

“Gift Certificates Bring in New Clients ”

by Cherie Sohnen-Moe

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Gift certificates infuse income into your practice and provide an easy way for clients to share your services with their family, friends and colleagues. They can also be used as both a marketing tool to generate new clients and as a goodwill promotion when given as presents or donated to charities.

Gift certificates are a tool to increase your client base, so it's in your best interest that they get redeemed. Each person who uses a gift certificate can become a regular client. Thus the initial certificate (whether purchased or given as a promotion) can launch a wonderful business relationship and bring in thousands of dollars in fees. Sue Welfley in Tampa, Florida, has a clinic with three treatment rooms and four therapists. Her gift certificates are available all year. Many of the recipients are "first timers" who come with certificates in hand; at least 30 percent of them end up rebooking and become regular clients in the clinic.

People can be encouraged to redeem their certificates in many ways. It's helpful to get the name and phone number of the recipient of the gift certificate so you can place a reminder call when the expiration date nears. If you're uncomfortable with this, contact the purchaser of the gift certificate and ask him/her to remind the recipient of the impending expiration. Monque Barazone, a massage therapist in San Diego uses the following method for successfully integrating gift certificate sales. Whenever he sells a gift certificate, he posts the name and address of the client who bought the certificate and the name and phone number of the intended recipient. If this is unknown at the time the certificate is bought, he checks back with the purchaser in a month or so. His gift certificates include a 6-month expiration date. One month prior to the expiration, he calls the recipient to give notice that a session needs to be booked before the certificate expires. After six months elapse without redemption and he is unable to contact the recipient or the recipient doesn't schedule an appointment, he contacts the original purchaser and tells him/her that the gift certificate reverts to his/her use. He sells many gift certificates and has a redemption rate in the high 90th percentile! His clients feel comfortable about purchasing gift certificates from him because they don't have to worry about the certificates (and their money) going to waste.

Printing an encouraging phrase under the expiration date can net positive results.

Examples:

- Take Time Out for Yourself Today
- Enhance Your Well-Being Right Now
- Relax and Revitalize Today

Stocking Up

You can purchase premade gift certificates or design and print your own. The three major benefits of purchasing premade certificates are a lower initial investment of time and money and the variety of design options. Most of these certificates are printed in full color on high-quality paper and are available in a wide range of styles (some generic and others for specific events, such as birthdays).

If you are in a solo practice and sell a large quantity of certificates, then you might consider printing your own. You can customize the certificates with your contact information (e.g., name, address, phone number and a listing of your services). If you choose this route, the certificate design can match the style and color palette of your letterhead, business cards, and brochures. There are some very attractive gift certificates printed on card stock and bordered in foil (silver, gold, or copper) with a matching foil-lined envelope. Regardless of whether you purchase certificates or make your own, be sure they convey your desired image.

The other essential information to include on a gift certificate is the recipient's name, the giver's name, and a description of the services to be provided. Other useful items to add are the certificate number, date of issue, the name of the practitioner who issued the certificate (particularly for a multi-practitioner office), and (if you insist) an expiration date. If you custom-print your certificates, include your contact information. If you purchase premade certificates, put your business card in the envelope or attach it to the certificate (some certificates are slit so you can easily attach your card).

Expiration Date

Some people advocate increasing one's revenue stream by aggressively selling gift certificates with very short expiration terms. This way the majority of certificates expire before being redeemed and the therapist receives the income without having to perform any services. While this might appear tempting, consider the long-term consequences of this and the bad-will that this might generate.

Betty Norris, a massage therapist in Prattville, Alabama, gained four new clients because another therapist refused to honor gift certificates after the expiration date and this refusal was to someone who had spent \$1,000 buying Christmas gift certificates for two family members. The gift-giver and the recipients felt extremely "ripped off."

For most people, a massage certificate is a significant investment. Your gift certificate sales will dramatically increase if you are able to develop a system that allays concerns about purchasing something that might not be used. You will find that people feel more comfortable purchasing certificates that have a flexible or no expiration date, or revert to the purchaser if not used by the expiration date.

Some therapists put a reasonably short expiration date on their gift certificates (such as 3 or 6 months) to encourage people to come in soon, yet always extend the date

upon request. Other therapists charge a token reactivation fee to extend the expiration.

Date It

If you custom print your gift certificates and want to include an expiration date, consider printing a line where you hand write the actual expiration date. Instead of putting a tag line on the bottom such as "This Certificate Good for 6 Months." This enables you to vary the redemption length.

Although she is lenient with it, Philippa Dodson, a massage therapist in Dallas, Texas, puts a 3-month expiration date on her certificates. Many people wait until the last day to call for an appointment so she extends the expiration date for one month and books the appointment at the time of the call. If the recipient doesn't use the gift certificate, it reverts to the purchaser for his/her own personal use.

Robert Flammia of Berkeley, California, gives long-standing clients gift certificates without having to pay until their friends (potential clients) have redeemed them. The agreement with the client is to not mention the deferred payment to the potential clients so that the gifts would not be devalued. This is an example of a win-win arrangement: the client giving the gift certificate is able to bestow a very nice gift without the concern of spending money for something that might not get used; the therapist has the opportunity to broaden his base of clients (if the friend books an appointment); and the therapist's name gets circulated even if the gift certificates are not redeemed.

Another idea is to offer incentives for early redemption, such as:

- Book your appointment within 2 weeks and receive a free paraffin dip for your hands;
- Use this gift certificate within 1 month and receive an extra 15 minutes;
- Redeem this certificate within 1 month and receive a 15 percent discount on all self-care supplies.

Marketing Gift Certificates

Some work settings lend themselves to a high volume of gift certificate sales. Upscale salons and day spas are a prime example, since gift certificates for services and products are commonplace in these settings. Yet relatively few practicing therapists actively promote gift certificate sales they typically make them available only to current clients. The certificates are an afterthought. Usually the only action a therapist takes is a special holiday promotion, reminding clients that they can give the gift of touch. Don't be limited to seasonal sales; gift certificate sales can be an integral part of a year-round marketing program.

At the very least, insert a sample gift certificate in your welcome kit and prominently display one in your waiting area (framed and either on a stand or hung on the wall). Mention your gift certificates in all your promotional materials particularly brochures, fliers, and advertisements. If you distribute a newsletter, print

a notice about gift certificate sales in every issue. Tactful, tasteful reminders about gift certificate availability are always appreciated.

Current Clients

Every year around November, Stan Goldman of Decatur, Georgia, sends out a season's greetings letter offering discounts on gift certificates. What makes it work are the four blank gift certificates he includes with the letter. They're blank in the sense that gift giver's and recipient's name have to be filled in, along with date of purchase and his own secret authorization code (which can be obtained by calling him with a promise to send money or bring it at the next visit). According to Goldman, "There's something compelling about having the gift certificates in hand, along with a reminder that it's an unusual gift." Also, he includes the statement, "You Don't Have To Fight The Mall Traffic!"

At the beginning of December, Llysa Holland of Seattle sends out postcards to her clients of the past 2 years, wishing them happy holidays, and offering a \$5 discount on every gift certificate they purchase. These certificates must be purchased by January 6th. They can be used by the clients or given as gifts and are good for massage appointments throughout the year.

New Clients

Gift certificates are a great tool for introducing people to massage particularly if you also offer services that are less challenging for the timid (such as chair massage, a half-hour session focusing on neck and shoulders, Craniosacral therapy, or Shiatsu). Some therapists offer deep discounts on the purchase of a gift certificate by a first-timer. Others even give away a set number of certificates each month as a promotion.

Always keep a stack of gift certificates handy (and be certain to display a sample one) whenever in an activity associated with massage. Ideal instances include the following: demonstrations or presentations about massage or a related topic, such as stress management; providing pre- or post-massage at sporting events; open houses; and, booths at health fairs and expositions. Also, sell your certificates to businesses to use as incentives or rewards. Many companies regularly reward customers, clients, and employees with substantial gifts. For example, real estate agencies and title companies usually give gifts to their clients upon closing. Purchasing a home can be extremely stressful, so massage makes an excellent gift alternative to the customary house plant or kitchen accessory.

Another option to increase your gift certificate sales is to offer free gift certificates (for services or products) to cross-promoting partners to use as incentives. They can make a similar offer for their customers who purchase gift certificates (or some other incentive program). A bookstore could be a great barter partner. You could offer a \$10 book gift certificate for every two massage certificates purchased. The bookstore could offer a 15-minute chair massage certificate for every \$75 worth of book certificates purchased. You need not be limited to the certificates being of

equal value as long as the total exchange is equitable. For instance you could give the bookstore 10 certificates for full sessions (let's say at a value of \$50 each) to be used in whatever type of promotion the bookstore chooses and in return, the bookstore would give you fifty \$10 book gift certificates.

Financial Management

Consider putting at least half of all gift certificate revenue into a savings account and transferring the funds into your checking account when the certificate is redeemed. Otherwise, if you sell a lot of gift certificates, you could find yourself in the position of working for an extended period of time without receiving "new" income.

Keeping track of gift certificates is easy when you design a system and stick with it. For those of you with computers, this can. You can also use a manual register system (see sample), or integrated it into your computerized accounting system

A final word. While gift certificates are an excellent marketing tool for increasing your client base, keep in mind that the true profit is generated not from the sale of the certificate but from the subsequent sessions that the new client will return to.

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