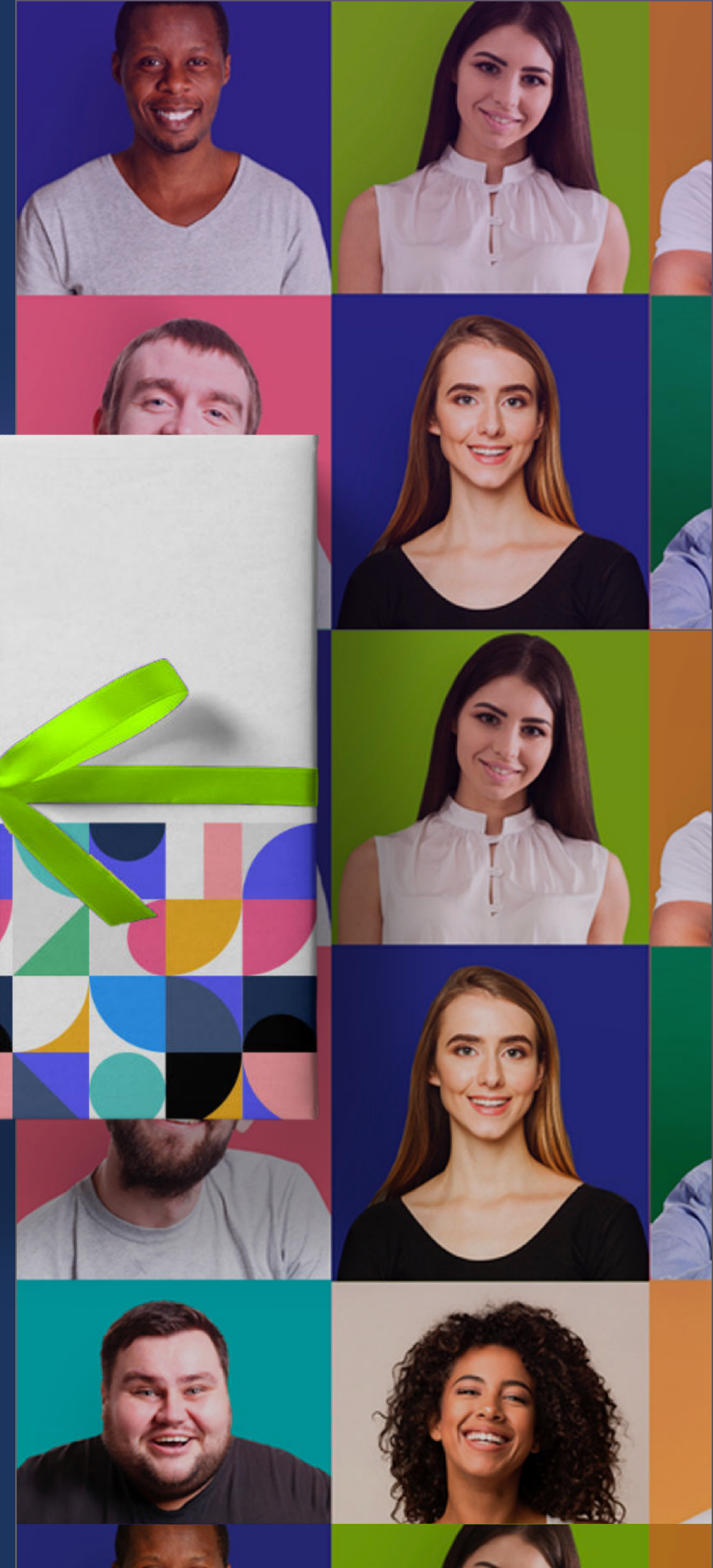




# 2023 Business Trends and What They Mean for **Rewards & Incentives**

Your Guide to the Latest in Marketing,  
Research, and Employee Engagement



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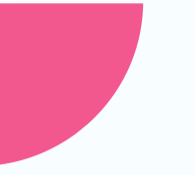
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# Introduction

No one could have predicted what unfolded in the past few years, and what's to come in the next year might not be much clearer. While pandemic restrictions have mostly lifted, economic uncertainty, changing workplace expectations, and greater awareness of social and political issues are driving more change. Some trends may be continuing their trajectory from last year, while others are emerging for the first time. Either way, these shifts are forcing businesses to constantly adapt in every part of their operations — including how and when they use rewards and incentives for survey respondents, research participants, customers, prospective clients, employees, and others. Let's take a look at 10 trends that experts expect to span across many industries this year and pinpoint how those trends will affect the rewards and incentives business.



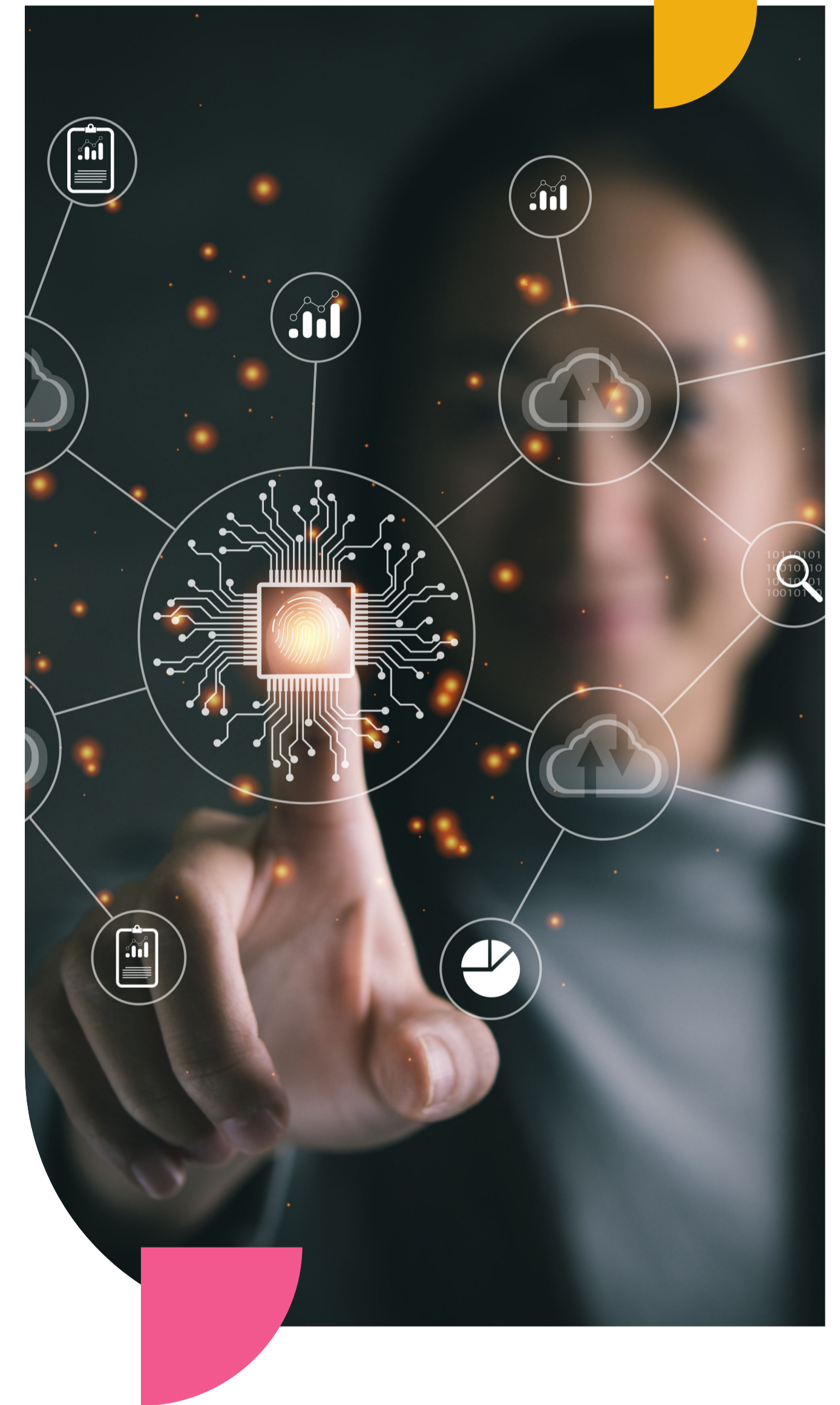


# Efficiency and Automation Help Businesses Cope With Tight Budgets

Economic pressures are high, teams are suffering from layoffs, and budgets are shrinking. The result: Businesses all over the world are trying to do more with less — which means manual processes are the enemy. Marketers, for instance, must look to tools that can help them scale their automation and personalization efforts to enhance customer experiences and communication, according to the Digital Marketing Institute. In the market research industry, Quantilope identifies both automation (and the speed it allows) and the idea of more efficient, holistic platforms as trends to watch. And the latest GreenBook Research Industry Trends (GRIT) Business & Innovation Report says further adoption of automation in research is “a safe bet.”

## What It Means for Rewards and Incentives

Whether rewards are used for survey incentives, customer programs, or employee appreciation, they are often overlooked for their automation potential. Teams tend to stick with their old-school spreadsheets, but this year, they need to simplify the time-consuming process of managing and distributing rewards. The key is to get the right digital rewards management platform, one that will fit your budget, integrate seamlessly into your existing workflows and tools, and make setup and maintenance easy. Such a tool will let you set up triggers and controls so that rewards are automatically emailed to survey respondents, focus group participants, webinar attendees, customers who submitted referrals, and more.



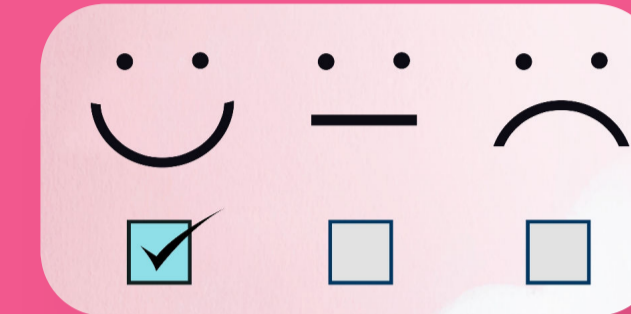


# Earning Customer Loyalty Is More Difficult Than Ever

The increase of online shopping and services during the pandemic already showed customers how many options they truly have. But now, with today's economic concerns and pressure on discretionary spending, customers' willingness to take their business elsewhere is at an all-time high. In fact, only 15% of consumers are committed to a specific brand, Gartner research shows. And according to Qualtrics' latest Consumer Trends Report, nearly two-thirds (63%) say that companies need to do a better job of listening to feedback. Advice they should take, considering that Qualtrics also says that 38% of customers switched brands during the last recession in 2008-09.

## What It Means for Rewards and Incentives

With customers getting less tolerant of bad experiences, incorporating incentives and rewards will become an even more important way to delight them and keep them coming back. Offer consumer promotions that reward repeat customers. Set up a loyalty program with rewards for engagement, referrals, and other brand advocacy. Incentivize customer surveys so you can collect — and apply! — their valuable insights. And when a customer does have a bad experience, which is inevitable, use digital rewards to make it right.





# Companies Must Make the Most of Employee Engagement Technology

Like marketers and researchers, human resources professionals are also trying to do more with less. But before they rush to implement complicated new technologies, the Society for Human Resource Management (SHRM) says HR teams need to optimize their use of and return on investment from the tools they already have. Integrating the existing pieces of their tech stacks and using overlay tools will be key to streamlining and unifying processes, according to SHRM's expert sources. These technologies also help support the now-permanent hybrid work environment and empower managers and employees so HR leaders can "move past the 'hand-holding' mindset," SHRM says.

## What It Means for Rewards and Incentives

It's important for HR departments to consider where employee reward programs fit into their tech stack. When rewards are integrated into tools that the company already has and employees already know how to use, it not only saves money, it also makes it easy to give every manager control over their team's rewards so they can incorporate recognition more regularly — a vital component of employee satisfaction and retention. Even better, rewarding tools that work directly with communication and engagement platforms like Microsoft Teams help managers bring together those who work remotely or on a hybrid schedule.





# Online Research Methods Are Here to Stay

Even as in-person focus groups and in-depth interviews (IDIs) make a comeback, researchers are continuing to rely much more heavily on online methods. “It seems that online methods have not only met the immediate needs (during the pandemic) but have proven to be capable replacements for traditional methods,” says the GRIT Insights Practice Report. Since 2019, there’s been a sharp decrease among insights suppliers in their use of in-person qualitative tactics like IDIs (69% to 52%) and focus groups (72% to 51%), while the corresponding online methods continue to grow.

## What It Means for Rewards and Incentives

Qualitative research methods are going digital, and so should their incentives. The convenience of handing over cash or a check to participants in person is gone, and mailing those rewards will only add time and hassle. Just like online survey rewards, it makes sense for the incentives to be delivered in the same way that the research was done. By switching to digital incentives and finding the right tools to manage them, researchers can streamline the process so it takes no more work than handing over a \$20 bill. Plus, they’ll get more automation options, more flexibility, and better tracking.





# User-Generated Content Complements Interactive Content

Marketers have heard about the move toward interactive content, such as quizzes and calculators, for a few years now, especially as tools like Outgrow make those pieces easier to build. Less understood but just as important is the power of user-generated content, or UGC. UGC is content that is created by your customers or industry influencers, usually to be shared on social media. According to digital marketing agency Single Grain, 85% of consumers say UGC is more influential than content from brands. Sixty percent call UGC the most authentic type of content, vs. 20% for brand-generated content

## What It Means for Rewards and Incentives

Digital rewards can help you lean into UGC and use it to your advantage. Start a contest to encourage customers to share content about your company on social media, and send digital rewards as prizes. Then take it a step further: While content created and shared by your customers certainly extends your reach, think about soliciting UGC that works in other channels, too. You'll be able to leverage it for both lead generation and customer engagement. For example, ask power users to share their best practices in your customer community as a way to earn rewards or points. Or offer rewards to customers who submit a video of themselves talking about or using your product or service, and use that video in prospect emails. (Bonus: It's an inexpensive way to shore up your video library in light of the growing popularity of that channel!)





# Data Privacy Continues to Be More and More Important

Every year, consumers are demanding more protection against their data being tracked, misused, or distributed. And with good reason, as data breaches become increasingly common. According to Statista, such breaches were responsible for compromising 15 million data records worldwide in the third quarter of 2022 alone. The number of tools and vendors involved in today's business tasks make the risk even greater: An IBM report looking at 550 organizations affected by data breaches found that 19% of those breaches were the result of a compromise at a business partner. For tech companies and marketers, it's harder and harder to walk the fine line between privacy and personalization, especially with developments like Google phasing out third-party cookies and Apple shoring up its privacy features.

## What It Means for Rewards and Incentives

Whoever you happen to be rewarding — research participants, customers, prospects, employees — will understandably expect that their information is protected, and emailing around spreadsheets of personal information isn't the way to do that. Incentives programs need to be built using tools that can help prevent security issues, such as those that are SOC 2-compliant. A digital rewards management platform should also comply with key regulations, including the European Union's General Data Protection Regulation, or GDPR, and the California Consumer Privacy Act. Organizations conducting anonymous surveys have an even higher burden to keep respondents' personal information private, so it's key to use an incentives tool that integrates directly with your survey platform and can mask that data while still rewarding participants.





# In-Person Events Return in Earnest — But Your Old Strategy Won't Work

Reduced health threats and virtual event fatigue have prompted many organizations and companies to restore at least some in-person component to their events. But they won't be the same events you remember from 2019. Rules are changing, with some event hosts deciding to prohibit exhibitors from handing out swag or food. Expect lower attendance, too, as ProExhibits says people are now more selective about the events they choose to attend. Exhibitors will need to optimize their onsite strategies and focus on quality over quantity in lead generation.

## What It Means for Rewards and Incentives

With less foot traffic to attract to your booth and potential restrictions on handing out swag, opt for digital rewards that offer flexibility for you to adapt your strategy. For instance, attendees are increasingly looking for experiences, according to ProExhibits, so set up an experiential booth by creating a game or survey specifically for the event's audience, and offer a related digital reward for participating. Increase attendance at in-person demos and one-on-one meetings by offering a \$20 digital gift card, so your sales team can get face time with prospective clients and nurture high-quality leads.





# Focusing on Employee Well-Being Isn't Optional Anymore

Considering the Great Resignation and the “quiet quitting” trend, the message is clear: Employees aren't happy. Burnout and mental health issues are on the rise in light of heavier workloads after staff reductions and blurred lines between work and personal time for remote team members. In the Aflac WorkForces Report, nearly 60% of American workers said in late 2022 that they were experiencing at least moderate burnout, more than in 2021 and on par with 2020 levels, at the height of the COVID-19 pandemic. Employees are seeking relief, with 81% saying they will look for workplaces that support mental health in the future, according to the recent Surgeon General's Framework for Mental Health & Well-Being in the Workplace.

## What It Means for Rewards and Incentives

Nearly three-quarters of employees say they would enroll in a gift card incentive program to make healthy lifestyle changes, according to Fiserv's Prepaid Consumer Insights Survey. Employers can show how much they value their teams' well-being by implementing employee reward programs that support healthy initiatives and promote habits that support physical and mental health. Examples include smoking cessation incentives, biometric screenings, meditation classes, and step challenges. It's a smart strategy for both sides: Statista surveys show U.S. employees overwhelmingly agree that employers' well-being programs make them feel better about their employer (84%) and help them be as productive as possible (79%).





# Customers Seek Out Purpose-Driven Businesses

Whether they're choosing a place to work or a place to shop, consumers are more interested than ever in helping charitable causes and seeking out companies that are committed to addressing social, political, and environmental issues. Blackhawk Network research finds that 60% of survey respondents would like to purchase gift cards that give back. Among younger generations, nearly 40% say they have turned down a job or assignment that didn't align with their personal values, according to Deloitte's latest Gen Z and Millennial Survey. The Deloitte report also shows that 90% of these generations make an effort to protect the environment.

## What It Means for Rewards and Incentives

With consumers focusing more on sustainability and philanthropy, companies that help people give back not only make a good impression for their brand, they also make the world a better place. Carry that sentiment into your rewards and incentives, no matter your audience, which is likely to include more charity-minded customers, research participants, or employees. In addition to the typical reward options, like Amazon and Starbucks gift cards, consider adding e-donations to charitable organizations that benefit less fortunate families, medical research, environmental causes, and more.





# Diversity, Equity, and Inclusion Efforts Are Key to Success

Social injustice and other diversity issues have come to light more and more frequently over the past few years, and with the quick spread of information online and on social media, that's not about to slow down anytime soon. The influence that those issues have on consumer and employee decisions is growing, and businesses must take notice. Marketers "need to be careful that their messages, images, voices, and values represent the full spectrum of potential customers and not leave anyone out due to their own unconscious bias," says Single Grain. For market researchers, the goal should be to "increase sample diversity, with a greater range of demographics represented and therefore a greater chance for businesses to research the entirety of their target audience," according to Quantilope. Employees want more action as well: Only 58% of individual contributors say their senior leaders show they are genuinely committed to greater diversity, equity, and inclusion, Qualtrics research finds.

## What It Means for Rewards and Incentives

Everyone knows that for insights to be reliable, they have to be representative of your entire customer base, target audience, or staff. That representative data is key to working to be a more equal and inclusive brand or workplace. To ensure that you get feedback from a wide range of respondents, rewards and incentives can't be one-size-fits-all. One way to help attract diverse respondents is to offer diverse rewards. Allowing participants to choose the most compelling incentive for them — one appropriate for their geographic location and preferences — helps you get the representative sample you need to make conclusions based on the entirety of your diverse audience.





BHN Rewards, a digital rewards platform from industry leader Blackhawk Network, puts the power of rewards to work for marketers, researchers, and HR managers through its extensive catalog of digital incentives from top brands like Amazon, DoorDash, Starbucks, Apple, Target, and more. BHN Rewards also streamlines international rewards programs, with options such as Visa and Mastercard prepaid rewards, which work in over 150 countries, and its Smart Global Choice feature, which automatically curates available rewards based on the recipient's country and currency. BHN Rewards integrates with more than 25 leading marketing, research, and employee engagement platforms, including HubSpot, Marketo, Qualtrics, SurveyMonkey, and Microsoft Teams, to make rewarding easy and automatic.

Want more information? [Contact us to request a demo.](#)

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