

A special report from:

GOLDEN TRIANGLE **P U B L I C A T I O N S**

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Secrets to Gift Certificate Success

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How much is one more sale worth to you?

**With gift certificates,
the rewards are far greater than just another sale!**

We believe gift certificates are the perfect, most profitable sale. We at Golden Triangle Publications want to help you make the most of them. Fact is, gift certificates do far more than merely make a sale. They are, in reality, power-packed marketing tools and unlike most other forms of marketing and advertising, gift certificates cost pennies on the dollar. Almost any retail or service business can make use of gift certificates. Gift certificates are enjoying increasing popularity with consumers for many years in a row now and there's no end in sight.

**Consider the following six potential benefits
of offering and promoting gift certificates.**

1. Cash Flow

- Since you get paid in advance, gift certificates are essentially an interest free loan.
- Especially for new businesses, gift certificates can really impact start-up costs positively when aggressively marketed.

- When a recipient redeems a gift certificate the sale is almost 100% final, reducing returned merchandise and the associated costs.
- Many recipients actually end up spending more money than the face value of the gift certificate. Frequently, they buy other items while selecting their gift.
- Some gift certificates are never even redeemed at all for a variety of reasons associated with our mobile society i.e., relocating. Depending on the type of business, the non-redemption rate can run as high as 25%. What a profit margin. But even so, that is not what makes gift certificates so valuable to the overall success of your business. Read on.

2. Customer Awareness

Wow, free advertising. Gift certificates are as powerful as the most inexpensive advertising ever—Word of Mouth. Many times, the recipient is opening several gifts in the presence of others, so when everyone inquires what they just opened, your company name gets all the attention. The recipient and their friends may not have been aware of your company, but they sure are now.

3. Goodwill

By now, we've all heard the much over used phrase "win-win." But this situation is genuine and is actually "win-win-win." With the purchase of a gift certificate:

- Your sale is a win for you.
- The buyer wins because they've completed a stress-free purchase they felt motivated to make and
- The recipient obviously wins by receiving a gift.
- Your company is now seen as being a party to their happiness. That's powerful psychology. Nobody can resist feeling happy when they redeem their gift certificate.
- Don't forget giveaways. Almost every business or firm is asked to give back to his or her community. Instead of offering a specific product where the focus becomes "the product," offer gift certificates. Now, the focus is on "you and your company" building awareness. The added bonus, the recipient isn't stuck with a specific product but instead, gets to

choose one of the products or services you offer, almost guaranteeing a repeat customer.

4. New Business

The person purchasing gift certificates may not have any use for your merchandise or service, but they know of someone who does. You still get the additional foot traffic and more again when the recipient redeems their gift certificate.

5. Customer Satisfaction

You actually have two satisfied customers, the purchaser and the recipient. Both received exactly what they wanted.

6. Mass-Marketing Potential

Consider selling gift certificates in bulk to companies or firms in your area. The company can use them for employee rewards, motivation programs or bonuses. And, here we go again, everyone wins, and you've received all the benefits mentioned above.

How to use gift certificates to maximize value, your profits and increase awareness of your firm.

Don't take gift certificates for granted. If any customer ever has to ask, "do you sell gift certificates?" you're doing something very wrong and missing out on a major opportunity. Why keep them so secret? Don't just hide everything away in a drawer somewhere. After all, promoting gift certificate availability takes virtually no floor space. Retailers know the value of display techniques that sell—the proper presentation of merchandise. You should be doing the same for your "other" product, your gift certificates.

- At an absolute minimum, place attention getting signage right at the point of purchase—the cash register. Time is spent conversing with your customer so chances are good your sign will be seen.
- Table tents throughout the store while customers are browsing your merchandise are very powerful.
- Since everyone must enter and exit your place of business, consider placing

a decal promoting your gift certificates. Even when closed, window shoppers will become aware of their availability.

- Banners hanging from the ceiling or signs placed in floor stands can also be employed.
- Ask! Even with all these silent vehicles to promote your gift certificates you can instruct all sales associates to ask customers if they are “shopping for a gift.” Let them know they can always purchase a gift certificate. Even if they are not interested at the time, by offering gift certificates to every customer at every opportunity, they will remember you when the time comes for gift giving in the future.
- Wearing name tags or buttons that promote gift certificates is another valuable promotional method.

Some have found that offering a “reward” for purchasing gift certificates can work wonders. Promote a drawing to all purchasers of gift certificates. The drawing can be monthly, for instance, where the buyers can win gift certificates compliments of your company. A powerful extra bonus: you can capture the names and addresses of those participants for use in your mailings. How much more effective and inexpensive your mailings can be when they are being sent to customers who have already expressed interest in your company—and better yet—have actually purchased from you.

Finally, promote your gift certificate availability in your display advertisements especially around the holidays and even on your business cards, invoices and sales receipts. Golden Triangle Publications makes available free of charge a number of ‘slugs’ like clip art that can be used for printing on any of the above items.

Every new customer is a success, not just a sale. Give those customers who come in to redeem gift certificates extra special attention. The word of mouth advertising you generate as a result is unexcelled. Don’t miss the opportunity to mold these customers into your best evangelists.

Consider:

— Offer special promotions for gift certificates. Selling gift certificates during limited-time promotional periods by offering for instance, “10% off face value” can increase sales dramatically. The buyer is perceived by the recipient as giving even more based on the face value of

the gift certificate increasing the win-win scenario.

- Offer gift certificates instead of coupons in advertising. A coupon is easily shelved and has very little perceived value by comparison to a gift certificate. There is far more motivation to redeem a gift certificate than a coupon. It feels far more personal than a mere coupon.

Branding

Branding is forming a perception where all efforts and channels allow your potential customers to be aware of your unique marketing position. Branding is the end result of all your marketing efforts; how you advertise, how you treat your customers, how you answer the phone, your products or services. In short, it's your company's image. Branding needs to be consistently professional to be successful. Your gift certificates are an important part of that branding. Homemade and off-the-shelf office supply gift certificates or those that look like an impersonal check payment to the utility company simply fail to impart the intrinsic value that builds long-term branding benefits and therefore, a successful and sustainable business. Your gift certificates must impart value.

Customization

Besides the obvious—your imprinted company logo—your gift certificates should show the terms and conditions of use (most States have outlawed an expiration date unless you as the owner, are offering a product or service that was not purchased by another). Restaurateurs may want to specifically exclude gratuity. Or, you may want to restrict use of a gift certificate by stating “may not be used in combination with any other offer” so it isn't used for an occasional loss-leader.

Forgery and Fraud

An important feature of your gift certificate system should be “accounting” at best and “fraud protection” at worst. A properly designed system allows for consistency in the look and feel of all your gift certificates so employees can feel secure that any gift certificate presented to them is authentic. Even sole proprietors with no employees have told us, they've lost track of all the different versions of gift certificates they've produced over the years. Fake gift certificates are very real and without a system of accountability, you stand to lose—twice! Not only did you not receive the money for the face value of the certificate, you lost when you provide the

service or merchandise. And you may not even know it occurred! At Golden Triangle Publications, our gift certificate system has been developed as a direct result of feedback from business people just like you. We've incorporated every feature businesses have requested over the years.

You can have confidence that accountability, fraud protection and built in intrinsic value are all incorporated in the gift certificates offered by Golden Triangle Publications.

It's interesting to note, that in so many cases very similar sized businesses of the same type—yet both offering gift certificates—see very different sales results. What is the difference? You've just read the difference. An active and aggressive sales strategy—employing a strong set of promotional tactics—and the realization that gift certificates can be your best sale, makes all the difference in the world.

It's your turn to profit!

We've shown you a number of sales, marketing and public relations tactics you can employ to maximize the profit-power of gift certificates. We hope you now look at their value as a low cost method to increase your bottom line and build awareness about your business. Gift certificates are not just sales; they can be some of the most inexpensive advertising to bring you goodwill, and a steady stream of new customers.

Serious business owners know; successful businesses are built one customer at a time. A stable of customers with long term value is one of the very best foundations for continued success.