

President's Message

By Rich Killian, President, Incentive Gift Card Council

The Perfect Choice

When it comes to employee incentives, there simply isn't a better choice than a gift card. Ready to customize and personalize, and flexible in that they allow employees to get what they really want (and not a jacket or a plaque), today's gift cards are helping corporations become more successful, bring in more profits and stay safer than ever.

Consider the spot award that allows the plant manager to award a group of six employees who are wearing their safety goggles, even though the work they're doing isn't posing an immediate threat. Or the spiff program that finds a team of workers competing against another department to sustain a perfect safety record for the month.

In these and other instances, gift cards provide employers with a convenient, affordable option that requires no additional shopping, shipping or storage of the gifts themselves. Compact and customizable, gift cards can not only be pulled out of the box at any given time, but they can also be sent to employees via email, making the reward that much more immediate and relevant.

Here at the IGCC, we've seen gift cards evolve from the early days when store clerks wrote out gift certificates by hand at the counter. When plastic took over, we saw the industry evolve into what it is today, selling \$78 billion in cards in 2006 and expected to increase by 14 percent this year to nearly \$90 billion.

Many of those cards will be used in employee safety and company loyalty programs, both of which serve as important foundations for today's successful corporations. In return for a small effort and investment, those companies are cultivating safer workplaces, more teamwork among employees and a group of workers who feel appreciated.

Where in the past those employees would settle for a sweatshirt or a hat as their incentive for a job well done, today's workers would much rather receive a gift with true "trophy value." Gift cards fill this gap, allowing workers to choose the gift (or gifts) of their choice from a variety of merchants. Online gift cards, for example, offer recipients a choice of 100 different retailers and restaurants to choose from.

Adding to the gift cards' allure is the fact that they're far superior to cash when it comes to incentives. Where someone might spend a \$50 or \$100 cash gift at the grocery store on the way home from work, a gift card stays around a bit longer, takes more thought to spend, and is usually spent on something that the recipient actually wants.

Once redeemed, word spreads quickly about the card as co-workers, friends and families hear all about the new iPod or television that was just purchased with a Best Buy or Circuit City gift card. We're also seeing more employees incorporate their friends and

families in the awards, by, say, taking the entire family to the movies, or to the store to get new shoes for everyone.

With gift cards quickly replacing traditional gifts and incentives used in company safety and loyalty programs, the IGCC has stepped up to the plate to help firms make the best possible choices when setting up and administering these programs. In the pages that follow, you'll learn about the latest trends in safety incentives, get a clear picture of the personalization and customization aspect of gift cards, and hear about the IGCC's latest efforts to promote the industry.

For more information about gift cards and the IGCC please visit us online at www.usegiftcertificates.org.