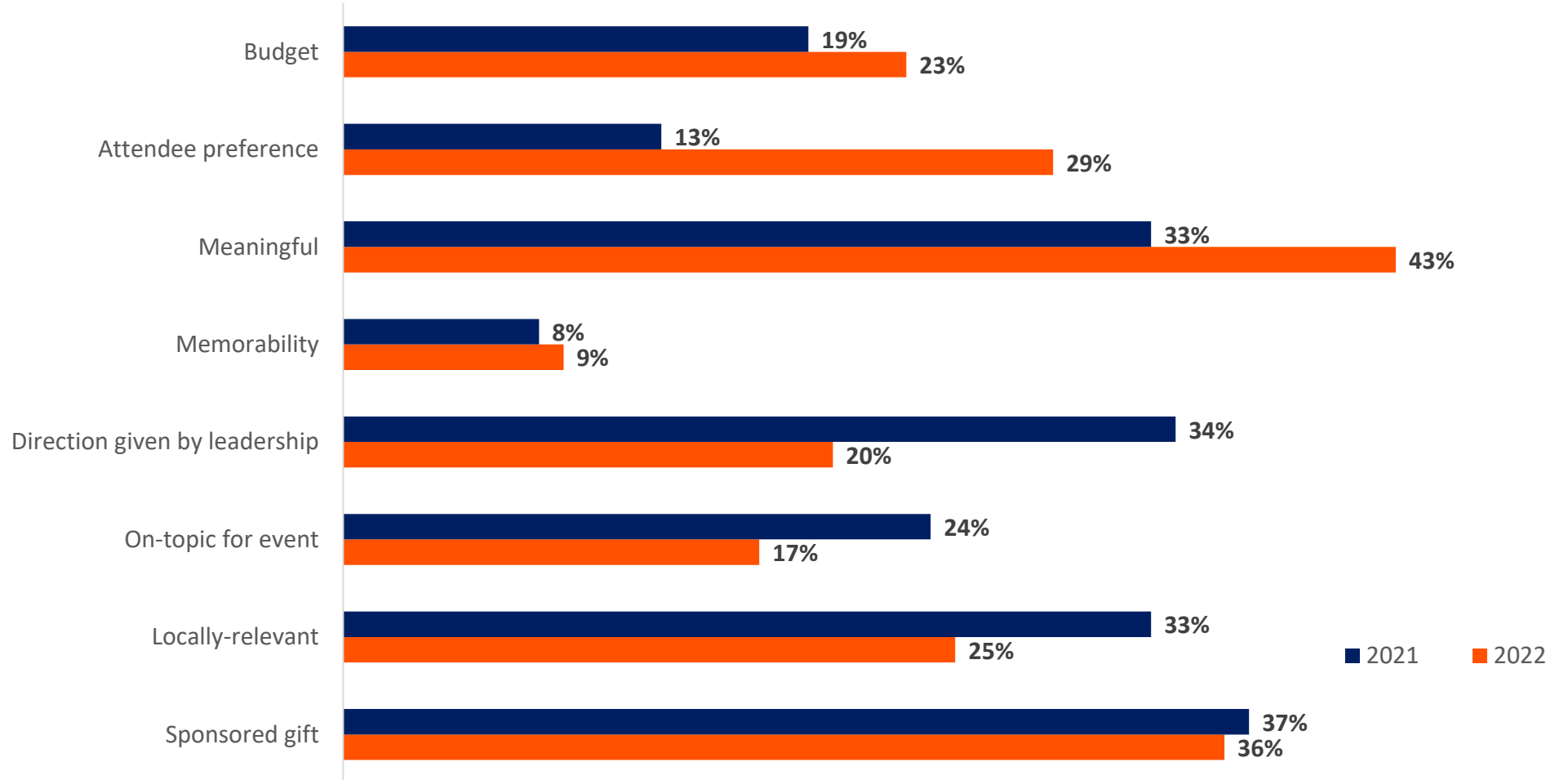
▶ North American Priorities When Selecting Event Gifts

- There is not a great deal of difference in the priorities of corporate clients and third parties when selecting event gifts. Both want gifts to be meaningful.
- Being 'on topic' with gifts is a much greater priority for North American third parties than corporate .



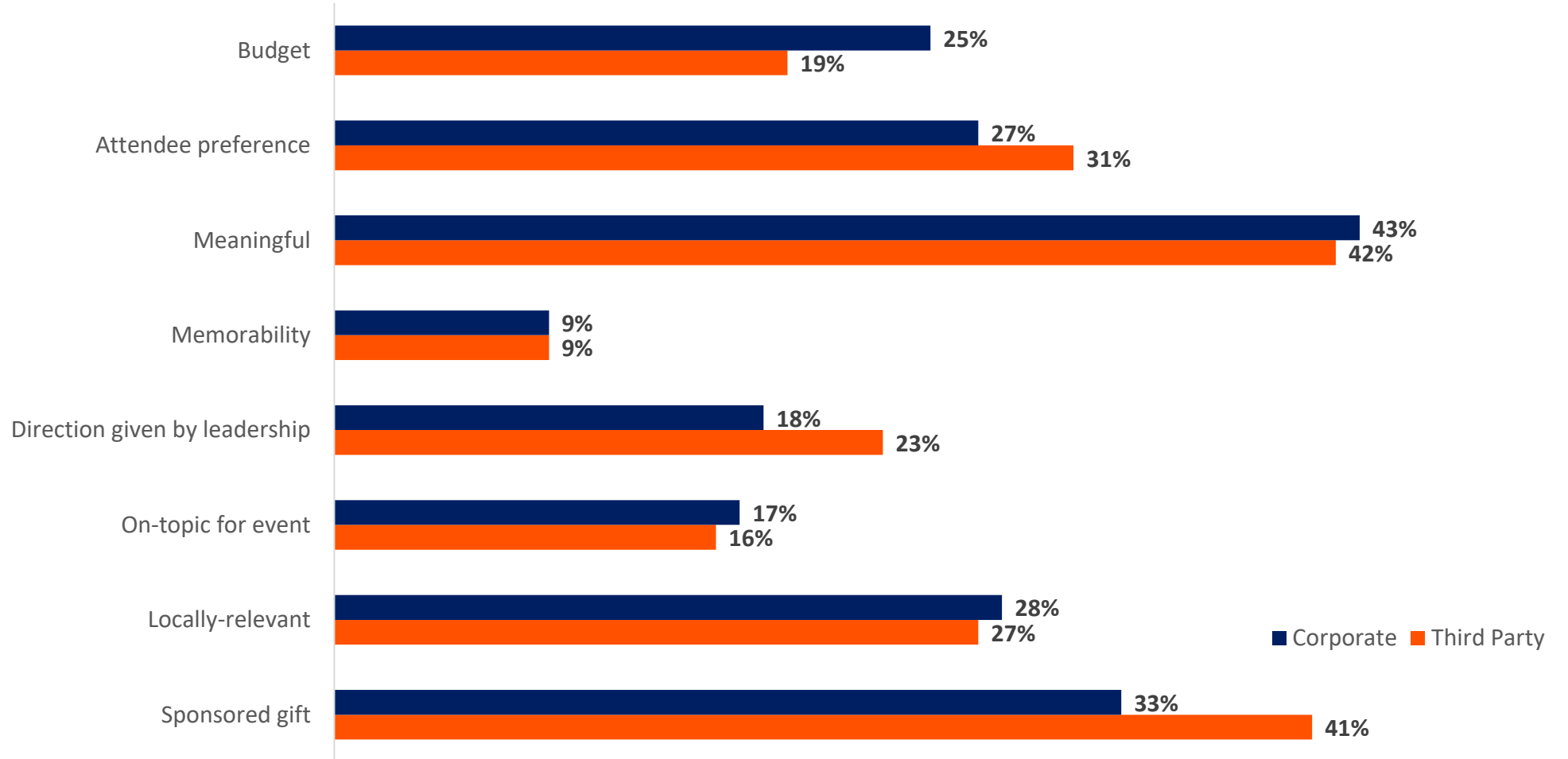
▶ European Priorities When Selecting Event Gifts

- Europeans place a much higher priority than North Americans on attendee preference, which is a priority that increased significantly since last year.
- In 2022, there is less importance on direction given by leadership and much greater importance on the gift being meaningful.



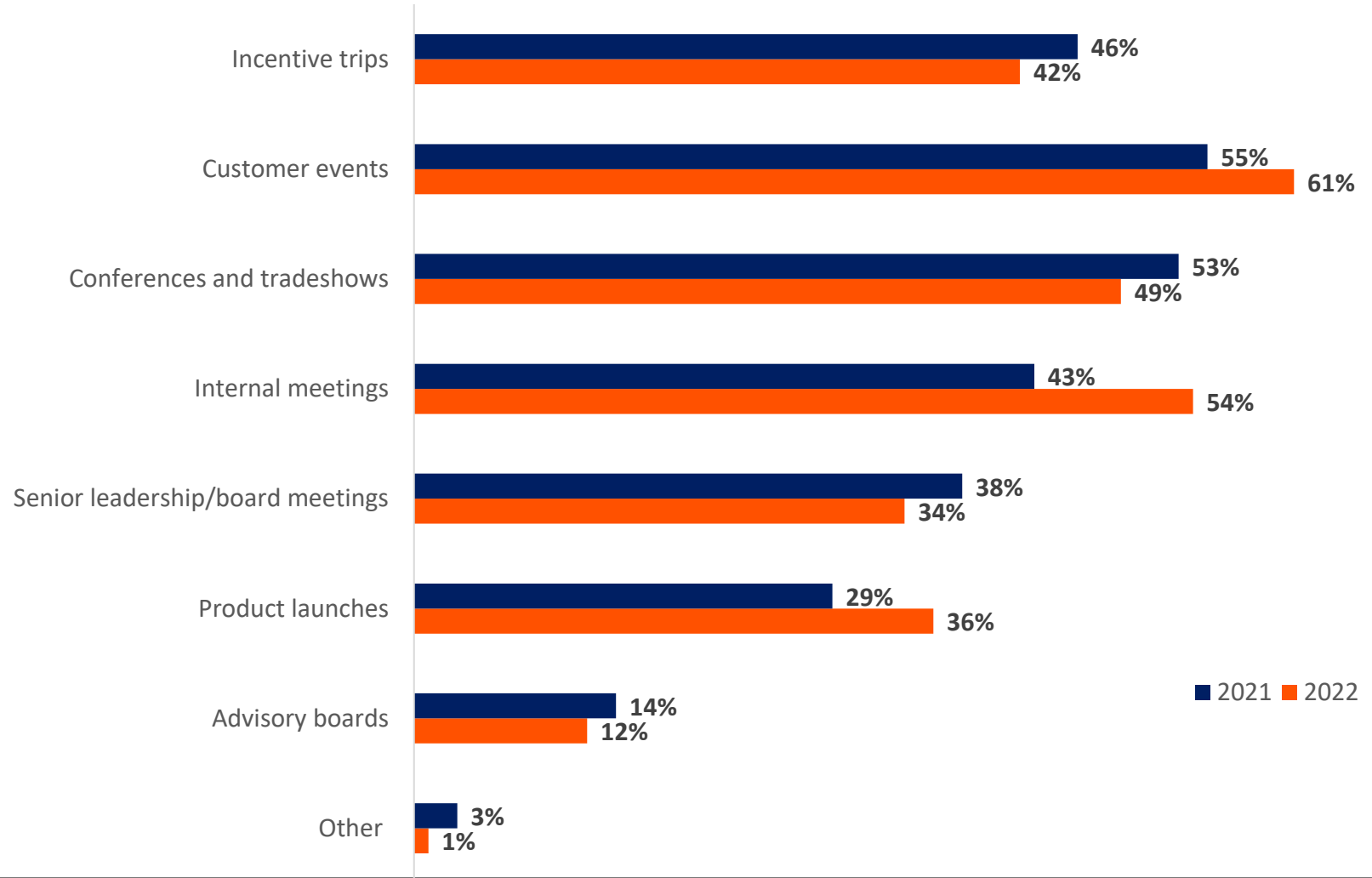
▶ European Priorities When Selecting Event Gifts

- While the European audiences (e.g., corporate, third party) have similar priorities for selecting gifts, corporate respondents prioritize budget to a greater extent, while third-parties prioritize sponsored gifts.



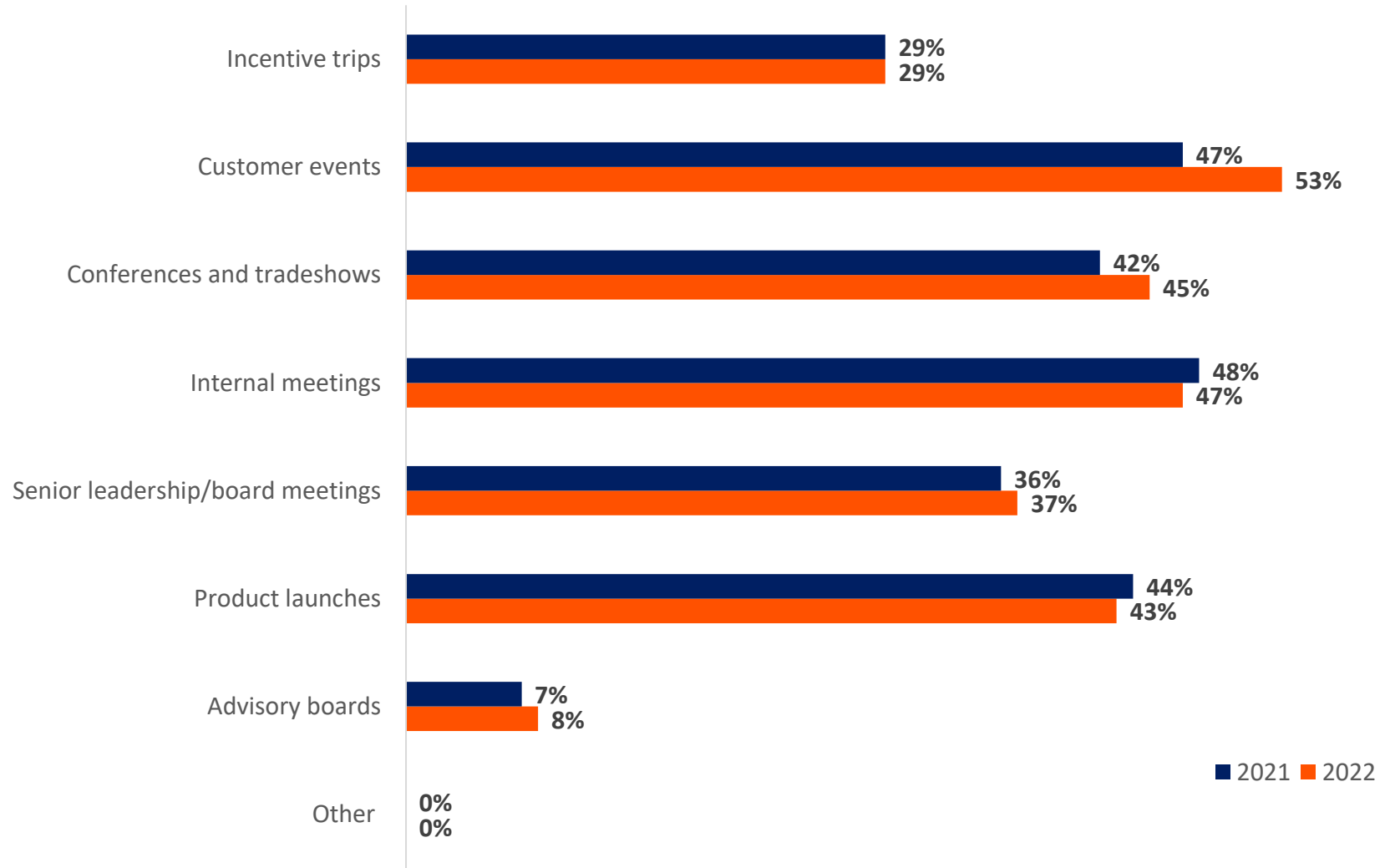
▶ North American Event Gifting – Meeting Types

- For the most part, North American event gifting at specific meeting types has remained consistent with 2021 levels with a few exceptions.
- Event gifting is up for internal meetings (43% up to 54%) and product launches (29% up to 36%).
- There were no significant differences in event gifting between corporate and third-party respondents.



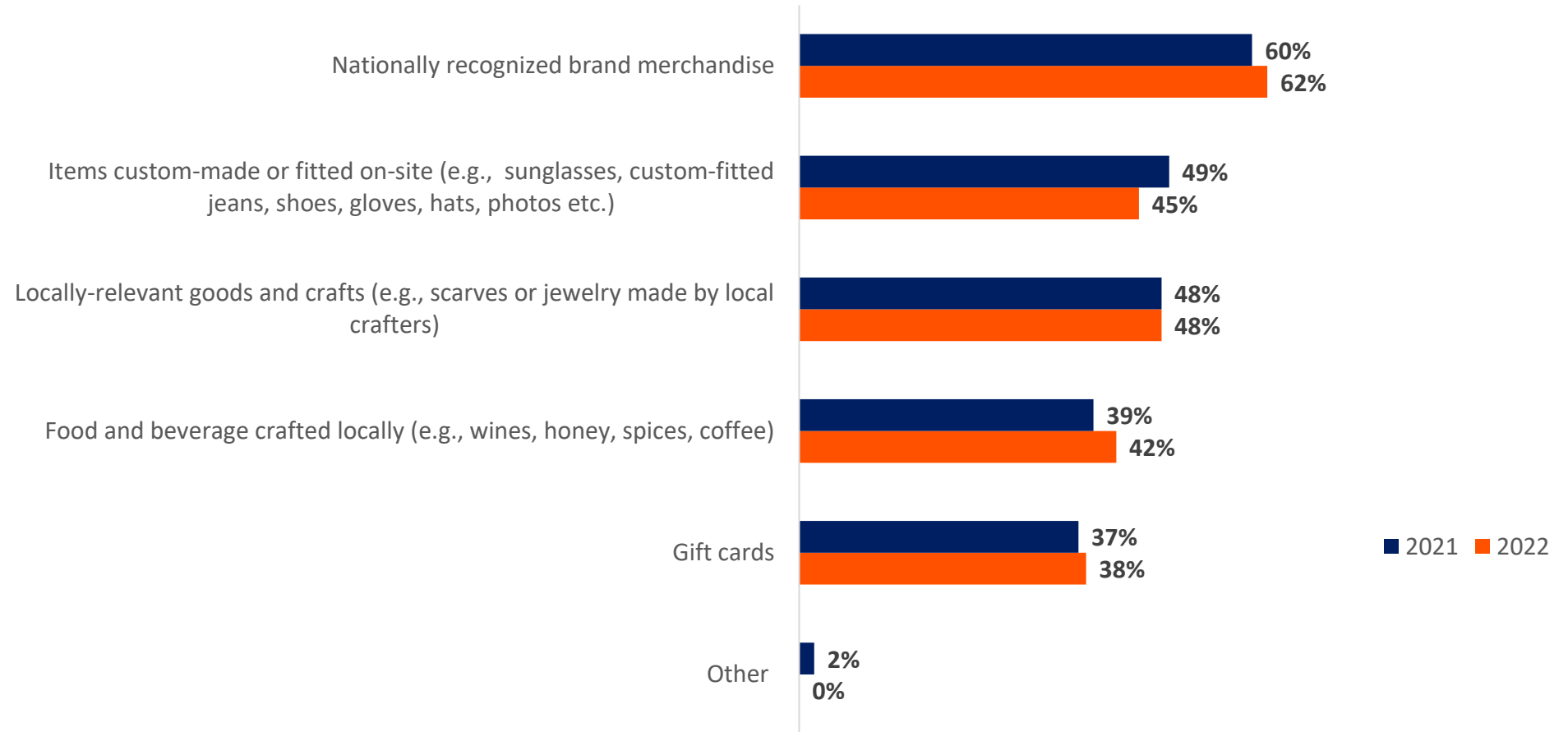
▶ European Event Gifting – Meeting Types

- For the most part, the differences between how North Americans and Europeans use event gifts are not statistically significant.
- The biggest difference is that only three-out-of-ten (29%) of Europeans use event gifts for incentive trips.
- The use of event gifts in Europe did not change significantly since last year.



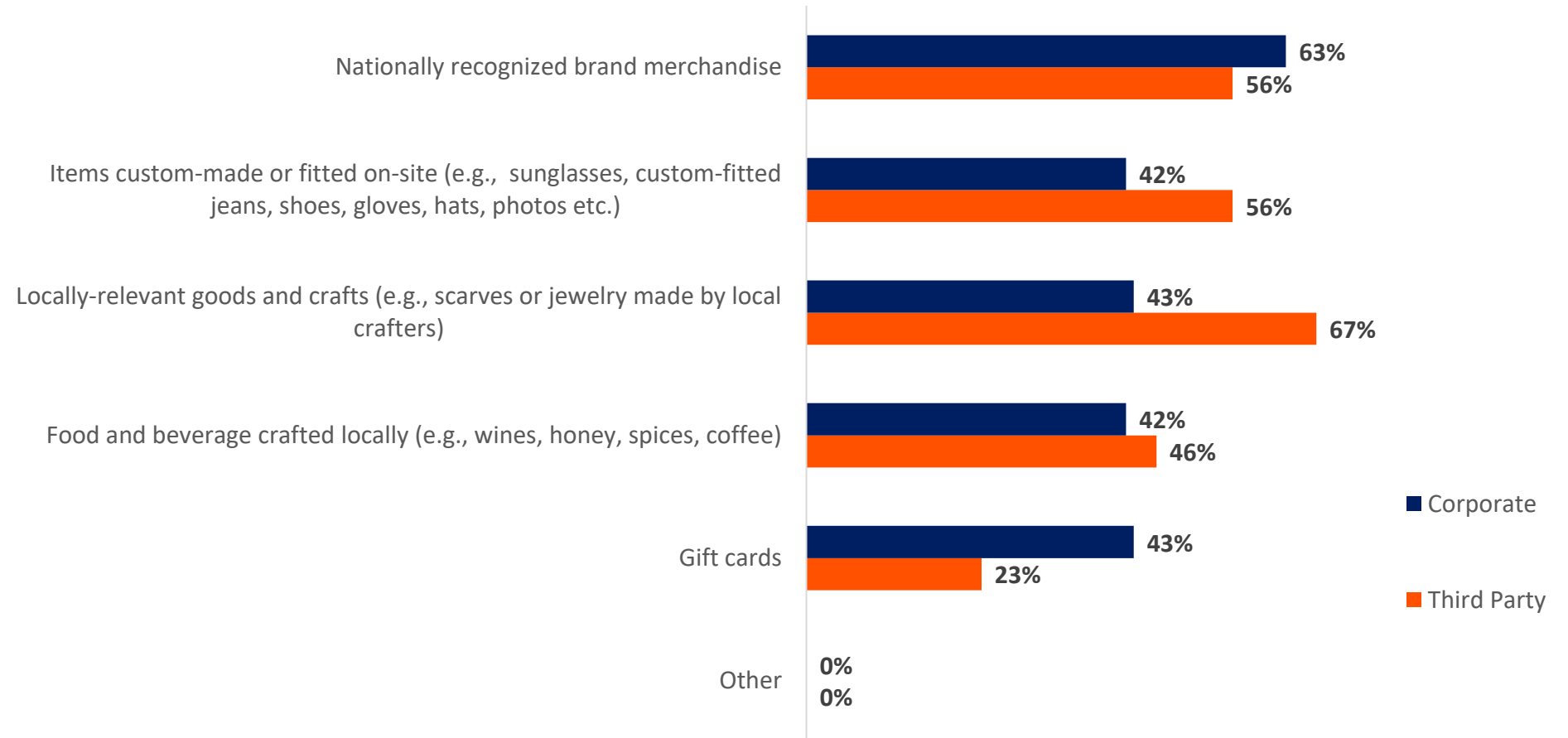
▶ North American Event Gifting – Gift Types

- The types of gifts given at North American events did not change significantly from 2021 to 2022, with nationally recognized brand merchandise being the most prevalent.
- In nearly 2/3 of instances (62%), nationally recognized brand merchandise was given as an event gift.



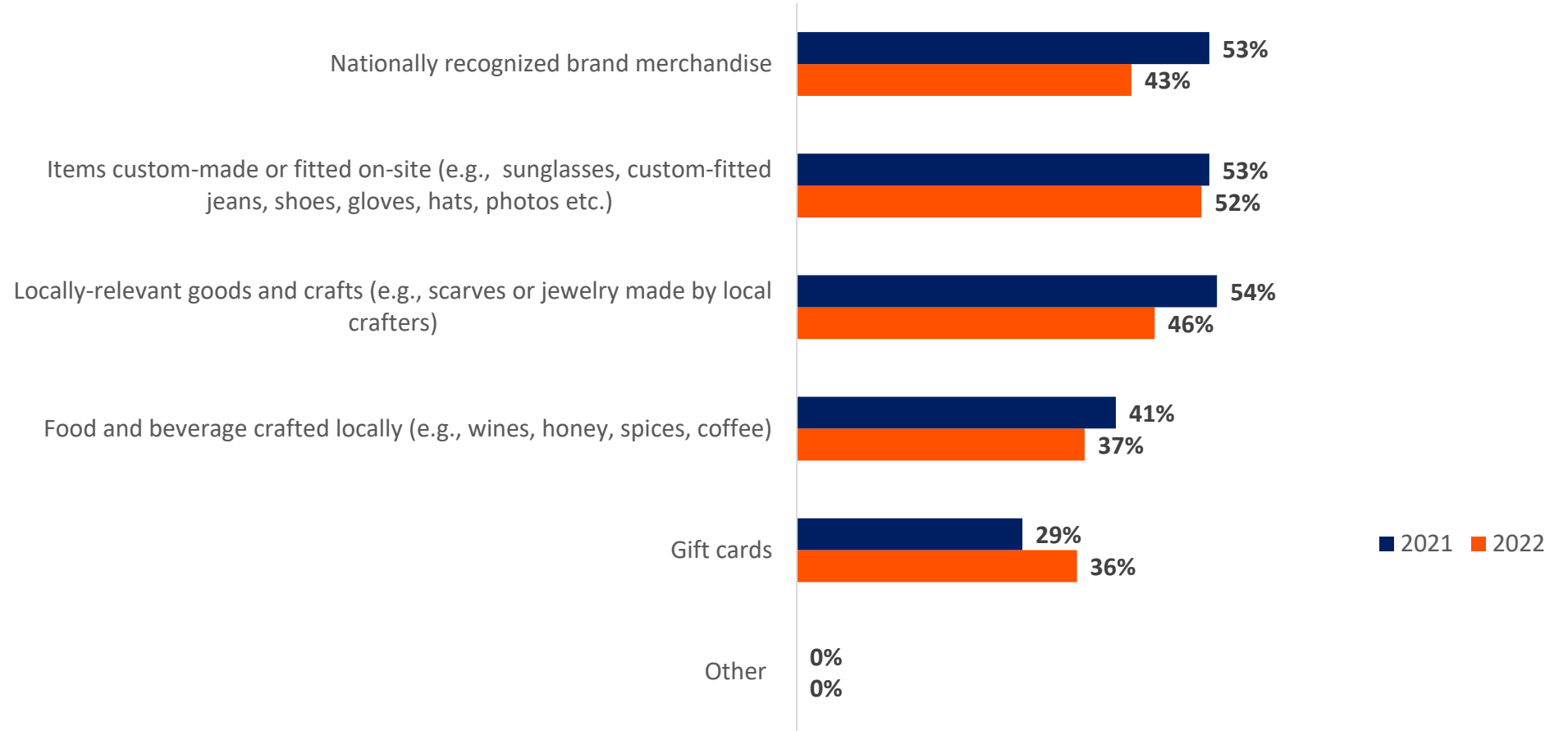
▶ North American Event Gifting – Gift Types by Audience

- There are some notable differences in the types of event gifts given by North American corporate respondents vs. third-party.
- Corporate respondents have a higher percentage that give nationally recognized brand merchandise and gift cards vs. third-parties who give a higher percentage of locally relevant goods and custom-made items.



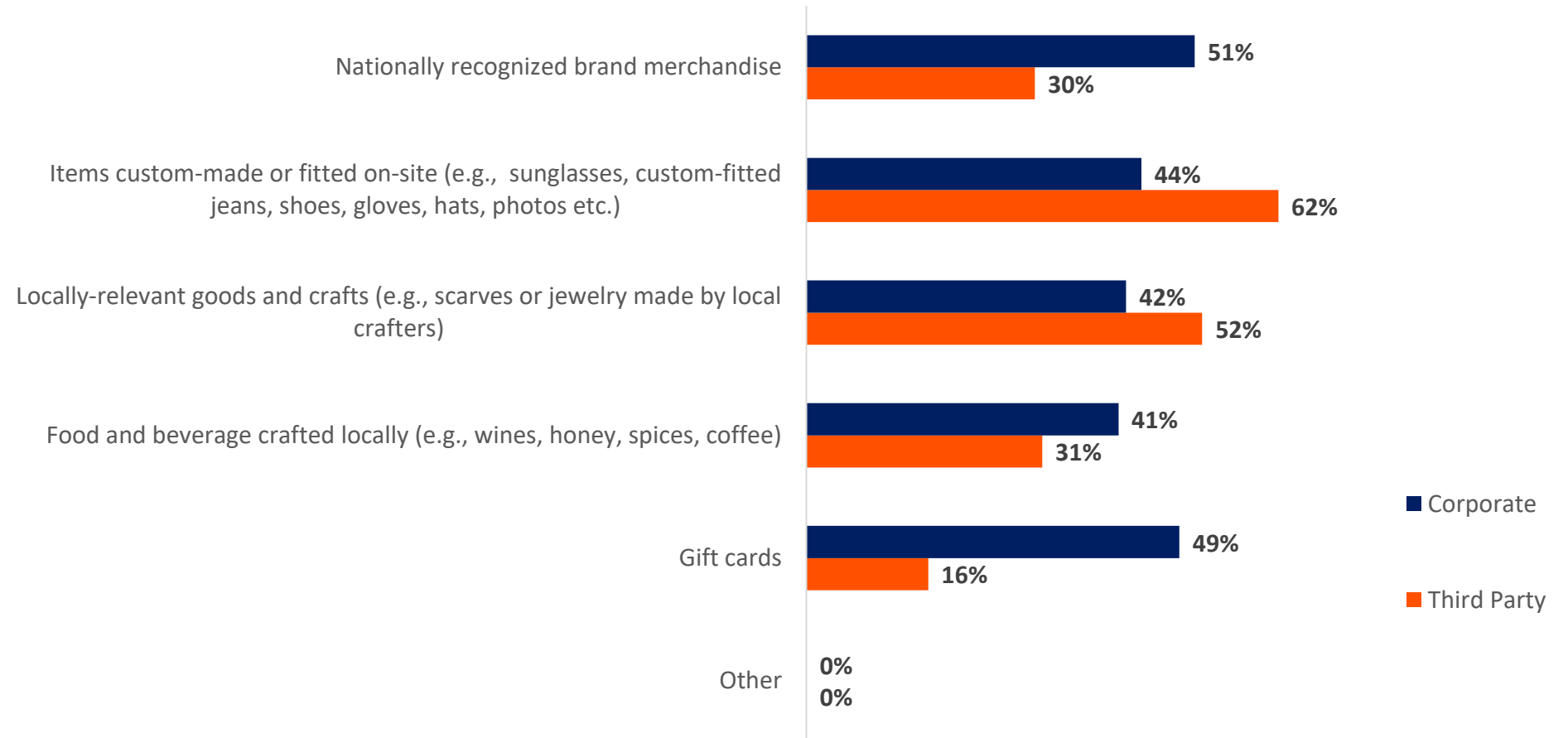
▶ European Event Gifting – Gift Types

- The types of event gifts given by Europeans does not differ significantly from the gifts given by North Americans, except for nationally recognized brand merchandise, which Europeans are far less likely to give.
- The incidence of nationally recognized brand merchandise has declined since last year within the European sample.



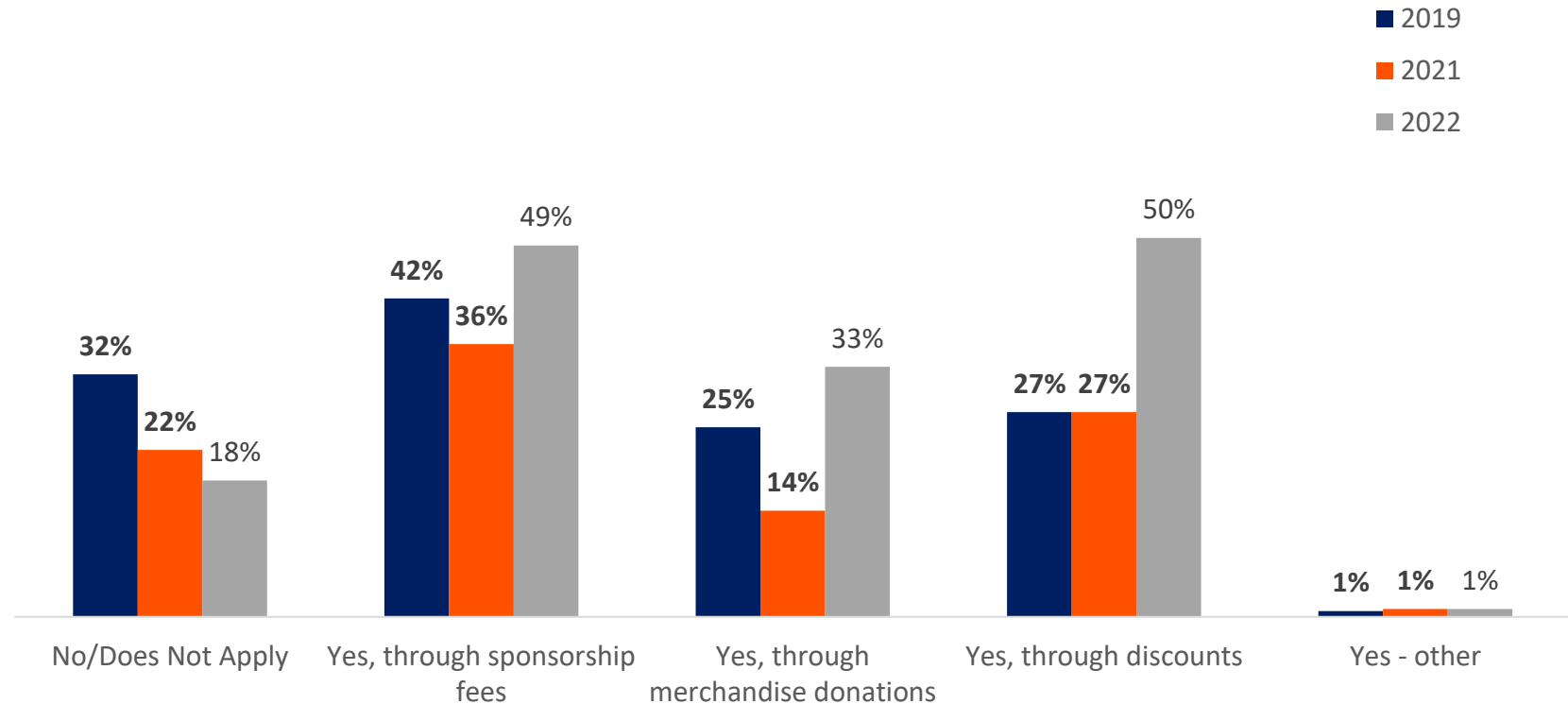
▶ European Event Gifting – Gift Types by Audience

- There are large differences between European corporate and third-parties in the types of event gifts they give.
- Corporate respondents indicate giving a higher percentage of nationally recognized brand merchandise gifts, food and beverage and gift cards while third-parties are more likely to give custom items and locally relevant goods.



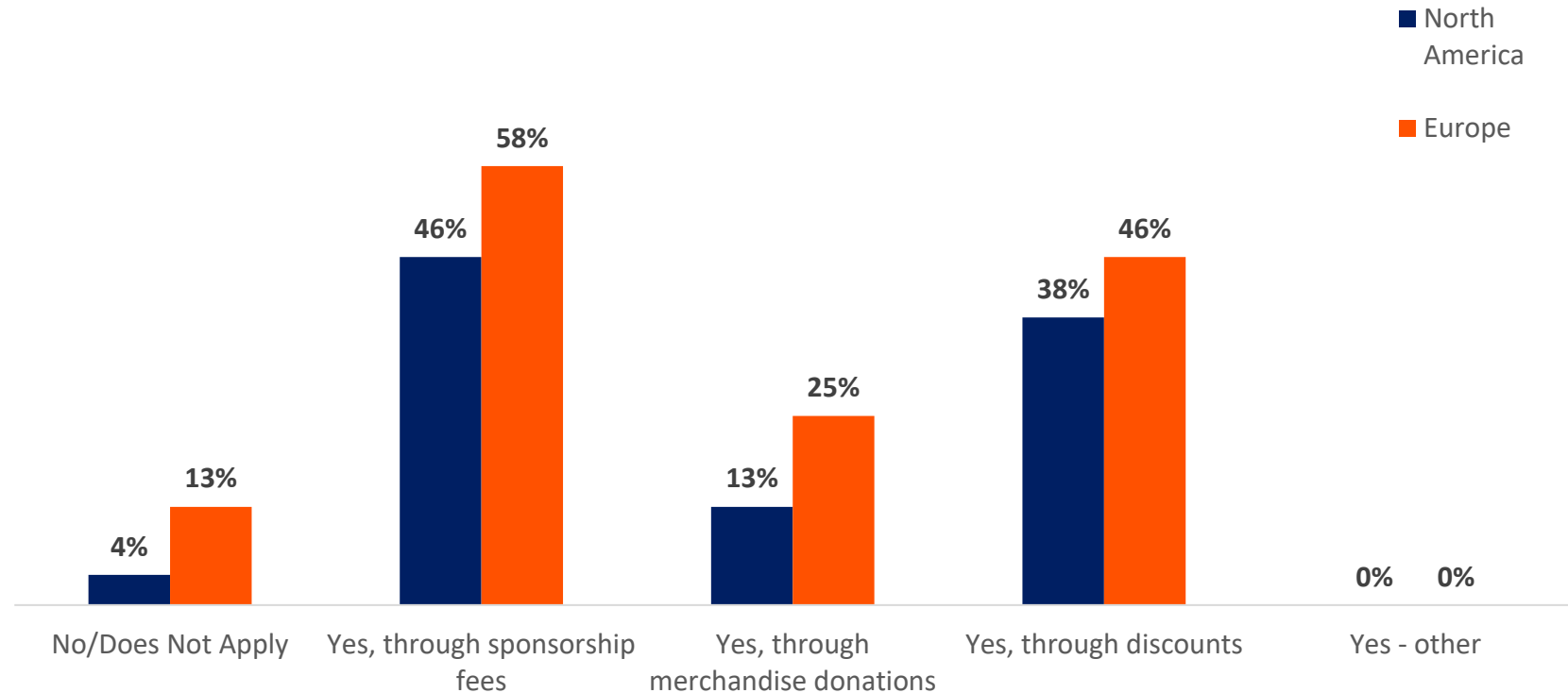
▶ North American Event Gifting – Sponsorships

- North American event gifting sponsorship has gone up in all categories, even surpassing pre-pandemic levels.
- The percentage who report sponsors offering discounts has almost doubled since last year.



▶ European Event Gifting – Sponsorships

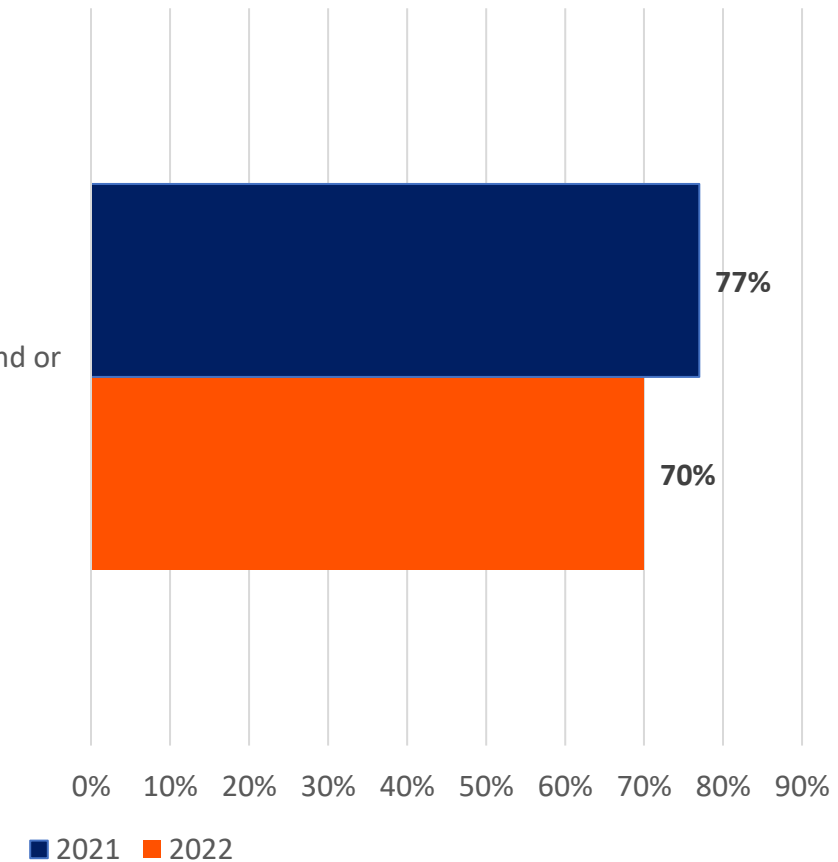
- European sponsorship of event gifts has also risen significantly within the past year.
- Europeans have a higher percentage who pay sponsorship fees compared to North America (58% to 49%), while North Americans obtain a higher percentage of merchandise donations (33% to 25%).



▶ North America: Interaction with Brand Reps

- There was a slight reduction in the percentage of North Americans who invited representatives of the brand or gift to events to engage with attendees (77% in 2021; 70% in 2022.)

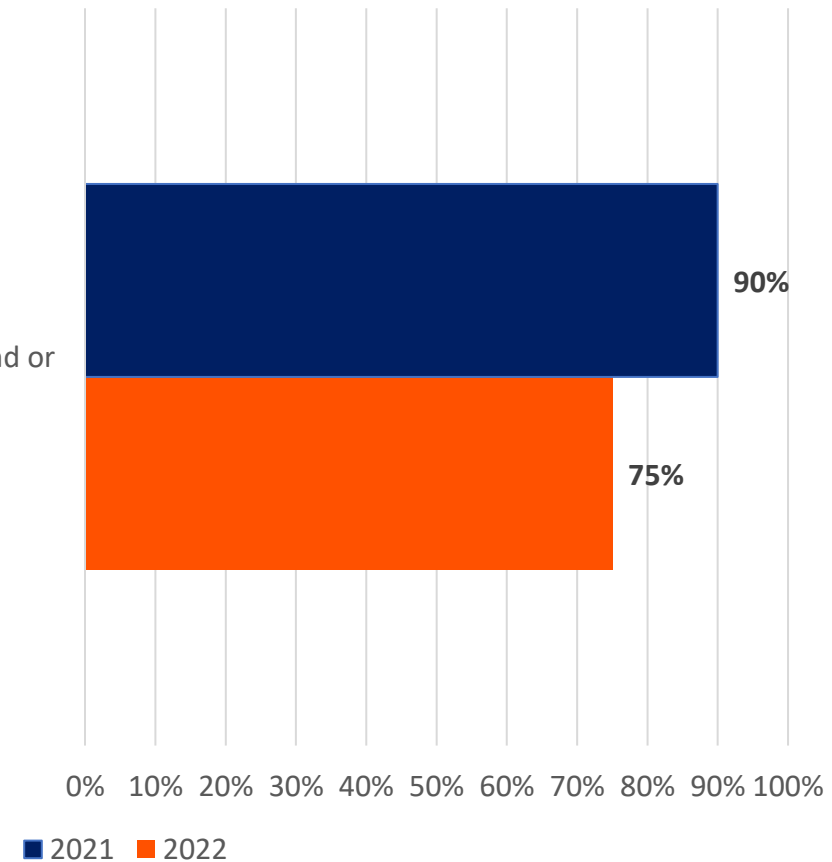
Percent that allow representatives of the brand or gift to engage with attendees



▶ Europe: Interaction with Brand Reps

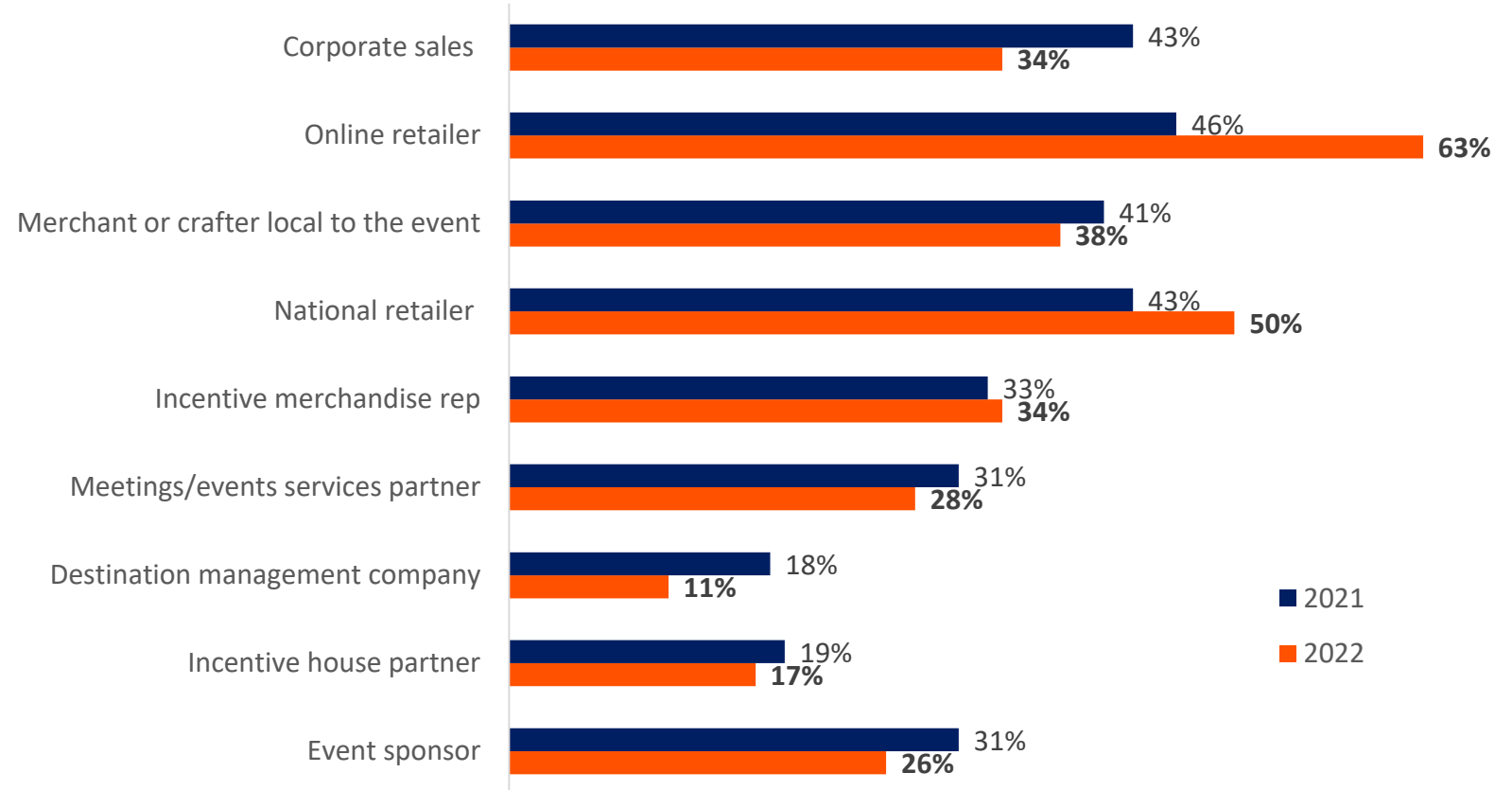
- The percentage of Europeans who invited brand representatives to events declined from 90% to 75%, bringing the percentages much closer in alignment with North America.

Percent that allow representatives of the brand or gift to engage with attendees



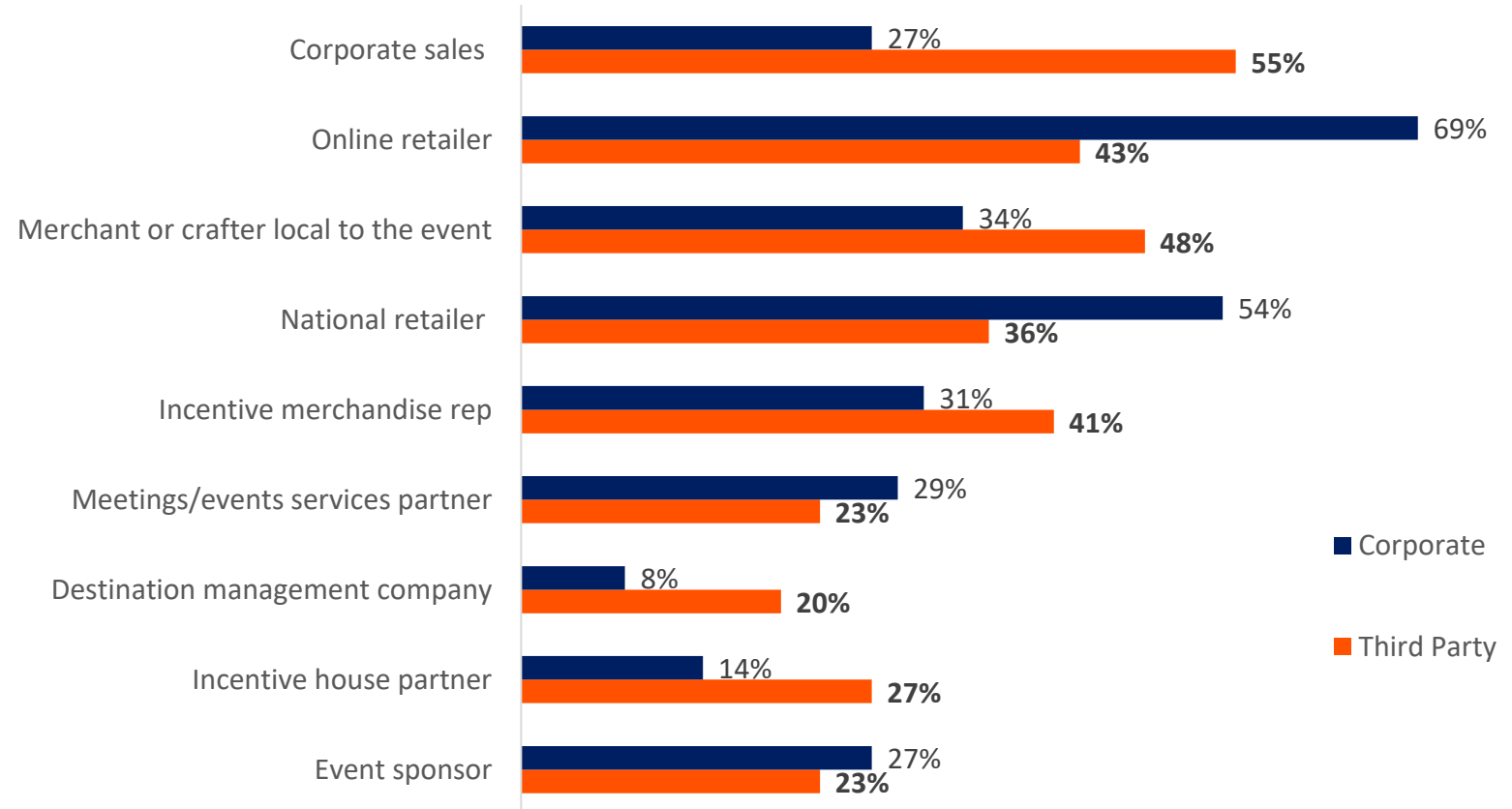
▶ North American Event Gifting – Gift Sources

- Online retailers continue to show very strong growth as a source of event gifts in North America.
- In 2019, corporate sales were easily the most common source of purchasing event gifts.
 - In 2021, corporate sales fell behind online retailers as the primary purchase source and in 2022, the gap has grown even larger (63% for online retailers to 34% corporate sales.)



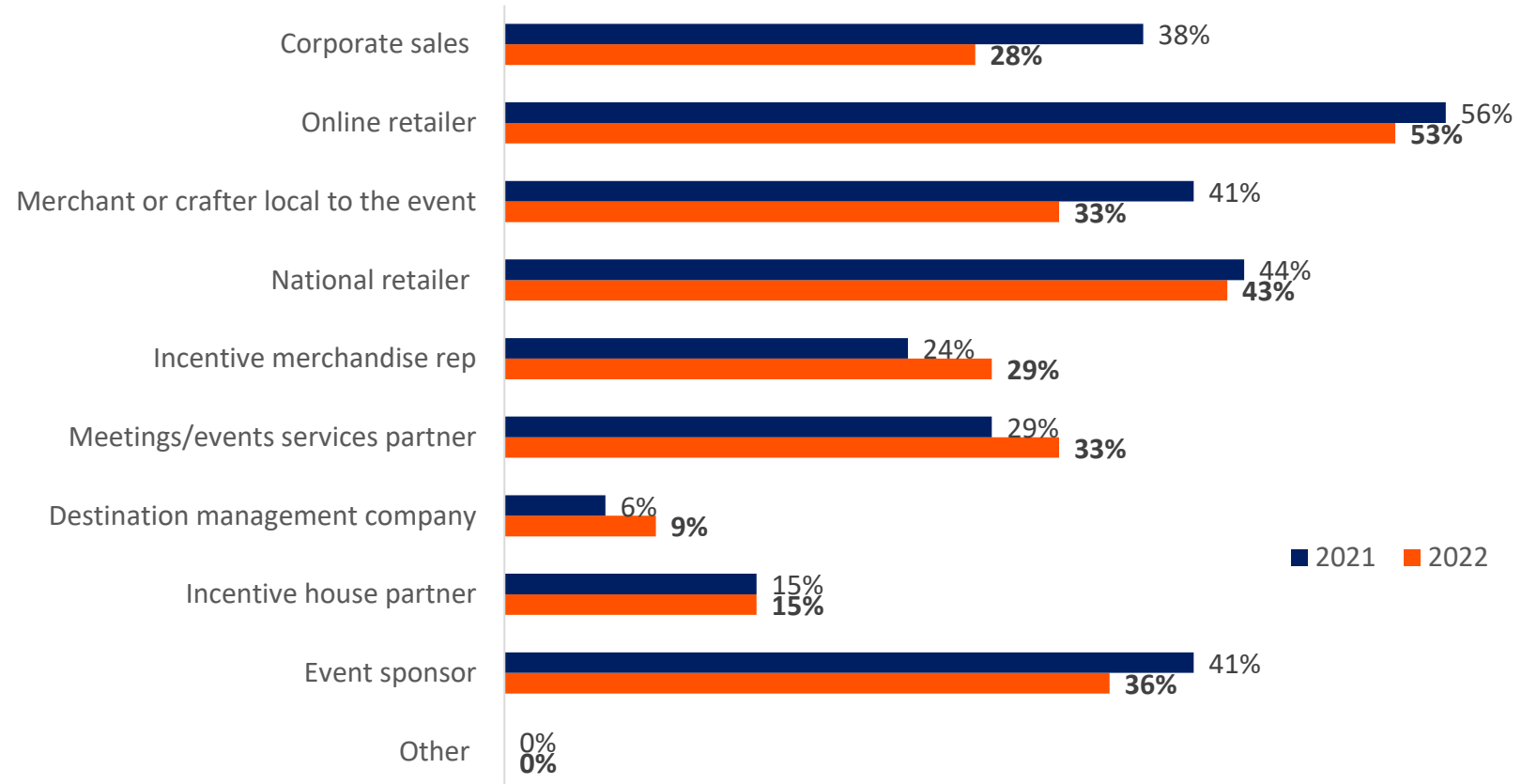
▶ North American Event Gifting – Gift Sources by Audience

- North American corporate and third parties use very different sources for event gifts.
- Corporate clients primarily source gifts from online retailers (63%) and national retailers (54%) while third-parties source event gifts from corporate sales (55%) and local merchants (48%).



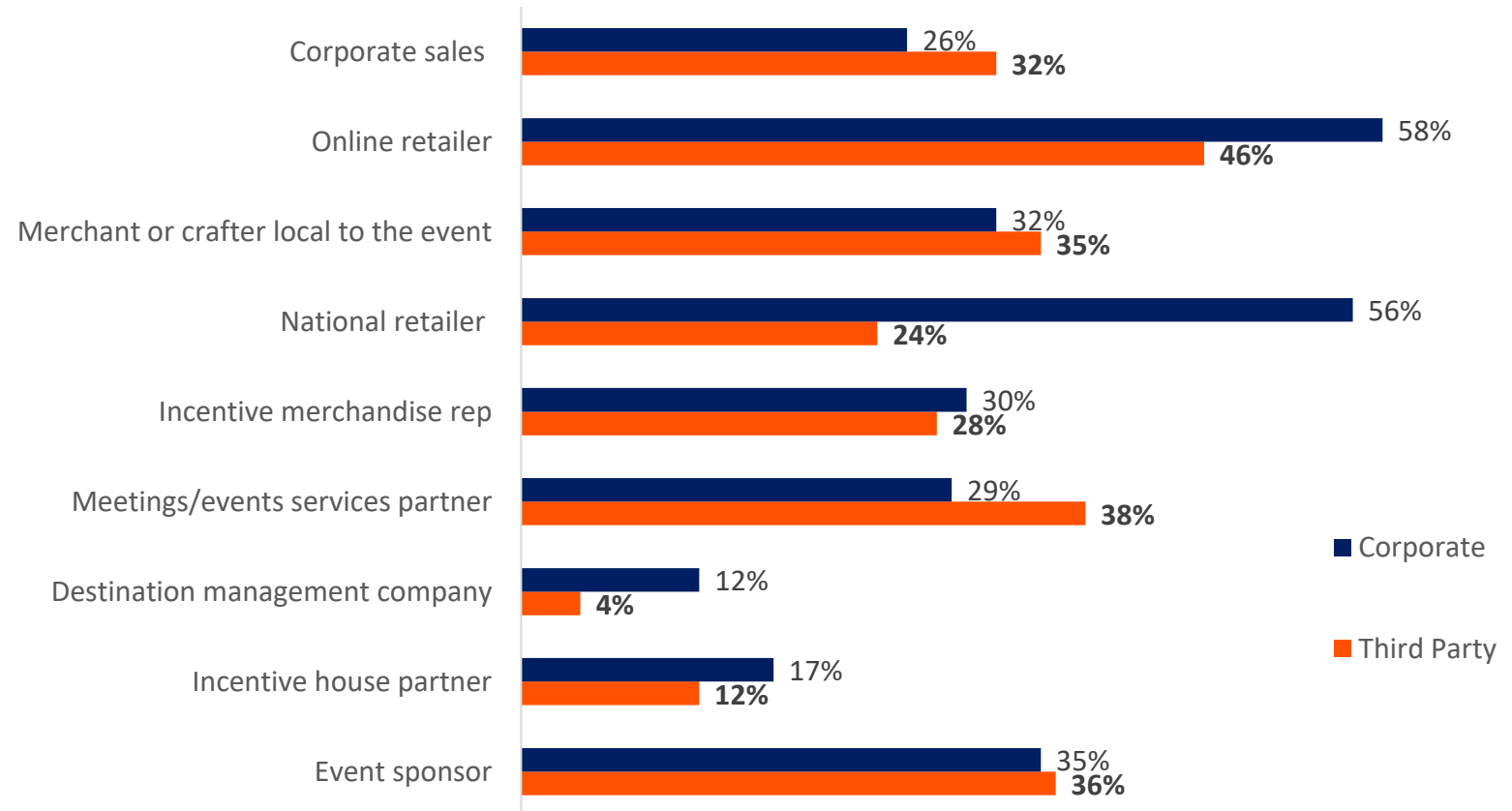
▶ European Event Gifting – Gift Sources

- Europeans used corporate sales and local merchants less this year than in 2021.
- Online retailers (53%) and national retailers (43%) are the leading sources for European event gifts.



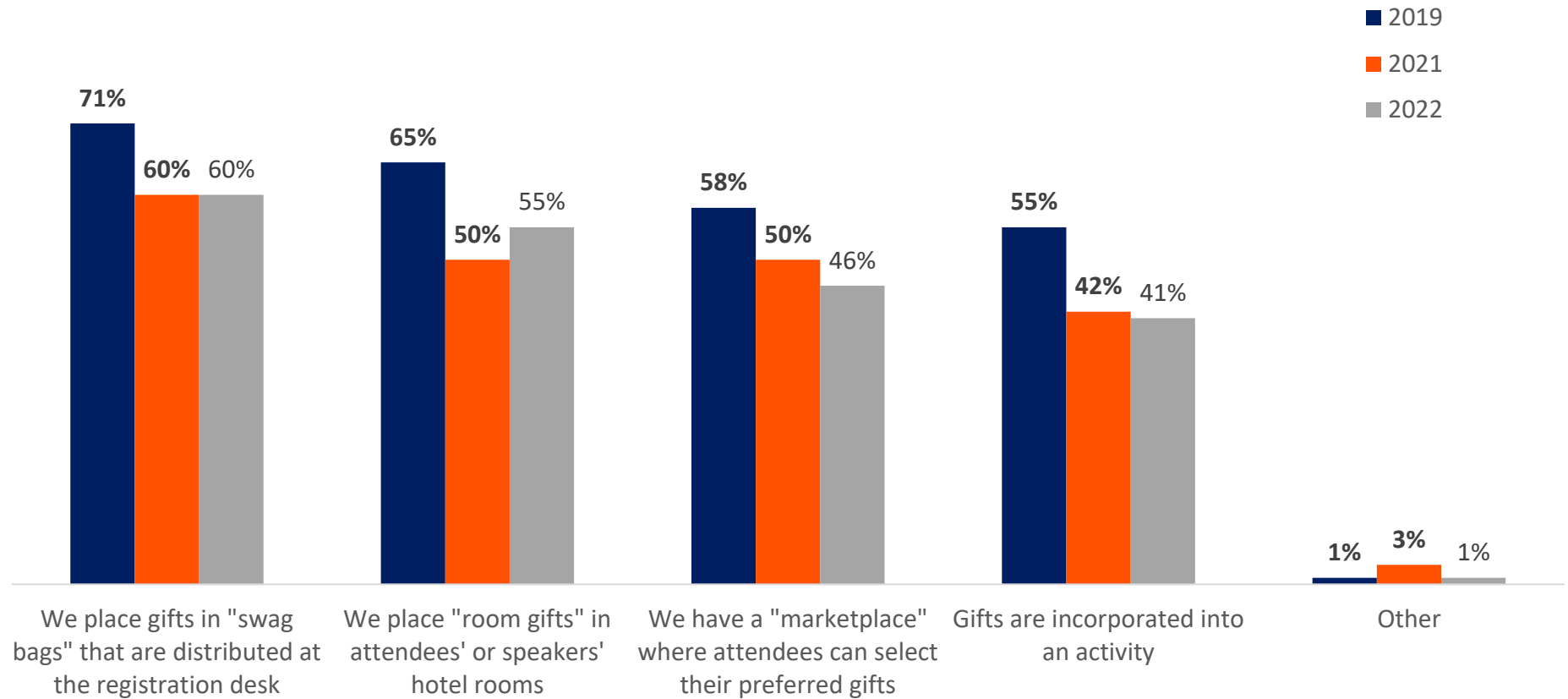
▶ European Event Gifting – Gift Sources by Audience

- Like North Americans, the European corporate respondents were most likely to source event gifts from online retailers (58%) and national retailers (56%).
- Third parties were also most likely to source from online retailers, although at a lower incidence (46%) while also relying heavily on meetings/events service partners (38%).



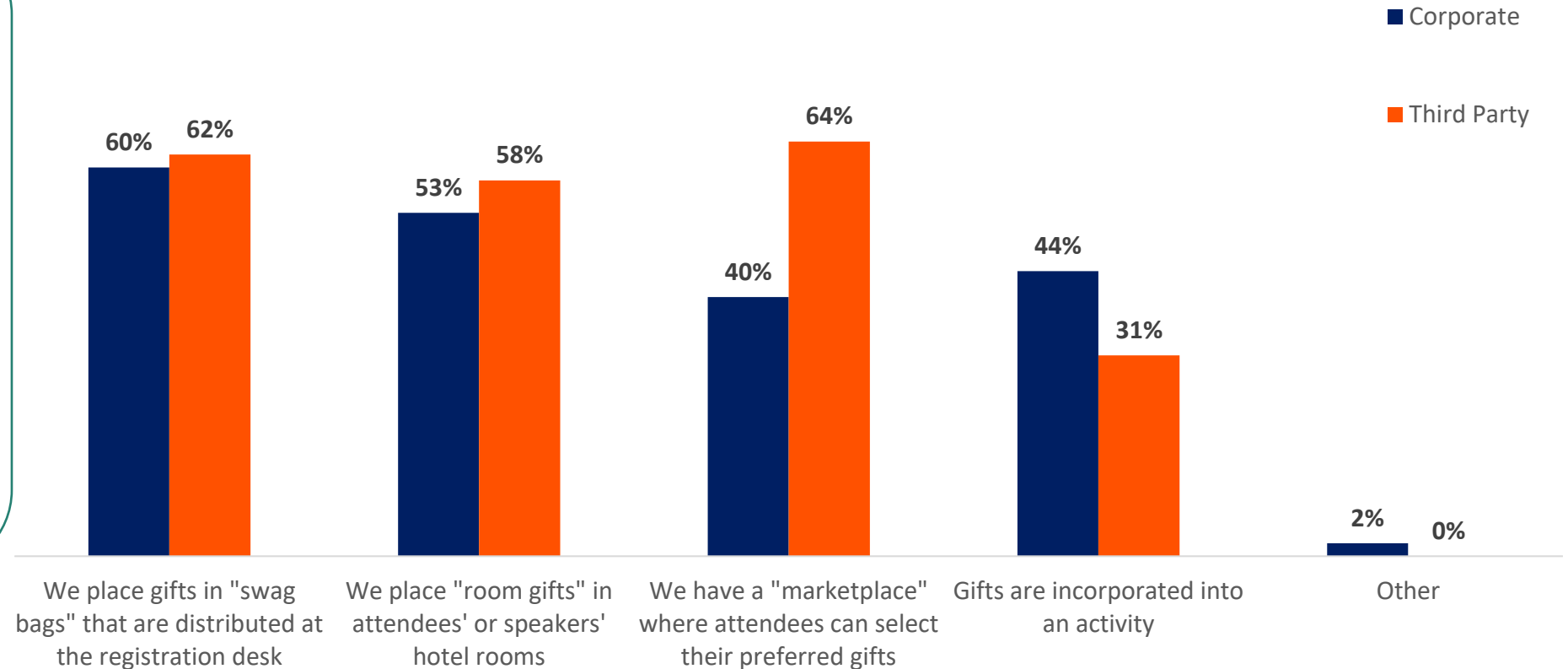
▶ North American Event Gift Distribution

- Distribution methods in North America did not change significantly since 2021, with 'swag bags' given at the registration desk the most popular means of distributing event gifts.



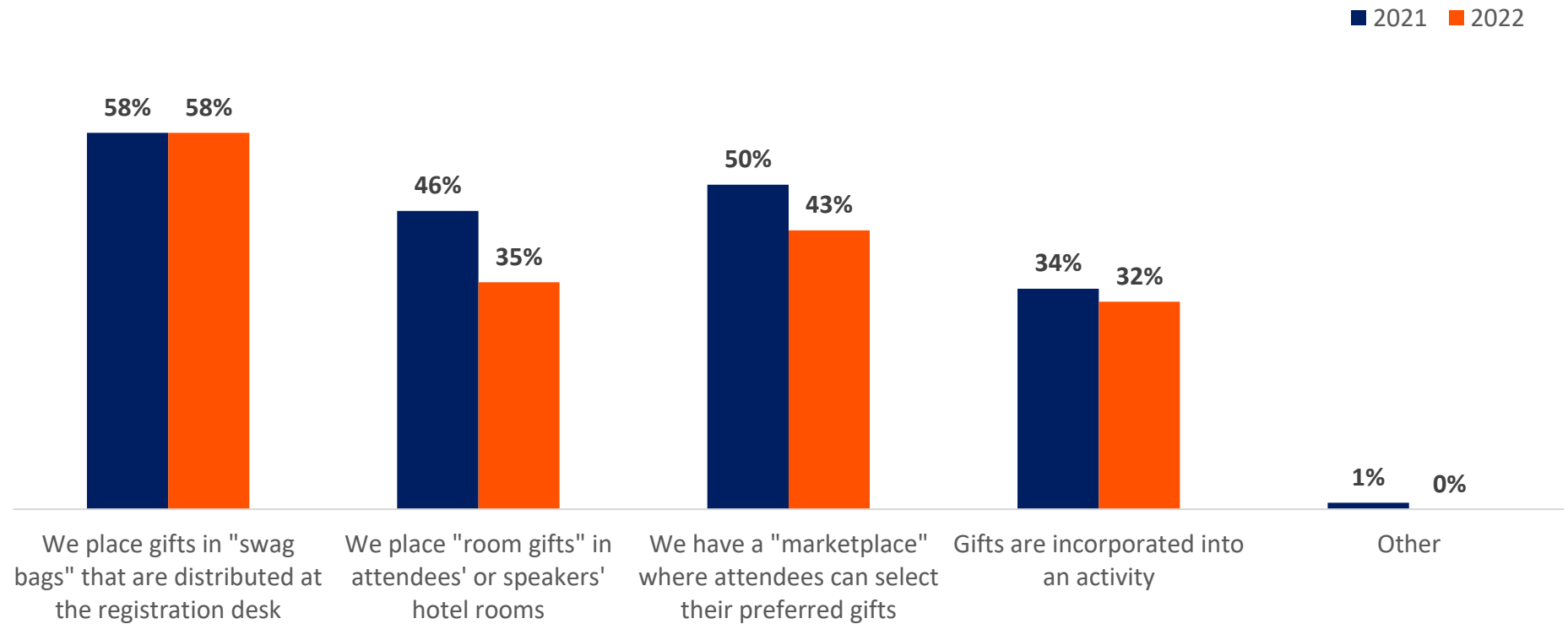
▶ North American Event Gift Distribution by Audience

- Corporate clients and third parties place a different emphasis on how they distribute event gifts.
- Corporate clients are much more likely to incorporate gifts as part of an activity, while third-parties are more likely to have a marketplace where attendees can select their preferred gifts.



▶ European Event Gift Distribution

- Compared to North Americans, Europeans are significantly less likely to place gifts in attendee rooms or incorporate gifts into activities.
- The percentage of Europeans who put gifts in rooms declined significantly since last year (46% vs. 35%).



▶ European Event Gift Distribution by Audience

- The most significant difference is between corporate and third party on incorporating gifts into activities.
- European corporate respondents don't differ significantly from North Americans as both incorporate gifts into activities similarly (44% NA to 41% Europe).
- However, third parties are significantly less likely to incorporate gifts into activities (19%).

