

# WHY eCOMMERCE STORES USE GIFT CARDS TO BOOST THEIR SALE?



*Feel the Joy of  
Gifting with Gift  
Cards*

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## WRAPPING UP

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# INTRODUCTION

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In the United States, the sale of gift cards was increased by 6.6% in 2017 and in 2018 it's expected that the industry of gift cards will reach \$160 billion.

Have you ever thought? Why the sale has increased? And why the eCommerce marketers started investing more in gift cards?

No... Then you must think about it.

Through gift cards marketers have a great opportunity to acquire new customers, to make their brand noticed and to increase their business revenue. During the holiday season, marketers make a huge amount of profit through gift cards but, sale through gift cards is not restricted to any holiday season or size of a brand.

That's why I have written this ebook, that will help the eCommerce marketers to know how to boost sale and make money through a gift card. Read them and know how you can implement it for your business.



# CHAPTER 1

## HISTORY OF GIFT CARDS

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The retailers and marketers use gift cards as a promotional strategy. An e-gift card was first introduced in 1994 by Neiman Marcus and, Blockbuster Entertainment was the first company who used gift cards in their sale at a large scale.

# CHAPTER 2

## WHAT IS A GIFT CARD?

Yes, you heard it right...what is gift card?

You must be wondering why I am including this topic in the ebook. Trust me this term sounds simple but, at the same time, it creates a lot of chaos in mind. Before writing this ebook, I read articles about gift cards, and you know what happened, in the end? From head to toe, I was completely in a dilemma and won't able to find out the exact role of a gift card. I wasn't able to decide whether it is used by a person to make their further purchase or it is a physical card that online sites used to send to their customers to make their business presence strong in the market.

So to clear all the doubts I went to one of my senior. After having a good conversation with him, now I know what is the role of a gift card. To make the concept of gift cards clear I am starting here with what is a gift card? So, let's start the journey in discovering stuff about a gift card.

The gift cards are used by eCommerce marketers to entice and nurture their customers towards online shopping.

Customers purchase gift cards for their dear ones to make their special day more special and memorable. Suppose, you have to purchase a gift for your friend or for a family member, for this, you spend your maximum time searching different shopping website but, in the end, you find yourself completely confused and wondering what to do now. Trust me in this situation there is no better option than gifting a gift card to your friend or family member.

You can buy the gift card from the online shopping website you trust. Purchase the gift card of any amount you wish to gift your friend or family member. If you still have doubt than going through an example is the best way to know what is the role of a gift card?

**David-** Searching for so long to find the best gift for Alice. But still, don't know what to buy???

**Max-** Why don't you send her a gift card? A Gift card is the best gift that anyone can gift to their family and friends.

**David-** What is a gift card??? And how can I purchase it for Alice?

**Max-** To purchase a gift card you just need to have an account on the shopping website that offers a gift card. Then you need to purchase the gift card you wish to gift Alice. Like if you purchase a gift card of \$1500, this amount will be sent to Alice as a gift card. Alice can use this amount to purchase anything she wants to have from the shopping site you have purchased the gift card.

**David-** Hey, thanks, Max for telling me about gift cards. There would be no better gift for Alice than a gift card...

Through this example, I hope now you would be able to know what is a gift card. But...still, there are some questions like what will happen if we purchase a product of less amount or a product with a higher value than a gift card has? And what are the ways, it can be sent? I have the answer to all these questions you just need to stay calm and keep on reading.

**David-** Hey Max, last time you have told me about gift cards. But I have some questions regarding it...

**Max-** Ohk, just tell me the queries you have. If I know the answer I would love to help you.

**David-** Suppose, I have purchased the gift card then, what are the ways to send it to Alice and what will happen if the product Alice purchase is of less amount or higher amount?

**Max-** David I have good news for you that is I know the answer... let's start with your first question. There are three ways to send the gift card to Alice you can choose any of the following,


You can choose the email option, the shopping site will send an email to Alice that she has received a gift card from you.

You can download the link from the shopping site and send to Alice from the platform you wish.

The last option, you can ask the shopping site to deliver a card at the doorstep of Alice with your best wishes.

Now come to your second query. If Alice purchases a product of less amount than it completely depends on company policy whether they allow purchase from the remaining amount or not. And if Alice purchases a product of higher price than she has to use her money to purchase that product. Ex if the product she wants to purchase is of \$2000 and the gift card is of \$1500 then she has to pay \$500 extra to the shopping site. I hope your all doubts are clear now.

**David-** Yes Max, thank you again. I will surely buy a gift card for Alice.



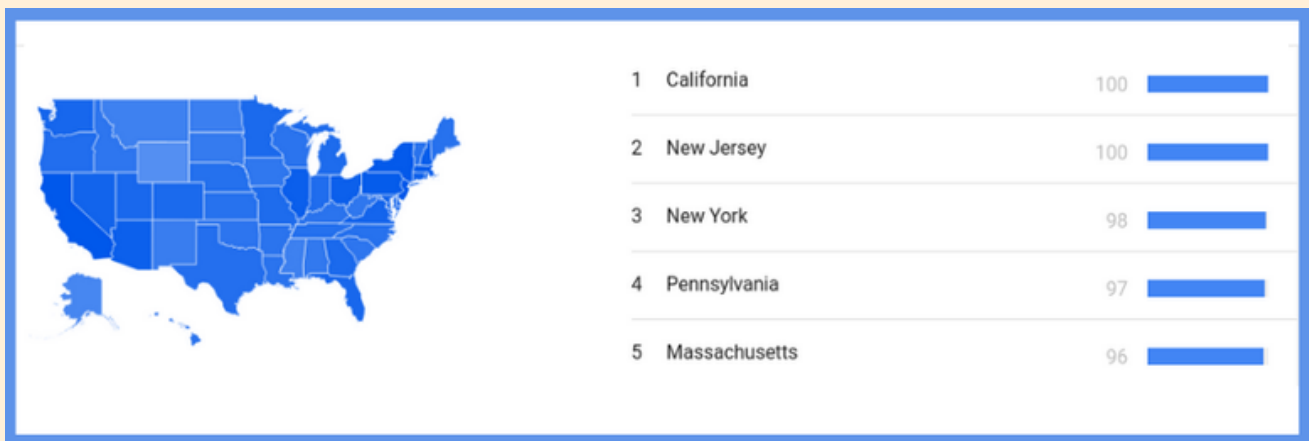
Through this conversation, I hope all the doubts regarding what is a gift card will be clear now. After knowing what is gift card now let's start discussing why it is becoming popular day by day.



# CHAPTER 3

## WHY THEY ARE BECOMING SO POPULAR?

The eCommerce marketers are planning to invest more in digital gift cards and you know....it's increases at the rate of 200%... It is also estimated that the **total money spent on gift cards will reach \$180 billion** by the end of 2018 and, one more thing during the holiday season the demand for gift card increases by 20%. Look at Google Trends to know in which area it's more popular.



If marketers are gaining that much of money from gift card then, it becomes important to figure out what is the reason behind the popularity of gift cards. Some of the most common reasons behind the popularity of gift cards are

# CHAPTER 4

## HOW GIFT CARDS CAN INFLUENCE THE PURCHASE?

Year by year the popularity of gift cards is growing. Even according to Global Market Research, the marketers are estimated to have an **increase in their revenue of \$698.2 billion** through the digital gift cards. Amazon and Walmart are the top shopping websites that make uncountable money from gift cards.

The growing popularity of gift cards has influenced the purchasing behavior of customers. In fact, when shoppers buy from gift cards, they make a **purchase of 60% more**.

*Customers tend to  
Shop 60% more if  
they have a Gift  
Card*



# CHAPTER 5

## WHAT ARE THE BENEFITS OF INCLUDING IT?

Gift cards have a number of benefits for eCommerce marketers. I have listed them for you go through them and discover the benefits your business can have from gift cards.

### 1. Spreads Brand Awareness

To increase brand awareness, marketers invest in many marketing tactics. Such as social media marketing, email marketing, content marketing, etc.

But to increase brand awareness, you are not limited to these strategies. You can also use gift cards to make your presence strong in the market. Really it can be proven one of the best strategies for your eCommerce business, as nowadays, online shoppers prefer to shop from online stores that offer them gift cards and because of this reason marketers have started investing more in gift cards to acquire more new customers to their store.

To tell your audience that your store sells gift cards send your customers a free gift card whether through emails or by sending gift cards at their doorsteps. This will surely, help you in spreading awareness about your brand.

### 2. Increases Business Revenue

As per the prediction, the demand for gift cards is going to increase year by year. The CAGR (compound annual growth rate) of **gift cards from 2017 to 2023 is expected to be 15.7%** and, customers spent \$130 billion on gift cards per year. All this stats simply show if marketers invest in gift cards they have a great chance to make money for their business.

### 3. Acquires New Potential Leads

Users look around on different sites in search for gift cards and, if your store offers gift cards, you can easily entice new leads to your business. So, nurture your potential customers towards your eCommerce store by offering them gift cards. Use each and every platform to tell your audience about the gift cards your store has and attract as many leads as you can for your eCommerce site.

### 4. Makes Customer Base Strong

If you offer gift cards in your store, customers would like to visit your site again and again which will make your customer base strong and ultimately help you in gaining loyal customers for your business. Keep reminding your customers about the gift card they have in their account and help your customers if they face any difficulty in using the gift card. To make your customer base strong make them feel special and not like a resource. And don't forget to ask them to give their positive review on the platform you use to entice other business leads and to make your business base strong.

# CHAPTER 6

## WHAT ARE THE WAYS TO IMPLEMENT GIFT CARDS?

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### 1. Focus on Gift Card Design and Packaging

To stand out from, your competitors you need to focus on your designing part also. Designing plays a very important role in attracting new leads towards the business. If your business, offers gift cards but the design wasn't enticing. Then your customers will surely go to your competitor's site.

To reduce this situation, make your gift card design alluring. There are many companies that offer their customers to create a custom design for the gift cards they want to purchase use this marketing strategy in your campaign also.

If you start offering your customers to create a custom design for their gift cards you have a great opportunity to stand out in the crowd of marketers and if your customers find your cards effective and valuable they will surely tell their friends and family about so. Which will help you in creating brand awareness and engagement for your business.

Ohk, you have created an enticing gift card. But... what about its packing?

Your task is not only to create an eye-catching gift card but also a memorable packing design. Which gives a long-lasting effect on your customers. Such that they can't stop themselves to come back to your store.



Not only your gift card but your packing also need to be up to date and valuable. If you find it difficult to design gift cards then, you can refer the listed platforms to accomplish this task.

- GiveX
- VoucherCart
- Plastic Resource
- Gift Up!
- Yiftee

## 2. Run Gift Card Promotions

According to many survey, it's clear that shoppers always find offers, discounts, and rewards appealing to them, and eCommerce marketers always take advantage of this to increase their business revenue. Therefore, run a gift card promotion to make more money for your business.



For example, you can offer \$50 to \$60 in the last week of the holiday season to turn last-minute shoppers into customers. You can even offer a third gift card of equal or less amount if the customer purchases two gift card coupons from your store.

### 3. Create a Campaign for Gift Cards

It's important to create a campaign for gift cards, as gift cards have so many benefits for your eCommerce business. In your campaign for gift cards check

- Whether the gift cards are reachable to all or not?
- Are they easily accessible?
- Have you include multiple platforms to aware your audience about the gift cards?
- Are you 24/7 present to help your customers?



## 4. Leverage all Channels

If you want your gift card program should work and have a long-lasting effect on your customers, then you really need to stay active on multiple channels. Like

### a. Use Social Media

Many marketers think social media platform is for large size businesses and not for small business but, it doesn't matter what the size of your business, you can take advantage of social media.

Just keep in mind you don't have to invest in all the platforms, as there are a bulk of social platforms in the market. Your task is to identify the platforms that can bring more engagement for your business.

Promote the gift cards in all the platforms your business use. To make your audience aware about the gift cards your business has.

### b. Email Marketing

To spread awareness about the gift cards among your target audience, one of the best approaches will be email marketing as the number of active email users is increasing year by year so you can reach a good number of audience for your business.

In fact, according to the prediction made by statista, it is expected that the marketers of US will increase their **email advertising spending to 350 million US dollars in 2019**. Because of the increasing popularity of emails.

Tell your audience about the new gift cards, animated gift cards, and offers related to gift cards. One more thing, don't forget to highlight the deadline of the gift cards offers to create scarcity and urgency about the offers so, that the customers can take the desired action as soon as possible. Also, ask your customers are they facing any problem in using the gift card. Keep reminding about the expiry date of the gift card.





Hello Alice,

You have received a Gift Card of \$1500 gifted by David. To use the gift card you need to create an account on our shopping site and make sure to utilize this amount before it gets expired.

Enjoy Shopping With Us!

Thanks  
Team ABC

### c. Through Blogging

To create awareness, curiosity and to make your audience aware about the new and upcoming projects, content is the best source. Because of the growing popularity of content among users, marketers have planned to **increase their content budget by 50%**

In this case, it's important to know all the platforms where you can publish your content. I have listed some of the top blogging platforms, have a look at them.

1. WordPress.org
2. Wix
3. WordPress.com
4. Blogger
5. Tumblr
6. Medium
7. Squarespace
8. Joomla
9. Ghost
10. Weebly

## Generate content on the following

- Why gift cards have become popular?
- The top site that offers gift cards
- How to use a gift card?
- How to use a gift card as the marketing tool for driving more conversion for business....etc

### d. Video Marketing

Online videos have become one of the most popular internet activity worldwide. Therefore, for marketers, it's also important to invest in video marketing.

In fact, it is projected that the number of digital viewers in the United States is expected to reach 236 million by 2020. So, it will always be a good marketing strategy to invest in online videos.

### Include videos like

1. What is a gift card?
2. How users can use a gift card for shopping?
3. How marketers can increase their sale through gift card?...etc

## 5. Place Gift Cards at the Time of Shopping

The best time to offer a gift card to your customers is the time when they complete a purchase from your store, redirect them to the gift card page. One more thing, if the gift card is placed at the checkout page, the customers can easily use the gift card points to make their purchase and the amount of gift card never go unused. If you do so, you will have more chances to make more revenue for your business.

# CHAPTER 7

## TIPS FOR USING GIFT CARDS FOR YOUR ECOMMERCE STORE?

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After knowing how to implement gift cards? Now it's time to know the things marketers need to keep in mind while using a gift card.

### 1. Use Gift Cards to Nurture Customers

Foster your customers towards their shopping by offering them enticing gift cards. You can provide your customers, a free gift card once they have made a purchase from your site. This gift card will help your business in gaining loyal customers and make your customer base more strong.

### 2. Use Gift Cards for each Holiday Event

If you want to attract more new leads and lapsed customers to your business you need to make a campaign of gift cards for each holiday event.

For this, you need to prepare a list of holiday events like Christmas Day, Hanukkah Day, Thanksgiving Day Cyber Monday and Black Friday for which you want to provide gift cards to your customers.



Use social media channels and email marketing to aware your audience about your gift card offers for each holiday event.

### 3. Use to Reward your Loyal Customers

It doesn't matter what type of business you have? Whether it's B2B or B2C having loyal customers for any business is a point of concern. Every business makes strategies to entice back their loyal customers. For which they reward their customers by offering them discounts, free shipping, coupons, etc. Marketers reward their loyal customers because they have a higher probability to make a purchase again.

Therefore, use gift cards to reward your loyal customers. For example, you can offer a gift card of \$10 or \$20 to your loyal customers to entice and nurture them towards more purchase. So, don't forget to include gift cards in your customer loyalty reward program.

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### 4. Offer Digital + Physical Gift Cards

If you want to stand out from your competitors, you need to offer digital plus physical gift cards to entice your customers. Physical gift cards will help you in making your brand awareness, attract new leads, will bring user engagement, and will help in gaining popularity for the business. How to use physical gift cards?

Send a free gift card to your customers on special occasions like Cyber Monday, Black Friday, Christmas day, New Year and on their special day to gain their attention and to build your customer base strong. According to the holiday shopping survey, 74% online shoppers like to receive a gift card during the holiday season.

### 5. Include it in your Brand Awareness Campaign

In any marketing campaign, creating brand awareness strategy is a must. Marketers use tactics like social media, email marketing, video marketing for spreading their brand awareness. But with these strategies, you can also use gift cards to leverage your campaign.

How???

But you can also use these platforms to provide information about the gift card offers to your audience. If you include gift cards in all these channels, you will be able to spread more awareness about your business. Therefore, don't forget to include gift cards in your brand awareness strategy.

## 6. Use it to Reduce Cart Abandonment Rat

Every day, the online marketers, face the problem of cart abandonment. As every other second user, nowadays create the situation of cart abandonment. And this problem is increasing year by year. In fact, on average the cart abandon rate is 67.91%.

In 2017, it was 69.23% and, in 2018 it has reached 75.6%. As you can see the rate of cart abandonment is continuously growing year by year. The eCommerce marketers make many marketing tactics to resolve the issue of cart abandonment. But you know to reduce cart abandonment, you can also use gift cards.

Yes, gift cards can be proven one of the best strategies for your eCommerce business to reduce cart abandonment rate. Wondering how???



Suppose, one of your users creates the situation of cart abandonment. The cart was left without making any decision for 2 days or 3 days. And on the 4th day, the user receives an email that he has got a gift card of \$5, \$10 or any amount.

In this situation, the customers are more likely to take a decision ASAP. So, if you want to reduce your cart abandonment rate, then you must use the gift card as your marketing strategy for cart abandonment.

# WRAPPING UP

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I have always said the best way to make money is by offering a discount to customers. The reason behind this ebook is the growing popularity of it among the customers and the benefits it has for eCommerce marketers. Because of the growing popularity of gift cards, become the seller of the gift card and not the buyer of it.

If you want to implement a Gift Card in your eCommerce store [Contact Us](#) and get the advice from our experts.

Spread the magic of gift card in the  
lives of your dear ones

**Thank You!**



/makewebbetter



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