

Canon

FALL 2007

Incentive Strategies

THE PERFECT CORPORATE GIFT? ZOOM IN ON NEW SELPHY ES2 COMPACT PHOTO PRINTER

Digital photographers and scrapbookers now have even more creative options for printing their photographs, and without a computer. Canon recently announced the SELPHY ES2 Compact Photo Printer. Combining new creative functions with advanced usability, the SELPHY ES2 Compact Photo Printer features an easy-to-use operation panel, a three-inch LCD monitor and multiple creative options for photos, including frames, clip art and image effects. With the Easy-Photo Pack cartridge, ink and paper come together in one integrated system, making the SELPHY ES2 Compact Photo Printer easy to operate and convenient. "This printer is ideal for anyone who hopes to produce long-lasting images that include

from a selection of 16 different templates to frame postcard-sized photos.

Additionally, the SELPHY ES2 Compact Photo Printer features new clip art options that allow users to add illustrations to any photo. With nine different stamps to choose from, any picture can be enhanced and given extra personality-stars for the birthday girl, dolphins for vacation photos or even hearts for photos of loved ones. The printer also offers select Image Effects, allowing users to soften the focus of photos, fade or soften the edges, and also add star lights, which are bright points in the image that are stretched out into star-shaped lights. This photo printer offers users a variety of paper types and photo styles to choose from, including 4 x 6



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a personal touch," said Yuichi Ishizuka, senior vice president and general manager, Consumer Imaging Group, Canon U.S.A. "The SELPHY ES2 Compact Photo Printer offers advanced creative functions that are perfect for holiday photos and scrapbooks. With its unique design and simplicity, it is an attractive option for making great prints." The Canon SELPHY ES2 Compact Photo Printer offers new print functions, which allow consumers to personalize photos for a variety of creative needs. Users can choose

inch postcard-sized prints, 2 x 3 inch credit card-sized prints, and even 4 x 6 inch black-and-white prints. Its wide range of creative offerings allows consumers to personalize their photos to produce a custom look. The enhanced image options are perfect for scrapbookers who want to add special embellishments to their books or for sending one-of-a-kind postcards and photos to family and friends.

Casual Photographers Graduate to Next Level with Affordable, Digital SLRs



EOS 40D Digital SLR

The average photo hobbyist (a.k.a. just about anyone who takes pictures) is taking the next step and gravitating towards the latest trend in digital cameras: the

more powerful, more affordable SLR (single lens reflex). The new wave of SLRs bring professional-level features to the casual camera enthusiast. Here's an excerpt from a recent article in *PC World* written by Melissa J. Perenson, who checked in with an analyst at the major imaging market research firm Infotrends, to bring this trend into perspective: What's behind the uptick in the number of walkabout photographers toting digital SLR cameras rather than smaller point-and-shoots? Wider availability, lower costs, and greater functionality. Once confined to the realm of enthusiast or professional photographers, digital SLRs now have greater appeal to more-casual photographers. "We're forecasting about 35 percent growth in the consumer SLR market this year, and fortunately for digital SLR buyers, prices on digital SLRs continue to drop," says David Haueter, an analyst at imaging market research firm InfoTrends. These whiz-bang yet easy to use cameras make it simple for someone to move up from a point-and-shoot to an SLR and get increasingly more creative with the additions of scene modes, automatic settings and live view features.

DIGITAL SLR CHECKLIST

If a purchase of a digital SLR camera is on your horizon, make sure it provides the following:

- Superb image quality: 10.1 Megapixels or more
- Extensive noise reduction technology
- 14-bit conversion for outstanding color tones and gradations
- Outstanding performance
- Strong, rugged build quality
- Integrated cleaning system
- Picture style settings
- Spot metering
- Highlight Tone Priority for advanced in-camera image control

INDUSTRIES EMBRACE INCENTIVES TO THE TUNE OF \$46 BILLION

Companies struggling to find efficient and cost-effective business tactics should consider a business development strategy that is flourishing across myriad industries: travel and merchandise incentives, a now \$46 billion industry according to the Incentive Federation's 2007 Travel and Merchandise Incentives Study. According to the recently released study, approximately \$32.7 billion was spent on merchandise incentives and \$13.4 billion on incentive travel in 2006.

"The incentive industry is booming," says Frank Katusak, Incentive Federation Board Chairman. "What's particularly exciting about the results—besides the dollar figure—is that incentive end-user executives view incentives as an investment rather than a cost because they can quickly and easily measure the financial return of these initiatives as compared to other types of business development programs."

KEY FINDINGS

- Merchandise incentives are seen as an investment by more than three-fourths of respondents.
- Almost one third (31 percent) of companies used merchandise incentives.
- Close to half (48 percent) of companies with revenue over \$100 million use merchandise incentives.
- Merchandise incentives are most often used for non-sales employee recognition and business gifts.
- The typical budget for merchandise incentives last year was \$119,008. Almost half of the merchandise incentive users spent between \$100,000 and \$500,000.

The incentive industry shows no sign of slowing. More than half of large companies queried state their budgets for incentive travel have increased over the past two years, and believe they will continue to increase over the next two years, while one third say they have remained the same. On the incentive merchandise side, approximately 30 percent of respondents report their budgets have increased over the past two years and 59 percent anticipate these budgets will continue to increase over the next two years.

Conducted in early 2007, the study was prepared by GfK Group, a global research organization. GfK conducted telephone interviews with executives responsible for the development and budgeting of incentive travel and merchandise incentives. In total, 1,121 executives were interviewed.

>> For more information on how Canon can maximize your incentive programs, contact Canon toll-free at 866-50-CANON or www.usa.canon.com/corporategifts



TERRY'S TAKE

Terry Markwart has been at Canon for 25 years, and in the incentive industry for 15.

How has the special markets industry changed since you became a part of it?

Vendors have changed; much is done online; and the demand for incentives has increased. Competition is greater than ever and companies look for ways to keep people motivated, and customers happy. People now want cameras to be a part of their lifestyle – they are like jewelry. Canon did it with the Elph; Apple did it with the iPod. These are "got to have" products. We've been selling cameras for a long time and we keep coming up with innovative ways for people to capture their important moments.

Are people turning to photographic products more than they did in the past?

Yes, more than ever. Cameras are powerful, easy to use, have a high perceived value and are taken everywhere. Digital has changed everything. Now you can take lots of images and share them instantly, e-mail them to family and friends. Everyone wants one.

What photographic products are most appealing to corporate planners right now?

Of course, lower priced items are the most popular because they can include more people. However, luxury items are becoming more popular – they are real "trophies" for a job well done!

Where do you see the industry in 10 years?

The next 10 years will be very exciting. More and more executives are recognizing the need to invest in their people. It is their people who help them achieve their vision and goals. The demand for motivation, incentives and recognition will become greater. Opportunities for new products will continue to grow. As companies learn more about how this industry can help their business, it will continue to grow significantly.

Anything else you'd like to share with readers?

For the recipient, it's about the EXPERIENCE. Travel, merchandise and gift cards are great, but it's about presentation. Did you get a letter in the mail? Did the president give you the award personally with a signed letter of thanks? Were your coworkers present? It truly makes a difference.