

## **Gift Card over Paper Vouchers**

Promotional / Incentives - Whether buying for a relative or friend, giving to an employee, or using as an incentive the Gift Card is an excellent promotional tool or premium reward.

The card will help build brand awareness as it is easily housed in a purse or wallet. Gift Cards offer enormous advertising and message space with very low relative cost.

Increased Turnover / Profitability - Effective Gift Card display at the point of sale has a dramatic impact on human tendency to impulse purchase, thus increasing profitability.

Gift Card Data Vs Paper Vouchers - Electronic swipe Gift Cards give you the facility to examine purchasing activity and trends at all levels enabling the production of accurate reports.

Effective Target Marketing - With the collated Data and accurate reports Gift Cards give you the opportunity to carry out more effective and successful marketing.

Minimal Security - As Gift Cards are not activated until purchased at the point of sale they can be treated as a stationery item, whereas paper gift vouchers have to be treated as money and awarded the appropriate security measures. These savings on security measures also help to increase profitability.

Less Returned Merchandise - Gift cards ensure that the customer or the end user receives the goods that they want which in turn reduces the quantity of returned or exchanged merchandise. This saving on storage space and human resources increases productivity and profitability.

Hanging Pieces / Carriers - Affixing Cards to creatively designed carriers or hanging pieces adds to the perceived value.

Well-conceived packaging helps create more effective point of sale displays that promote a card based programme or service and increase impulse buying.

Our experience and expertise ensures that we can provide you with everything to get you started.

## **Your Questions Answered . . . . .**

**Q:** What are the key benefits of gift cards?

**A:** Gift card programs are versatile and effective tools for supporting a company's marketing efforts. Some highlights include:

Merchandising at point-of-sale (POS) displays to spark impulse buying, and deliver increased revenues – even during seasonal slowdowns. Increases of up to 40% in sales for gift cards vs. paper vouchers.

Since the value is not “activated” until the time of purchase, gift cards can be displayed openly in the retail environment, generating more sales while giving the customer a heightened sense of security. Value may be added or recharged to the gift card, encouraging repeat business.

Gift cards can be used to track purchases, giving retailers the opportunity to personalise marketing and promotional information based on the customers preference. Plastic gift cards are easy to carry and are more durable than paper.

**Q:** What are some advantages of gift cards?

**A:** Activated at the time of purchase, gift cards offer both speed and efficiency for retailers. For example:

By replacing paper gift vouchers, gift cards reduce production, distribution and transaction processing costs.

The retailer or restaurant collects and controls the funds prior to the delivery of any merchandise or services.

Unlike paper vouchers, the retailer never gives cash back.

Gift cards or merchandise return cards can be issued in lieu of cash refunds. Serves as an easy-to-use, secure payment method for customers.

**Q:** What are the markets where gift cards are being used?

**A:** Anywhere a paper gift certificate would be issued.

General Retail Market / Supermarkets / Restaurants / Hotels / Corporate Gift

**Q:** Are gift cards here to stay?

**A:** Yes, industry analyst's project that 80% of retailers are expected to convert from paper gift certificates to plastic by 2009.

**Q:** How do gift card programs support Internet retail?

**A:** For many customers, gift cards serve as a physical link between Internet and brick 'n' mortar stores. By offering this "cashless payment" option, retailers can extend the online shopping experience to new customers such as teenagers or individuals re-establishing their credit. By creating an interactive "click n mortar" experience, retailers can successfully vie for the attention of the 24-hour impulse buyer and encourage repeat browsing.

**Q:** Are there additional marketing opportunities for gift cards?

**A:** Gift cards support branding efforts by literally inserting the brand into a customer's hands and wallet – positioning your company in the top of their mind. As part of a larger marketing program, gift cards allow companies to reach customers at numerous 'touch points' for improved customer relationship management.