Employee Recognition Programs that Enrich the Customer Experience

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Welcome!
Featured Speakers

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VP, Business Development

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Co-CEO

Bill Bradley
VP, Marketing & Business Development
Employee Engagement and Recognition

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Setting the Stage

• Professional background
• Ultimate Choice, Inc.
  – Simple Award of Choice or On the Spot Award
    • No fees, no expirations, no minimums
    • Allows each recipient his/her choice of over 500 gift cards
    • Can be customized
    • Delivered physically or virtually
  – Basic point bank system
    • Participants and their earnings with gift card fulfillment
  – Fully customized performance and recognition platform
    • Point or currency based
EVERYONE WANTS TO FEEL APPRECIATED!
Workforce Engagement – Before and After

30% engaged

54% not engaged

16% actively disengaged

70% of the workforce is either “Not Engaged” or Actively disengaged!

- Within 6-Months 60% of NEW HIRES fall into the “Not Engaged” category! You cannot afford to have a non-performing employee!
Please Don’t Go!

THE NUMBER ONE REASON EMPLOYEES GIVE FOR LEAVING THEIR COMPANIES IS “LACK OF RECOGNITION & PRAISE”

Oxford Economics: Companies would need to increase an employee’s total base compensation by 8.5% to achieve the same effect of recognition and incentives

World at Work Study:
• Revealed 65% of companies are doing more with recognition than they did three years ago

Incentive programs:
• Increase the frequency of the behavior that was rewarded by 22%
• Increase sales by 20% when $2,000 per employee is invested in sales incentives
• Reduce turnover by 13% compared with companies without a program in place
it’s all about... **Engagement**

Recognition is not just “the nice thing to do”
It’s the ONLY thing to do!

It doesn’t have to be hard!!
An effective, motivating Employee Recognition System is:

- SIMPLE
- IMMEDIATE
- RELEVANT
- REINFORCING
Key Elements for a Successful Program

**Engage** – capture attention

**Educate** – the rules of engagement

**Excite** – the “water cooler effect”

**Encourage** - small victories!

**Evaluate** - measure results
WHAT’S IN IT FOR YOU??

• Quicker identifier of low performers and under-involved managers
• Increased excitement and re-energized employees
• Opportunity to reinforce KPI’s and tie recognition to positive behaviors
• Ability to quickly introduce new campaigns relevant to corporate events and goals (get emps. behind it)
• Environment of respect
• Fosters teamwork – internal customers matter too!
• Employees feel more connected to business success
• FUN!!
SO WHY ISN’T CASH KING???

- Compensation vs. motivation – don’t confuse the two
- Cash is cold
- No trophy value – lose your “water cooler buzz”
- Cash will get mixed in with money for bills, groceries, necessities – no longer becomes “me money”
- Easily forgotten
- Expected
- Hard to eliminate
- Perceived differently
Why Choice Matters

- Demographics
- Psychographics
- Wants and needs
- Timing
- Buying behaviors
- Desire to include and share
- Mugs and umbrellas and hats – oh my!
Impact of Non-Cash Motivation

Don’t Confuse Compensation with Motivation
I Really Can’t Afford This Right Now

Program Lifecycle – actual program that operated over 10 years

- Enrolled and Engaged participants perform better in any market condition
- Accelerate growth when market conditions are positive
- Maintain your competitive edge in flat market conditions
- Protect yourself in challenging market conditions
Summary

- Establish your KPI’s – specific behaviors that benefit your company
- Match awards to behaviors and desired goals
- Establish budget
- Decide on rules of engagement
- Get upper management buy in and participation
- Make your program easy, flexible, and scalable
- Reward frequently and immediately
- Include public recognition with awards
- Communicate, communicate, communicate
- Make it creative and have fun!
A Wise Man Once Said......

“You cannot exceed the expectations of your customers until you exceed the expectations of your employees.”

Howard Schultz, Chairman and CEO Starbucks
Employee Recognition & Rewards

“Encouraging others can be the catalyst to unleashing their greatness.”

- Rob Liano

Deborah Merkin
Co-CEO

www.giftcardpartners.com
www.giftcardpartners.com/gcpblog
Who is GiftCard Partners

- GiftCard Partners is an award-winning leader in the fast-growing payments industry with a proven record of success.

- We are dedicated to building retailers’ and merchants’ B2B gift card business through the use of leading-edge marketing and technology.

- As a result of our deep brand and industry expertise, we recognize that in order for a program to be successful, the congruency of the reward must match the program, e.g. The “Right Brands for the Right Programs”.

- We place our clients’ gift cards in:
  - Employee recognition, motivation and sales incentive programs
  - Customer reward and loyalty programs
  - Health and wellness programs
Contents

Organizational goals must **align**

Take a **closer look** at your employees

The **key** to rewards
Before anything, what’s the goal?

In order to succeed, the organization’s goal must be aligned with the recognition program.

Is the goal to:

- Improve engagement
- Change behaviors
- Increase productivity
- Increase retention rates

Identify that goal and put a process in place to measure it!
Today’s Workforce is Multi-Generational

Baby Boomer

Characteristic or stereotype?
Born: 1945 – 1963
Raised more liberally
Raised in time of optimism (post WWI)
Coming of age during Civil Rights
Hippie Movement
Live to work

Generation X

Characteristic or stereotype?
Born: 1964 – 1980
Raised in time of increasing divorce rate
Harsher economic times
Distrustful, Independent, Skill-oriented
Work to Live
Questioning, skeptical

Millennial

Characteristic or stereotype?
Raised by “helicopter parents”
Continuous feedback and recognition
Career-oriented, hard work, but with balance
Seeks recognition, detailed feedback
Depending on the individual...

The most valued item may vary drastically, affecting the result it has on the employee.

Ask yourself,

- Where are they in their life cycle?
- What is important to them?

Align employee expectations with organizational goals and ensure flexible rewards are available.
Who gives the reward & How you give the reward is just as important as what you give.
How & Who, just as important as What

Only 4% of employees find eThankyou Awards (that convey no gift or monetary value) to be a memorable form of recognition.
A Variety of Reward Programs

Performance

Safety

Service

Sales

Health & Wellness

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Reward Options

- paid time off
- early days off
- cash
- bonuses
- points programs
- trips
- merchandise
- premium reductions
- wearables
- events
- stock options
- concerts
- travel
- sporting events
- gift cards
- free lunch
Gift cards are the reward of choice

Restaurants, Online retailers, Department stores are the most redeemed cards

% Redeemed at

(among B2B gift card redeemer)
Flexibility of gift card type
(Plastic, eGift Card, Mobile)

Multi-generational response on gift.

<table>
<thead>
<tr>
<th></th>
<th>Millennials</th>
<th>Generation X</th>
<th>Over 45</th>
</tr>
</thead>
<tbody>
<tr>
<td>Received any card</td>
<td>70%</td>
<td>75%</td>
<td>54%</td>
</tr>
<tr>
<td>electronically</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Redeemed any card</td>
<td>69%</td>
<td>67%</td>
<td>50%</td>
</tr>
<tr>
<td>online</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Redeemed any card</td>
<td>24%</td>
<td>7%</td>
<td>8%</td>
</tr>
<tr>
<td>via mobile</td>
<td></td>
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Shapiro+Raj & GiftCard Partners, Inc. - Summer 2015 U.S. Gift Card Study

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Why gift cards are the go-to

The affect the gift card had on employees when given by employer.

<table>
<thead>
<tr>
<th>Attitude toward employer (top 2 box on five point scale)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Makes me feel loyalty</td>
<td>78%</td>
</tr>
<tr>
<td>I deserved this reward</td>
<td>84%</td>
</tr>
<tr>
<td>Was a worthwhile reward</td>
<td>83%</td>
</tr>
<tr>
<td>Felt recognized for me</td>
<td>86%</td>
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</tbody>
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Why gift cards are the go-to

Gift cards provide added value...beyond actual monetary amount

✔ Promotes greater **Loyalty** to both the Source of the card and the Brand
✔ Generates a sense of **Recognition** for the user...“I deserve this and “company” appreciates me.”
✔ Instills an emotional connection to the **Reward**
Measuring Engagement

Metrics for Success

- IRA Completion: 65%
- Biometric Screening: 65%
- Involvement in Behavioral programs: 92%
- Lower Health Care Costs: 65%
- Lower Absenteeism: 31%
# Reward Offerings

<table>
<thead>
<tr>
<th>Currently offer</th>
<th>Planned growth</th>
<th>Wearables</th>
<th>Gift Cards</th>
<th>Premium Reduction</th>
<th>Cash Incentives</th>
<th>Points for behaviors</th>
<th>Online Behavior / Support Portal</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>17%</td>
<td>14%</td>
<td>50%</td>
<td>29%</td>
<td>29%</td>
<td>45%</td>
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<tr>
<td></td>
<td></td>
<td>21%</td>
<td>44%</td>
<td>37%</td>
<td>17%</td>
<td>65%</td>
<td>31%</td>
</tr>
</tbody>
</table>

Shapiro Raj & GiftCard Partners, Inc. - Summer 2015 - Improving the Outcomes of Health & Wellness Programs with the Use of Incentives
Spend Per Employee

Average incentive spending is $400 per employee / year

Shapiro+Raj & GiftCard Partners, Inc. - Summer 2015 - Improving the Outcomes of Health & Wellness Programs with the Use of Incentives
Summary

• Align organizational goals with the reward program

• Know your employee
  – Multi-generational workforce

• When it comes to rewards...
  – How and Who is just as important as What
  – Choice is king, not cash

Key Takeaways
Thank You!

Q & A

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