

Why are Businesses Gambling up to £7,000 on Awards?

Submitted by: Avid Panda

Wednesday, 29 March 2023

The number of people searching for 'business award scams' has increased by 69% over the last 5 years. This highlights growing concerns about fairness and trust.

We surveyed 100 awards companies to find out about their entry processes and identify any potential barriers that could make it difficult for your business to win.

The reality is that 6 in 10 awards companies do not ask for supporting evidence from applicants. This means there is nothing to prevent applicants from lying about their achievements or who they have worked with. In other words, many undeserving companies may be awarded for achievements that have not been completely fact-checked.

What's more, 64% of award companies require businesses to pay an entry fee before they can apply. This raises questions about the types of awards that businesses want to get, especially as there is no guarantee that you will win or that winning will help you generate more sales and leads. On average, entry fees cost £220 but businesses can expect to pay up to £1,228 for a single entry. When you factor in the cost of attending the event and purchasing trophies, awards can set businesses back by over £7,000. We even came across a case where a single trophy was priced at £279. This is 39.5% higher than the average entry fee.

Other methods of increasing credibility, such as getting customer reviews have been proven to be just as effective and less expensive for businesses. According to Trustpilot, reviews can increase sales by up to 230%. Another study shows that getting 200 reviews can increase your revenue by 44%. This is something that many businesses can do without spending a penny.

Winning an award, on the other hand, can increase sales by up to 37%. This suggests that businesses should perhaps invest more time and resources into getting feedback from their customers and clients to boost their credibility.

While many awards companies offer discounts for early bird entries, the average entry timeline is between 1 - 3 months. As a result, many businesses may struggle to get applications in on time whilst juggling other responsibilities. Businesses without a dedicated person or team to handle the application process may be at a disadvantage. So, it is important to think carefully about how much time you can put into the process.

The judging process is arguably one of the most important aspects to consider when deciding whether to apply. To determine how thorough the judging process is for industry awards, we asked awards companies how many stages they had to assess applications. 43% say they only have 1 stage in their judging process while 44% said they have 2 stages to determine the winners. If the judging process is not rigorous enough, it can be difficult to take the results seriously.

Methodology:

We analysed Google search data to identify the popularity of search terms related to business awards.

We calculated the average cost of entry based on the standard entry fee for non-members. Please note that all prices exclude VAT.

The survey involved 5 questions:

Is there an entry fee? If so, how much is it?

What is the timeline for the application process?

How many stages are there in the judging process?

Are there any specific documents that nominees must submit as supporting information (e.g. financial statements, customer testimonials, results)?

Are the final award winners determined by a judging panel or public vote?

For the full report, click here: <https://avidpanda.com/business-awards-cost/>

Media Contact:

Lance Honeghan

Avid Panda

lance@avidpanda.com