

Gift-Giving Strategies

BY JOANNA F. JOHNSON

The best time to thank your clients for their business and your employees for their hard work isn't just at the end of year. Savvy professionals know that gift giving isn't limited to the fourth quarter holiday season. Sending small presents throughout the year is an excellent way to solidify relationships with clients as well as business prospects. For freelancers, off-season gift giving can be an especially valuable tactic as it's an opportunity to stand apart from the crowd, announce your skills and recent accomplishments, and generate recognition from potential clients and employers.

Business gift giving can be a double-edged sword. On one hand, gift giving can be an excellent way to build lasting relationships and market your company or service. Whether the gift is actually used is often irrelevant. There is something about receiving an unexpected gift that just makes us feel good and, consequently, makes us feel good about the person and business who have given us the present. On the other hand, if a gift is inappropriate in content or value, it can damage relationships as quickly as any other type of negative interaction.

How can one determine the best gift-giving strategy for their business? It's more an art than a science, but it helps to understand basic, contemporary business etiquette.

How much should I spend?

There is certainly no rule, but many larger firms place a maximum value on gifts that their employees may accept, usually no more than \$40 to \$50. This is a good reason to send smaller gifts and tokens more frequently.

Is there a tax benefit for gift giving?

Yes! In 2009 the IRS allowed business gifts within the United States to be tax deductible up to \$25 per person (recipient) per tax year. This value does not include incidental costs such as the packaging or shipping costs of the gift, which are also generally tax deductible. Review IRS Publication 463 for further details on deducting the business cost of gift giving.



Quantum Consulting Engineers in Seattle, WA, won First Place, Small Firm, in the Holiday Piece category of the 2006 SMPS Marketing Communications Awards with this custom-packaged client gift.

Do I have to give holiday gifts?

No. In fact, bypassing the deluge of year-end gift giving in favor of more offbeat occasions such as Groundhog Day, St. Patrick's Day, Earth Day, Cinco de Mayo, Independence Day, Labor Day, Halloween, and Thanksgiving will demonstrate creativity and make your company stand apart. Additionally, keeping a stock of gifts on hand for presenting to your clients on the anniversaries of their company or on their birthdays will show that you care and will make a lasting, favorable impression.

What's the best way to deliver a gift?

Make it personal. A personally delivered gift makes the best impression and will keep you in the mind of your recipient. If personal delivery is not possible, using a hand-signed card that briefly shares your thoughts will make a lasting impression even with a small gift. If the gift is to be consumed, make it last by sending it in a reusable, personalized container the recipient will want to keep.

How should I structure a gift-giving program within my company?

Generally, gift giving will fall within your company's business development and marketing outreach efforts. You'll be best served by strategizing and planning your gift-giving efforts in advance. First off, designate gift giving as a separate, official marketing program by giving it a project name such as "Presents for Profits." Second, establish a designated annual gift budget and select specific gifts in advance, taking into consideration your recipient's demographic and the level of professionalism that the gift imparts. Plan for regular monthly, quarterly, special event, or holiday gifts tiered in value and frequency by customer level. Solicit input from your employees as to which clients/leads/customers/employees should be priorities this year. Higher priority customers can be scheduled for more frequent company presents and/or presents of higher perceived value. Engage your employees in the Customer Service Gift Program by holding a brainstorming meeting to determine gift ideas, as well as cohesive messages your company wants to impart with its gifts.

Ultimately, the key to good gift giving in business is in knowing what is and what is not appropriate. Sending a desk clock to one of your customers for a referral is appropriate. Giving the administrative assistant of a large new account a Cartier watch is not appropriate. According to *The New Complete Guide to Executive Manners* by Letitia Baldrige, appropriate business gifts

currently include promotional giveaways, presents inscribed with the corporate logo, gift baskets, flowers, entertainment coupons or tickets, food and wine, travel accessories, and desk accessories.

"Gift giving is a positive way to build strong relationships in the business world."

Gift giving is a positive way to build strong relationships in the business world. Think of gift giving as a tangible marketing opportunity to more deeply connect with your clients, to outshine your competition, and to share news of your company's success, all with one gift. ■

About the Author



Joanna F. Johnson is the owner of E2 Business Gifts (www.e2businessgifts.com), whose company name is derived from phonetic Spanish for 'and you.' E2 Business Gifts distributes personalized promotional products for employee and customer gifts, trade-show giveaways, business marketing outreach, and special event favors. Based in Chicago, Joanna can be reached at 303.522.3686 or joanna@e2businessgifts.com. This is her first contribution to *Marketer*.

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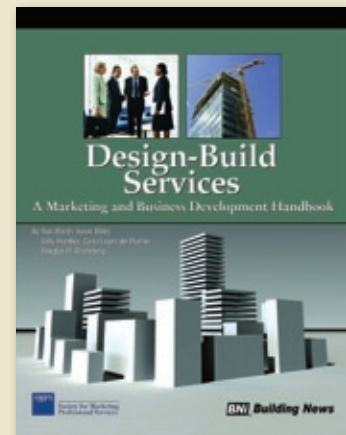
Design-Build Services: A Marketing and Business Development Handbook

Design-Build Services: A Marketing and Business Development Handbook discusses the selling and marketing of design-build which has become a leading procurement practice in the United States. If you want to succeed in today's aggressive, competitive building environment, you need to master a new set of skills to market this powerful service to clients.

The first part of the handbook takes the reader through the process of developing a successful design-build marketing and sales program. Using examples from successful companies around the country, it shows how to create targeted marketing plans; market services for private, public, and federal projects; research new design-build projects; create a market-driven sales force; and write successful proposals.

The second half of the handbook focuses on how to run a successful design-build firm once a project has been awarded, presenting the reader with tools for scheduling, quality control, and ensuring client satisfaction.

This book is packed with ready-to-use forms and sample documents, laying out a complete "blueprint" for your success in marketing design-build. Written by an expert team of seasoned practitioners, consultants, and university researchers, this book will quickly transform your firm into a competitive design-build powerhouse.



Design-Build Services: A Marketing and Business Development Handbook

by Ron Worth, Kevin Miller, Sally Handley, Carla Lopez del Puerto, Douglas D. Gransberg

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