

How Gift Cards Integration Can Help Deliver Big Revenues for Retailers

GiftNow and Clutch recently proved the immediate value of upgrading an online gift card program in a world of increasingly digital shoppers.

While the majority of retailers recognize the importance of their gift card business – a \$160 billion business with double-digit growth since 2015, according to Incisiv – 93 percent of retailers admit they have low integration between their gift card and digital systems according to the [recent Incisiv survey](#) of industry executives, even as U.S. e-commerce sales [continue to rise](#).

“The majority of gift card sales are still physical, and digital adoption of gift cards has been tepid at best,” said David Weinand, Chief Customer Officer of Incisiv. “With digital gifting poised to grow exponentially over the next 2-3 years, retailers can’t afford to be stuck with a legacy toolset and an outdated digital user experience.”

Maximizing the Success of a Gift Card Program

To maximize the success of a gift card program and capitalize on their value, purchasing and giving a gift card should be viewed as an experience, not just a transaction. More importantly, merchants should realize that purchasing and giving a gift card can represent an opportunity to engage with and cultivate two customers: the giver and the recipient. Merchants should not leave the full value of their gift card program on the table.

GiftNow, a holistic Gift Experience Management solution, and Clutch, a leader in issuance and fulfillment solutions with more than 500 clients, recently proved the immediate value of upgrading an online gift card program in a world of increasingly digital shoppers and followed the program launch with a strategic gift card promotion that delivered the retailer strong ROI in just the first month.



A Complete Gift Card Solution

Working with a recently launched beauty brand with a passionate following, GiftNow and Clutch implemented a complete gift card solution, including personalization options for “unboxing” and customized video greeting and delivery options. Immediately after implementing their new digital gift card program, the retailer created a “gift one, get one” gift card promotion opportunity for its fanbase. The retailer’s hope is to run these promotions quarterly, which has the potential to deliver strong incremental returns throughout the year.

“At GiftNow, we’ve long been touting the power of integrated e-gift card delivery and how enhanced personalization can create a memorable experience that makes loyal fans of both the giver and the giftee,” said Kevin Payne, VP corporate marketing, GiftNow. “The best part of this collaboration was that it was installed in less than a month and immediately showed significant returns for the retailer. So, it’s not too late for retailers considering upgrading their gift offerings before the holidays.”

It's More Than Just a Transaction

“Working with GiftNow helped us make this so much more than a gift card experience for consumers,” said Joe Pino, VP strategy & solutions, Clutch. “When customers come into a store with a physical gift card or even redeem online, they are almost always anonymous to the retailer, but a platform like GiftNow enables you to ‘capture the consumer’ via a positive gift card experience that’s more than just a transaction. Which will hopefully spark many more purchases from that customer in the future.”

Three Tips for Building an Online Gift Card Program

Pino and Payne share their guidance for building a strong online gift card program:

1. Develop a unified omnichannel experience.

Retailers can increase redemptions and improve the customer experience by issuing value via SMS, mobile wallet, apps and web, giving the customer more convenient options for using their gift card. Additionally, platforms like GiftNow allow retailers to create a more personalized, meaningful digital gift card delivery that captures the store experience, which can make it a gift both the gifter and giftee feel good about.

2. Build engaging gift card promotions.

Once an e-gift card program has launched, retailers can foster or create new fans of their brand by creating timely promotions that tap into consumer behaviors – whether it’s sharing new finds or celebrating important milestones. Allowing them to share their finds with friends via gifting (while getting a little something back!) can help strengthen connections between gifters and giftees, while helping to make them more loyal to your brand.

3. Don't neglect your gift card program!

Many companies are focused on maximizing their returns during the holiday season, but once there is a gift card solution in place, retailers can leverage it all year. From the expected holidays (Valentine’s Day and Mother’s Day) to the unexpected holidays (“Singles Day” or “Teacher Appreciation Day” and beyond!) to every “just because” in between, unifying your CRM with smart promotions can net strong ROI.



About Clutch

Clutch is a Customer Data and Marketing platform that powers personalized engagements for loyalty, gift, email, direct mail and SMS. Over 500 customers across the globe rely on Clutch technology to help them identify, understand and motivate their customers.

You can visit Clutch at clutch.com.

Incisiv - The Evolution of Gift Cards

For more information on the evolution of gift cards, please read the GiftNow sponsored Incisiv E-Books for [retail](#) and [restaurants](#).

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