

THE CORPORATE GIFTING & TRENDS REPORT 2022



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About the Report:

Merchandising & Remote Working Driving The Corporate Gifting Industry

Corporate gifting has transformed into a business necessity gaining a sense of urgency in the last two years. With teams dispersed across the globe in a remote work setup, gifting has turned into a corporate culture marquee. It facilitated employers to stay connected with their workforce, clients, and partners adding an emotional and personal touch.

Our survey was conducted with a Sample set of 2500+ respondents, where 370+ Were HRs & HR leaders, 1900+ were employees and 230+ were CXOs & from the management around the world to understand,

- Role of merchandising in corporate gifting
- Key trends in corporate gifting in the last four quarters
- Most popular gifting categories & occasions
- Business benefits of corporate gifting

The report revealed that corporate gifting will continue to be one of the tenets of corporate culture with an enhanced focus on merchandising. The never-seen-before rise in online gifting orders is a testament to the brands using it as a primary tool to motivate teams for improved productivity, persuade potential clients for partnership and retain existing clients. Currently, corporate gifting is taking a merchandised approach to personalize the experience. Responsible gifting through eco-friendly packaging materials and affinity towards health & wellness is one of the key characteristics of corporate gifting.

Recognizing this shift towards enhanced buying experience, eYantra has made major strides in becoming the only B2B merchandising player to offer a great experience at affordable prices. eYantra empowers businesses to make their employees, partners, and clients feel valued offering them a seamless platform to engage with employers' custom-made merchandise.

Decoding the Corporate Gifting Mantra:

Corporate gifting has become the culture to build stronger relationships with employees, clients, or prospects. It reinforces the bond with the brand or company and creates a lasting impression by eliciting an emotional response. Merchandising is a very important aspect of corporate gifting to increase employee engagement and brand reputation. Merchandised corporate gifting is an excellent practice to persuade clients to partner with your company, encourage clients to continue relationships with you, and motivate employees to be loyal to their employers. Experiencing improved employee productivity and better business relationships, global corporate culture is boosting the Corporate Gift Market.

Pandemic's Impact on Corporate Trends:

The pandemic has affected every single life directly or indirectly. Regardless of the devastation and tragedy of the last two years, our social DNA remains intact along with our zeal to celebrate life. We Indians, specifically, make the celebration an occasion to share gifts. While it is true that the pandemic has brought people closer and formed a togetherness, it has also seen an unprecedented increase in online gifting orders. We have experienced a staggering shift in corporate gifting culture.



Here are some key trends that were observed through the second half of 2021 and first half of 2022:

#Eco-friendly/Responsible Gifting: The pandemic made us more aware of our environment, it was evident in our gifting habits. Everyone preferred brands that offer eco-friendly packaging with no-plastic policy over others. Bamboo, hand-made paper, sustainable paper grass stuffing, glass containers, and other environmentally friendly packaging materials have become popular.

#Health and wellness: With health and wellness taking centre stage in the last few years, the associated products have seen meteoric rise in demand for gifting purposes. Corporate gifting segment is expected to have consistent growth with people prioritizing personal well-being.

#Personalise the experience: Personalization has become an important aspect of corporate gifting with companies opting for personalized gifts for their employees and customers. Planners, calendars, and other office supplies are being customized to suit specific personalities.

#Making gifting virtual: Functional aspect of a gift is seeing an increase in significance. People would rather have an eco-friendly, sustainable, dual vacuum insulated coffee mug that keeps their drink hot for 4 hours than just a mug. On the other hand, gifting coupon cards is also becoming more popular as it allows them to purchase something of their choosing.

#A 70-80% increase in the corporate gifting budget: Prior to the pandemic, the corporate gifting budget was less than 10% of the gifting industry, it is now a healthy 20%-23%. Corporate gifting is increasing by 70%-80% percent per annum. If the ticket size per gift was around Rs 3,000 per employee per annum previously, it is now hitting Rs 5,000, which should tell you how corporate gifting is being perceived.

The Indian gifting market is pegged at Rs 2,50,000-crore, out of which Rs 12,000-crore is owned by the corporate gifting segment, and continues to grow at the rate of 200% per annum. The ticket size of gifting has gone up as well.

(Source: Indian Gifting Market 2021)

To understand the impact of the pandemic on businesses we asked our respondents, "If there was any influence of COVID pandemic on their gifting?" **74.3% of respondents said that corporate gifting had increased during the pandemic. 15% respondents said that there was no impact due to the pandemic. While 10.7% said that they have decreased the gifting in the pandemic due to several issues such as budget etc.**

Corporate Gifting for Every Season & Reason:

Now that you are aware of the industry trends and growth pattern, here's why your brand should start gifting employees, clients, and customers. The true spirit of gifting stems from altruism - the act of giving something without expecting anything in return. However, companies stand to gain big time from corporate gifting. If it is included as part of a company's hiring and marketing strategy, it can improve employee retention, reduce churn rate and improve relations, besides delivering significant ROI, and build brand loyalty.

These statements are backed by statistics. According to our study and research,

- **80%** of respondents mentioned that gift helps them boost connections with clients and employees, with 48% reporting substantial benefits.
- **88%** desire high-quality and personalized gifts, as well as a large number of choices.

Today, corporate gifting is not an optional exercise - it's a priority. A lot of companies increased their gifting budget by up to 15%.

The 4 Benefits of Employee Gifting and R&R

Boost Morale & Motivation

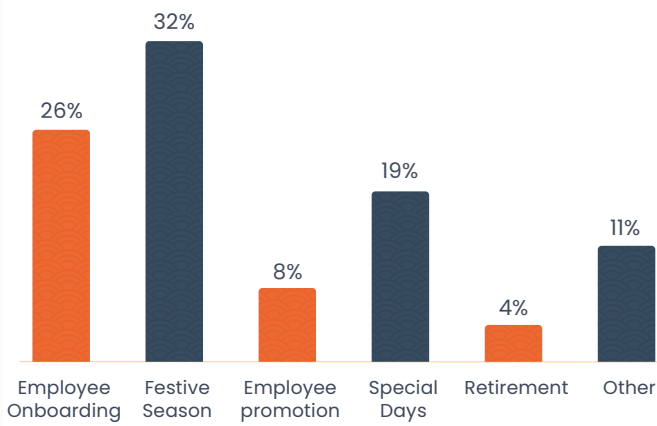
Foster Employee Happiness

Instill A Culture Of Self - Improvement

Attract, inspire & Retain Talent

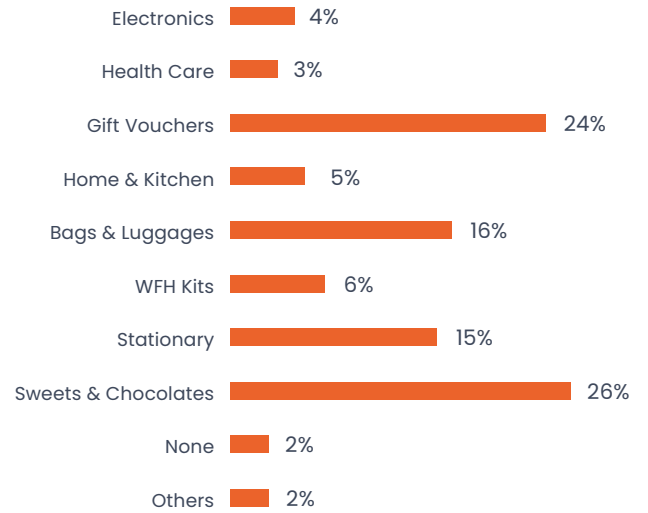
Room to Grow

Gift Occasions



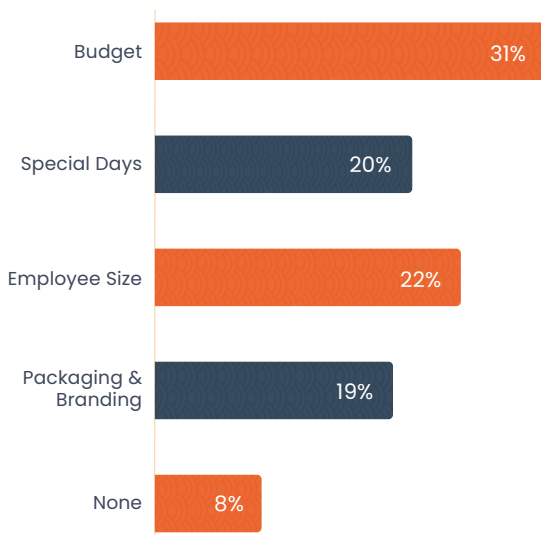
Selecting the occasion to present corporate gifts is crucial. Employee onboarding, work/company anniversaries, and festive seasons like Christmas in the US or Diwali in India are popular events for giving gifts.

Gift Categories



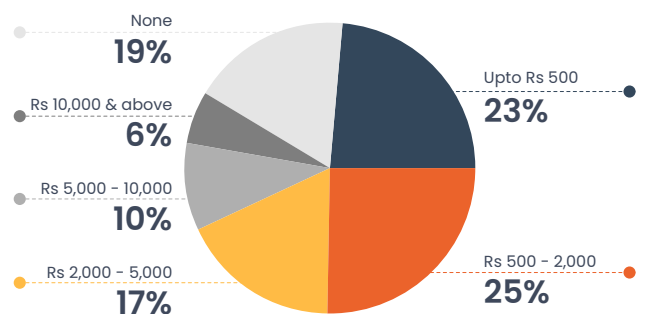
With the rising popularity of corporate gifting, quite a few gifting categories have evolved. As per our survey, gift cards from Amazon, Myntra, and BookMyShow are the most popular. Bags, stationery, sweets & chocolates are other favored options.

Corporate Gifting Factors



While corporate gifts are becoming essential, factors like budget, occasions, and employee size play a key role. Our study found that budget is the most important factor when considering corporate gifting followed by employee size. Packaging & branding was also voted as vital consideration due to marketing impact.

Average Spend on Employee for Gifting



The study revealed that most companies spend somewhere between Rs 500 - Rs 2,000 on average for each employee gift.

Right Time to Invest in Corporate gifting:

Corporate gifting is not a new phenomenon, but it has evolved massively since the pandemic. A recent **Coresight Research** survey found that 35% of respondents have been gifting more than usual since they started working remotely.



66%
of those who increased their gifting frequency did so to keep their teams motivated and engaged, while nearly 60% increased gifting to maintain connections with their clients.

According to the senior HRs and corporate owners we had interacted with, 80% of companies are rewarding their employees and clients with gifts and vouchers. Our survey gave insights into the average spend on gifting per employee:

6%	of the companies are spending more than 10000/- per employee/client in a year
10%	of the companies are spending 5000 - 10000/- per employee/client annually
25%	of the companies are spending 2000 - 5000/- per employee/client in a year
25%	of the companies are spending 500 - 2000/- per employee/client annually
23%	of the companies are spending up to 500/- per employee/client in a year

The numbers seem a tad overwhelming; in essence, the survey revealed that companies are focusing on the gifting experience rather than the cost.

Researching market trends, understanding your employee needs, personalizing your gift and picking the ideal time are very important in corporate gifting.

ROI Matters!

Sending corporate gifts to clients, leads, and employees has powerful benefits. Some of them are listed below:

● Generate leads

Cut through the clutter and outperform the competition with a personalized gift that demonstrates to a potential client that you did your homework. It's a great way to make the following email stand out by avoiding a generic sales pitch that will land you in the spam folder. Plus, who doesn't enjoy receiving a gift?



● Convert leads into customers

Relationships are the lifeblood of businesses. Sending a small gift at the start of negotiations can generate more than twice as much revenue. A thoughtful and unique gift has a **2.3x greater impact on influencing a favourable action**, such as a lead becoming a client. **80% of consumers say they will do business with a company that provides personalized experiences. Prospects can be motivated by sending the right gift at the right time.**



● Stay on top-of-mind

If you have slow-moving leads or long-term clients you want to keep, curated gifts are the way to pace things up. **When recipients describe a business gift as memorable, the ROI rises by 40%.** It's difficult to argue with that.



● Make your clients feel special

A small gesture of gratitude can go a long way. Gifts make you feel valued, especially in the case of clients you're already associated with as they have subscribed/bought your product & pay you.

A thoughtful gift for a client fosters a strong, long-term business relationship. According to a retail study, customers who have an emotional connection to a brand have a 306% higher lifetime value.



● Boost client retention

That token of gratitude may also keep your customers coming back for more. According to a survey of B2B companies in Adobe ADBE's 2020 Digital Trends Report, saw that **a 5% increase in customer retention can increase business profits by 25-95%.**



● Motivate your team

Your employees are your brand ambassadors! A personalized, high-quality gift conveys a sense of worth and fosters a sense of belonging to the team. The way your employees treat their roles at your company and the service they provide to associates, clients, and leads show how well you've done this.



● Increase revenue & Improved brand loyalty

While discounts and personalized emails are enjoyable, they do not produce the same ROI. Build a long-lasting business by sending physical gifts and reap the benefits of loyal clients and valued employees, which lead to higher profits. It's a win-win situation.



Hybrid Gifting Style and Way Forward with eYantra

The modern working environment is dominated by hybrid and remote models in the current post-pandemic era. It led to a flexible and trendy workforce, and corporate gifting should ideally reflect their personality. Therefore, earlier gifting habits of generic t-shirts and stress balls won't cut it.

In this progressive work culture, corporate gifting is of critical importance. The gifting market is expected to generate USD 159 million in revenue by 2025, while the Indian online gifting market alone will generate USD84 million in the next two years.

This rapid growth is owed to employers' focus on retaining and rewarding loyal and high-performing employees. Our research revealed that about 60% of the companies believe that giving gifts is beneficial with 42% witnessing an improvement in employee/customer relationships and 18% experiencing significant employee retention. On the other hand, about 43% of employees feel valued with regular corporate gifting.

The flip side of this culture is rather obvious. Over 50% of respondents in our survey said that their gift-giving budget has increased in the wake of the pandemic. Further, the endeavor has become quite expensive with most business gifts costing companies between Rs 2,000 and Rs 8,000 per gift.

**But how does the hybrid work culture drive the future of corporate gifting?
Let's take a look at the upcoming trends.**

Eco-friendly gifts:



8 out of 10 individuals want to buy environmentally-friendly gifts that send a positive message. (survey by KPMG)

Companies are switching to zero-waste or low-waste gifting options like plants to ensure sustainability and corporate social responsibility (CSR). A KPMG survey revealed that nearly eight out of ten people prefer to purchase items from businesses that give back to the community, with over 90% willing to pay a premium for the same.

Experiential gifting:



85% of adults believe that experience gifts are a great way for both the giver and the receiver to enjoy something together. 93% of millennial women and 83% of millennial men also agreed on this (ages 18-34). Survey by Eventbrite

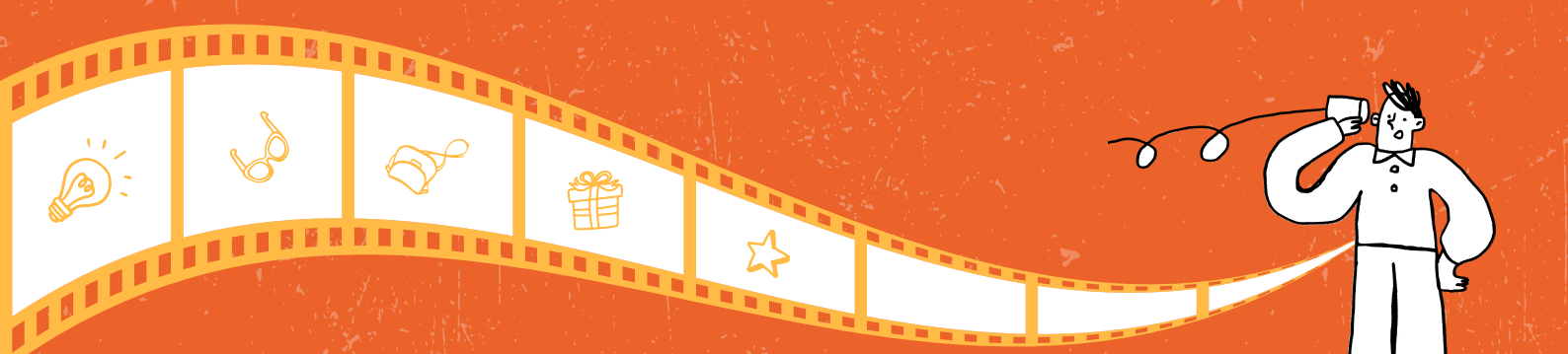
85% of adults believe that experiential gifts are a great way for both parties to enjoy something together. Experience gifting is aimed at creating moments that both employees and employers cherish and associate with the company culture.

Brand stores:



'The greatest asset of a company is its people.' - Jorge Paulo Lemann (Co-founder, Banco Garantia)

Companies create their line of merchandise that underline their brand, experience, and market reputation. International hotel chains like Hilton and Marriott sell their branded products like luxury mattresses, decor, and dinnerware. As a corporate gift, you can give gift cards to your employees letting them choose a gift for themselves.



FACT CHECK

- **67% of respondents define a corporate gifting budget in advance.** (Researchnxt)
- **80% of clients say they are more likely to do business with a company if it offers personalized experiences.** (McKinsey)
- **According to a retail study, clients/customers with an emotional connection to a brand have a 306% higher lifetime value.** (Researchnxt)
- **57% of respondents in the study claim to feel valued when they receive mail/corporate gifts/vouchers.** (Marketresearch)
- **The use of corporate gifting will continue, delivering as large as 10x returns on investment. This growth will be especially prominent in the B2B sector.**
- **73% of individuals consider packaging and originality important when buying corporate gifts.** (Researchnxt)
- **The percentage of companies that use corporate gifting is 38.5%.**
- **The corporate gifting market is expected to reach \$300 billion by 2024.** (Coresight Research)
- **The global corporate gifting market size is estimated to grow at a compounded annual growth rate (CAGR) of 16.2% by 2027.** (Allied Market Reserach)
- **The corporate gifting market has grown 400% in the last five years, with total industry revenue expected to reach \$77 billion by 2022, indicating that corporate gifts tailored to the recipient's interests will become increasingly popular.** (Coresight Research)



Conclusion

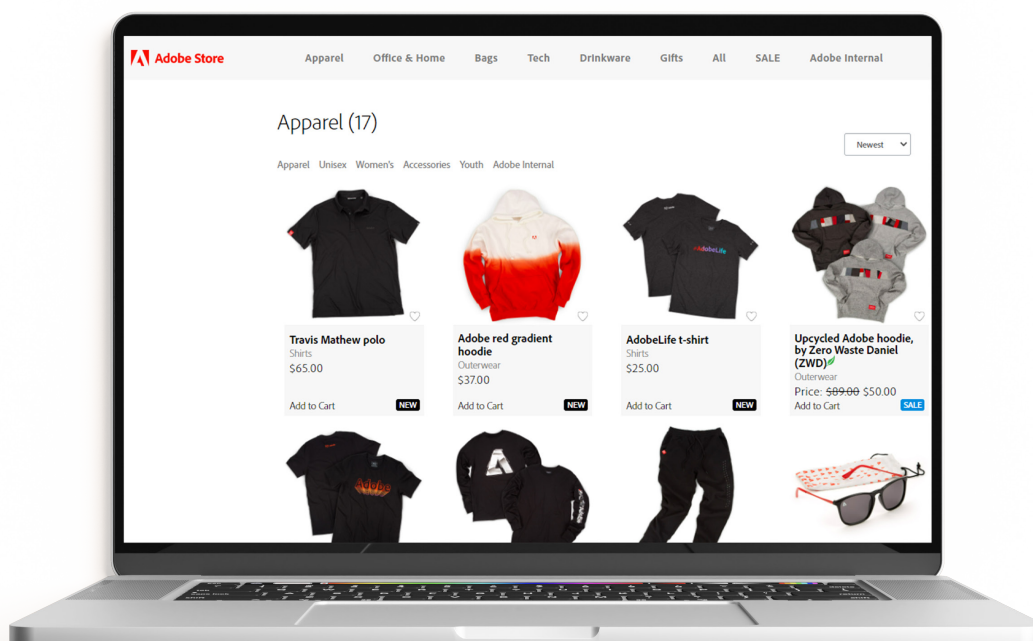
While hybrid and remote models have given employees a lot of conveniences, they also took away their sense of belonging to be a part of the community. Corporate gifting is an amazing way of celebrating their association with your company and instilling a positive work culture. With the pandemic triggering a wave of change in corporate gifting, companies are becoming more and more thoughtful about employee satisfaction. Employee wellness and personalization have been the cornerstone of corporate gifting. Unlike earlier when gifts were considered an annual standardized practice, today it has evolved into something valuable.

Corporate gifting is primarily being used as a tool to define employee-centric work culture through regular appreciation and recognition to ensure that they're valued and their contribution is being noticed.

Physical Brand stores



Online Brand store



About eYantra

With more than 20 years of experience, eYantra is the largest B2B Corporate Gifting and Custom Merchandise solution provider in India



150+ Categories



100+ Brand partners



12,000+ Products



4,000+ Corporates served

Quality Assurance



Brands we deal with...



Clients we serve



1999 – 04

eYantra started its first office in Hyderabad. Later we expanded to Bengaluru & Mumbai and launched our first catalog and physical brand store

2005 – 10

First brand store for HCL. First green corporate giving initiative eco'R us.in. BCCL buys stakes in eYantra. Raised \$7.5M from Argonaut Private Equity, Oklahoma, and received \$3.1M in Series A funding from Ventureast

2011 – 15

Acquired Privilege Corner. Picked up a stake in Rotterdam-based IGC Global Promo, the no.1 purchasing company of promotional products. We grew from 1 to 9 locations in India.

2016 – 20

We reached our first milestone with 1 lakh cards in the market, launched R&R programs and started experiential gifting

2021

eYantra acquired Digital Ozone. We stepped into launch our B2B merchandising website