### 4 ways to harness the power of Scotland Loves Local Gift Cards

Through the Covid Economic Recovery Fund

The Scotland Loves Local Gift Card is a Scottish Government-led initiative to lock spend into local areas across Scotland, with 32 unique gift cards for each region of Scotland. The Scotland Loves Local Gift Card is being driven by Scotland's Towns Partnership, alongside delivery partners Miconex, a Perth-based fintech.

These local gift cards are in effect local currencies - and have limitless potential to boost local economies and support local businesses, whilst also providing dignified support to all within our society through community disbursement and inclusivity initiatives.

Here, we look at some of the most successful, innovative uses of local gift cards to meet the challenges faced by our towns and cities. Utilising the Scottish Government's recently-announced COVID Economic Recovery Fund, Scotland's Towns Partnership and Miconex are enthusiastic to work with you to roll out regional Scotland Loves Local Gift Card programmes that support low income households, welcome employees back to the workplace and reward staff, drive footfall, and provide sector specific support for the hospitality, retail, tourism and leisure industries.









## Supporting low income households through community disbursal



#### How it works

Scotland Loves Local Gift Cards can be used to disburse funds to specific groups within the community. A key reason to use a regional Scotland Loves Local Gift Card is that there are no markers to identify the individual as having received the gift card as a hardship payment, allowing local authorities to disburse the funds with dignity, plus the extensive choice it offers the recipient.

#### Hear from the experts

This model was used effectively in East Ayrshire where 4,200 families in receipt of free school meals received a £50 East Ayrshire Gift Card at Christmas 2020, and a £20 gift card at Easter 2021. Find out more in the East Ayrshire case study:

"The beauty of using the East Ayrshire Gift Card was that it removed any potential stigma. Families had the choice of where to spend the gift card, rather than just a single shop or a few shops, and there was nothing to mark them out for using the gift card. Dignity, empowerment and choice were keywords of this initiative and it was successful. Almost immediately after being issued before Christmas, the cards were being spent on items for Christmas lunches, in toy shops, and sports stores, even by children buying a present for their parent. It enabled families to have a good Christmas dinner, or to buy school clothes for the New Year, and even now, it is quite emotional to think of the impact the gift card had for our families in East Ayrshire, and also for our businesses. We made sure to contact the families who had received the gift cards too, reminding them and encouraging them to use it."

Tracy Murray, Town Centre Regeneration Officer at East Ayrshire Council

Community group Love Falkirk also used the District Towns Gift Card to support families in need. Read more here.

#### How to do it

A specific allocation of funds can be loaded onto your regional Scotland Loves Local Gift Cards, ready to be spent by specific groups with participating local businesses. You may wish to distribute the Gift Cards to families within the local authority area who are in receipt of free school meals. Another project could be to pre-load cards for everybody in receipt of a Young Scot National Entitlement Card, to empower young people, allowing them to spend regional Scotland Loves Local Gift Cards to support the costs of living and studying, and offering choice.

A strong offer on your Scotland Loves Local Gift Card is the number, location and variety of places where the gift card can be spent. This makes the initiative suitable for supporting low income households - giving individuals the choice to spend with national retailers like Aldi, Scotmid, Spar and Boots, and independent businesses too.

## 2 Saying thank you to employees through welcome back initiatives and staff rewards



#### How it works

With employees heading back into the workplace after the end of restrictions, Scotland Loves Local Gift Cards can be used to welcome employees back to the office in a variety of ways - including active travel initiatives, corporate rewards and incentives, and service awards.

Many private organisations are also choosing to replace existing staff rewards with the Scotland Loves Local Gift Card as a local alternative - locking money into the local area whilst celebrating employee achievements and long service awards.

#### Hear from the experts

Peter Telfer, managing director at Urquhart Opticians and chair of the Kilmarnock Business Association <u>has purchased the Scotland Loves</u> <u>Local Gift Card for staff to spend in the local area</u>:

"Staff were really appreciative of their local gift cards. For us as a business, it was a really positive message. Why would we, as a local business, give out vouchers where the benefit leaves our area? It also has other benefits for staff in that it encourages them to use their local shops and services as much as possible. There is a perception that shopping locally costs more. But with a gift card in their hand, employees might feel more inclined to give that restaurant a go, or go into a shop they like the look of but have never been inside. There is lots of choice and it's simple for our employees to use."

In 2020, Falkirk Council and a group of local employers rewarded their staff with a District Towns Gift Card for logging active travel into work or exercise - encouraging not only more active and sustainable lifestyles, but support for local businesses too. Read more about how they did it <a href="https://example.com/here/businesses">here</a>.

#### How to do it

Scotland Loves Local Gift Cards can be used to replace existing staff rewards and incentives with a local alternative, locking money into the local area. Or, for employee welcome back initiatives, a specific allocation of funds can be loaded onto your regional Scotland Loves Local Gift Cards, ready to be distributed to staff for their return to the workplace.

## 3 Driving footfall and commerce in your local area



#### How it works

Driving footfall into your towns and cities is a key priority. Statistics show that customers spend up to 65% more on top of the value of their gift card when they redeem it.

Scotland Loves Local Gift Cards can be used to drive footfall, giving consumers a reason to visit the high street and encourage additional spend.

#### Hear from the experts

In East Lothian, local business partnerships are offering an East Lothian Gift Card as a reward for spend in its towns. In January 2022, a Financial Times report credited East Lothian, home of the East Lothian Gift Card, with a 12% rise in in-person spending since the pandemic - the highest across the whole of the UK.

Gemma Slight from East Lothian Investments (ELI), an arm's-length company of East Lothian Council, explains <u>in this case study of the East Lothian Gift Card</u>:

"As our high streets re-opened in 2021 and through 2022, a number of East Lothian towns are running their own promotions, supported by East Lothian Council, to drive footfall, using the East Lothian Gift Card. In Musselburgh for example, Musselburgh Business Partnership is offering a £5 East Lothian Gift Card to spend in February or March in any of the registered Musselburgh businesses, as a reward for spending £20 in the town. Activities like this contribute to the sense of community engagement with the gift card, and the shop local message."

#### How to do it

There are a variety of ways to drive footfall using your regional Scotland Loves Local Gift Card, including Buy One Get One Free, discounted Scotland Loves Local Gift Cards, or money back for spend, such as seen in East Lothian.

## Supporting priority sectors in your area

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#### How it works

Certain sectors, such as retail, hospitality, tourism and leisure have been particularly impacted by the pandemic. Scotland Loves Local Gift Cards can be used to drive spend toward a specific sector that is a priority in your area - such as leisure, hospitality, days out, retail, or tourism.

#### Hear from the experts

Prince Edward Island in Canada is an excellent example of utilising a local gift Card scheme to boost tourism and encourage spend from locals, tourists and corporates - and in so doing, stimulating the economy.

Since its launch in September 2020, over US\$3.7 million has been loaded on to Canada's Food Island Gift Card, in a sell-out tourism initiative. An initial release of 5,000 cards were sold at 20% discount (\$50 for a \$40 spend). Cards were also made available to 30 of the Island's accommodation providers at a 40% discount as part of a Stay and Savour campaign, where guests could receive two Canada's Food Island Gift Cards with a two-night stay on the Island.

<u>In the Canada's Food Island Gift Card case study</u>, Kent Thompson, Director of Finance and Food Tourism for Food Island Partnership said:

"The introduction of the gift card enabled us to extend our tourist season. In the second phase 20,000 gift cards were ordered. 2,000 were for accommodation providers, 15,000 were for retail to consumers and 3,000 were for corporates. The discount we offered really helped us to overcome those initial reservations people might have about trying a new programme. It was attractive enough to encourage people to give it a go."

#### How to do it

Load a specific allocation of funds onto your regional Scotland Loves Local Gift Cards, ready to be distributed to specific sectors at a discount and drive activity where you need it most - from staycations and days out, to meals and theatre trips.

#### What's next?

When Scotland Loves Local Gift Cards are seen as local currencies, the potential for regeneration and transformation in our Scottish regions is immense.

By supporting a successful Scotland Loves Local Gift Card programme in your region, there are multiple benefits of supporting local businesses, priority sectors, and people in your community.

#### **FIND OUT MORE**

<u>Read the case studies</u> from participating businesses to find out more about the benefits of the programme for business and enterprise.

The Scotland Loves Local Gift Card purchase platform <a href="https://www.scotlandgiftslocal.com">www.scotlandgiftslocal.com</a> also contains an extensive directory of participating businesses, so Gift Card recipients can see where to spend their gift.

#### **CONTACT US**

To discuss how you can use the COVID Economic Recovery Fund to power the economic fightback and inspire innovative ways of making the most of the Scotland Loves Local Gift Card, please contact us.

We are pleased to liaise directly with programme leads to tailor and deliver the content you need to make the Scotland Loves Local Gift Card a success in your region.

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