



The Pucker-Up Promotion

SnugZ USA Inc. savors the sweet taste of success with a mystery-flavor promotion that generates a whopping \$1 million in business. *By Janet Van Vleet*

When it comes to promotional items, it can be difficult to stand out from the torrent of T-shirts, pens, and stress balls available down every aisle. But if you and your competitors actually sell promotional items, the bar is raised a stratospheric notch or two.

"It's pretty damn hard to stand out when a large majority of the promotional-product industry is at the same shows, handing out the same items, and competing for the same attendees," says Charley Johnson, vice president of sales for SnugZ USA Inc. "We are just a sliver of a sliver of a sliver when it comes to market share in the promotional-product industry."

That's one of the reasons why SnugZ, a Salt Lake City-based promotional-product supplier, decided to forego traditional giveaway items in favor of something a tad tastier, in hopes of creating less of a "have-a-free-pen" experience and more of an interactive, buzz-building, sensorial experience that would aim to boost sales by urging attendees to put SnugZ's new products where their mouths were.

The resulting promotion, born out of a serendipitous series of events, all began when SnugZ added flavored lip balm to its product line at the end of 2004. But flavored lip balm is, well, just flavored lip balm, so the new offering didn't exactly generate much attention or soar to the top of the company's bestsellers list. In fact, prior to exhibiting at the 2005 Advertising Specialty Institute (ASI) Orlando show, one of five promotional-products shows ASI holds annually in cities across the country, the company only received one to three orders for the new flavored lip balm per week.

Since the trade shows SnugZ was attending didn't create a demand for its new lip balm, the company tried a different approach to selling its new product. SnugZ contacted a national lingerie chain about selling a custom lip balm in its stores, and developed a watermelon/vanilla flavor called Romantic Wish as a sample. But the deal with the lingerie company didn't pan out, leaving SnugZ with a uniquely flavored product, and no surefire way to sell it.

Thankfully, Johnson recalled an M&M/Mars Inc. promotion where the candy company distributed a "mystery" Starburst chew in specially marked packages and invited consumers to identify the flavor to win a prize. That contest triggered an idea for an in-booth promotion and traffic builder he hoped would drive attendees to SnugZ's 10-by-20-foot booth, keep people thinking about the company long after the show, introduce the new flavored lip balm, and increase annual sales — all while leaving a good taste in attendees' mouths and a positive impression of SnugZ in the back of their minds.

Lip Service

According to Johnson, SnugZ has attended all five of the ASI shows every year, but hadn't put much time or energy into promoting its exhibits prior to 2005. That's when he dreamed up the mystery-flavor promotion.

The concept behind the promotion was simple: SnugZ staffers would invite attendees to sample the company's new lip balm. If they were able to identify the balm's mystery flavor, SnugZ would award them \$500 cash. But besides being simple, Johnson's concept was also frugal and

resourceful: He would use the existing watermelon/vanilla flavor. And the cost of his mysterious, flavored giveaways: only 40 cents a piece.

According to Johnson, many exhibitors often give away expensive items, such as premium-quality golf shirts, in hopes that the high dollar value of the items will translate into increased ROI. But in his experience, the price of the item doesn't necessarily mean it will be more effective or memorable.

For example, most attendees who receive that hypothetical high-end golf shirt probably accept the item and toss it in their show bags. Then, the exhibitor can do little more than hope the recipients take the shirts home, hang them in their closets, and remember the company when they wear them. The inexpensive lip balm, on the other hand, didn't go in attendees' bags. It went on their lips right there in the booth and most likely again after the show — and that was just the beginning.

The Balm Before the Storm

"We were only in a 10-by-20-foot booth, and we were surrounded by competitors with 10-by-40-foot booths and 40-by-40-foot islands. We wanted to do something that would stand out among our competitors," Johnson says. "But with this promotion and the traffic it generated, we stood out like a sore thumb."

Because crowds beget crowds, it didn't take long for the SnugZ booth to be buzzing with business. When the show began, staffers simply invited passersby to step into the booth for a free sample of the company's lip balm. When an attendee accepted the invitation — and the free giveaway — the staffer took a moment to explain the mystery-flavor promotion. As attendees tried the lip balm and formulated their first few guesses, staffers capitalized on the captive audience by discussing the company's promotional-products portfolio.

But attendees didn't field a few guesses and casually resign themselves to mystery-flavor failure. Instead, they kept coming back to the SnugZ booth throughout the three-day show to submit multiple guesses.

As if driving repeat booth traffic wasn't enough, Johnson reports that attendees stayed in the booth longer than usual, chatting with staffers and trying to crack the flavorful code. "Some attendees even returned to the booth the following day, claiming they had actually lost sleep trying to pin down the taste," Johnson says.

WE HAVE A WINNER!

According to Barry Siskind, author of "Powerful Exhibit Marketing," contests like the Snugz mystery-flavor promotion can be an effective way to generate attention. Here, Siskind shares five tips to help you create a win-win scenario with your company's next in-booth contest.

Pick a Prize

You need to select a prize that will resonate with your target audience. For example, consider awarding the winner one of your company's new or best-selling products.

Timing is Everything

Create a game or contest that doesn't take too long to play. Attendees' time on the show floor is limited, so unless you're offering a pretty substantial incentive, they aren't likely to spend more than two minutes playing the game.

Connect it to Your Company

Whenever possible, tie the nuances of the game or contest to your marketing message. For example, if the visitor is required to answer questions, write the questions so that they focus on the key messages you want to reinforce.

Game Over

Make sure a staffer is there to engage attendees after they complete your game or contest. If you're hosting an in-booth drawing, for example, the person accepting entries should also be engaging and qualifying attendees.

Walk the Line

If your in-booth contest is successful enough to attract a line, capitalize on that success. While booth visitors are waiting in line, have your staffers approach them. It's the perfect opportunity to communicate your key messages, identify existing clients, and qualify new leads.

All told, the promotion attracted more than 1,500 attendees to the SnugZ booth, an estimated 50-percent more than the previous year's exhibit. And it did so without a single bit of pre-show marketing, as the company sent no direct mailers, dropped no goodies in attendees' hotel rooms, and took out no ads in the show daily. SnugZ did nothing at the show to advertise the contest other than invite passersby to sample the lip balm and try to guess the flavor (either by submitting their guesses in the booth or by e-mailing them to SnugZ after the show). The resulting word-of-mouth buzz effectively did the rest.

Word of Mouth

According to Barry Siskind, author of "Powerful Exhibit Marketing," in-booth contests such as SnugZ's mystery-flavor promotion can generate excitement, ignite attendees' competitive spirits, and — when done correctly — make your booth a must-see item on every attendee's to-do list.

"Visitors tire easily of exhibits that are same old. A well thought-out strategy where you include a game or contest may give your display some much-needed pizzazz," Siskind says. "Such games can have real value: They help you stand out in the crowd of information clutter, they give your booth visitors a well-needed respite from the pressures of walking the show, and they help draw attention to your display." And SnugZ's example only serves to reinforce Siskind's faith in the alluring power of promotional contests.

"This promotion created its own buzz," Johnson says. "The only problem was keeping up with the responses after the show. We got 200 to 300 e-mailed guesses a day for weeks." Try achieving that kind of response and interest with a polo shirt.

The company spent \$1,000 — the cost of the distributed lip balm — on the promotion. The only other expense was the prize money. About 10 people correctly guessed watermelon/vanilla, which meant SnugZ shelled out around \$5,000 in prizes.

After the ASI Orlando show, sales for lip balm jumped from a measly three orders a week to as many as 80 per month, nearly seven times the product's pre-show sales rates. And according to Johnson, the balm proved to be something of a gateway product. As companies ordered the lip balm, which is part of the company's "Z Collection" of personal-care products, they requested additional Z Collection products.

Between the lip balm and personal-care products, SnugZ charted \$1 million in sales from the Z Collection following the 2005 ASI Orlando show, giving its low-budget promotion a remarkable return on investment.

In fact, the mystery-based contest proved so fruitful for SnugZ that it continues using the promotion at the trade shows it attends — the company is currently on mystery flavor No. 12. To keep the prize payouts to a reasonable amount, SnugZ now awards only one grand prize (anyone who correctly guesses the mystery flavor is entered into a cash drawing). And with a new mystery flavor debuting every quarter, the promotion stays fresh and keeps people coming back show after show to test their taste buds in an attempt to win some prize money.

Lip Locked

Another unexpected benefit of the mystery-flavor promotion came in the form of an entirely new



revenue stream for SnugZ. While the company hoped to increase sales of branded lip balm and related products, it quickly found itself taking orders for the mystery-flavor promotion as well. By the second day of the three-day show, vendors were leaving their booths on the show floor and going to the SnugZ exhibit to try the lip balm for themselves.

One of the vendors drawn to the SnugZ booth and promotion was Trae Taylor, president of Peak Incentives, a promotional-products company based in Herndon, VA. "The buzz was unbelievable," Taylor says. "People were literally camping out in the booth trying to guess the flavor."

Taylor approached Johnson about using the mystery-flavor promotion. But instead of handing out the lip balm in his exhibits, Taylor wanted to build a direct-mail piece around the product.

Peak Incentives launched its version of the promotion in early 2006, giving away 1,000 cylinders of salve. Nearly one-third went to the company's existing client base, while some were sent to potential clients. The sales staff took the remainder with them to serve as icebreakers on sales calls.

Taylor says the company offered \$1,000 to the first person to identify the flavor — watermelon/vanilla/honeydew/cantaloupe — and e-mail him with the correct guess. To keep things on the up and up, he kept the flavor a secret from everyone, including his own staff.

"I made the mistake — huge mistake — of having people send their guesses directly to my Blackberry," he says. After Taylor's Blackberry froze up a number of times due to the quantity of e-mails and text messages, people were directed to the company's Web site to submit their guesses. In the end, Peak Incentives gave away 2,000 tubes during what became a two-year promotion. Those 2,000 handouts triggered nearly 10,000 total guesses from the company's clients and prospects.

But the fruity flavor proved so elusive that no one guessed correctly. Taylor says if anyone had guessed even three of the four flavors, he would have given them the prize. So when no one came forward with the correct conjecture in 2006, Peak Incentives changed the flavor to strawberry/champagne and upped the prize money to \$5,000. Eight months later, they had a winner.

"The promotion was fun, and it was also a challenge," Taylor says. "Any time you give people a challenge, and incentivize that challenge with a prize, they jump at it."

The Sweet Taste of Success

Since SnugZ launched its flavored lip balm in 2005, roughly 350 companies have contacted Johnson and his team for help in building their own mystery-flavor contests. Some choose pre-made flavors, while others ask SnugZ to create custom flavors specific to their company. "We did a fresh-cut-grass flavor for John Deere, a sawdust flavor for Home Depot, and even a hot-wing-sauce flavor for Hooters," Johnson says.

In addition to generating buzz and building booth traffic, the mystery-flavor promotion quickly became a company-wide catalyst for SnugZ. Johnson says the company had hit a plateau in 1999, with sales stagnating — until that flavorful little tube of watermelon/vanilla lip balm gave SnugZ's bottom line the sweet sales boost it needed.

While the company recorded \$14.9 million in sales in 2004, it finished off 2008 with a cool \$27 million on the books, with roughly \$5.7 million of that coming directly from the Z Collection.

"The secret-flavor promotion really put us on the map," Johnson says. "I'd say roughly 50 percent of our annual growth is attributable to the lip-balm promotion and the personal-care line alone."

With results like that, you can bet Johnson and his crew will be licking their mystery-flavored lips all the way to the bank. 