



# Community Card Playbook

## Local Merchants are the Backbone of Communities

Everyone wants the local shops and restaurants in their community to thrive. They are the Little League sponsors, the Chamber of Commerce members, and the donors to the local elementary school fund raisers. There’s no “Main Street, USA” without them.

Yet they face unprecedented challenges losing business to ecommerce with overnight (or 2 hour!) delivery, online personalized shopping recommendations, and data-driven “loyalty” promotions they can’t afford. Consumers, though they mean well, will usually take the most convenient option – which is increasingly digital and mobile – leaving local merchants with declining sales and profits and hurting the local economy.

*This Playbook describes a simple way to bring business back to Main Street, giving consumers and corporations the convenience they require, and supporting their good intentions to “give back” to their communities.*

## Local merchants keep community economies vibrant

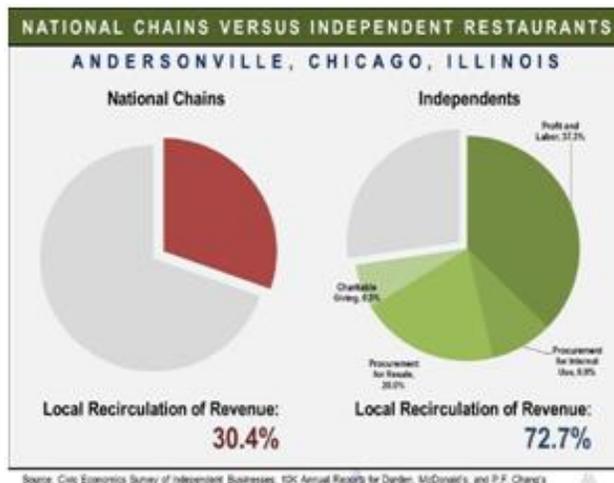
By supporting local businesses, more money circulates in the community through a combination of



profits paid to local owners, wages paid to local workers, goods and services procured locally for internal use or resale, and charitable giving within the community. For example, the Anderson Retail Economic Study<sup>1</sup> shows that local independent retailers recirculate 47% of their revenue back into the community, vs 14% for national chains. More dramatically, restaurants recirculate 73% of their revenue back into the community, vs 30% for national chains.

The study authors conclude that:

*“Independents bring substantial benefits to their local economies when compared to their chain competitors. The extra dollars in the local economy produce more jobs for residents, extra tax revenues for local governments, more investment in commercial and residential districts, and enhanced support for local non-profits. In short, locally owned, independent businesses create better places.”*



<sup>1</sup> [Andersonville Study of Retail Economics, 2012](#), by Civic Economics.

## HELP US BUILD A BETTER COMMUNITY

“Independent We Stand,” a nationwide movement of independent small business owners, compiled a list of benefits associated with a strong local merchant economy<sup>2</sup>. [Here](#) is the entire list and below are some excerpts:

### **More of your money will be kept in your local economy**

For every \$100 you spend at locally owned businesses, \$68 will stay in the community. What happens when you spend that same \$100 at a national chain? Only \$43 stays.<sup>3</sup>

### **You create local jobs**

Local businesses are better at creating jobs for your neighbors. When you shop locally, you help create jobs for teachers, firemen, police officers, and many other essential professions.

### **You help the environment**

Buying from a locally owned business conserves energy and resources in the form of less fuel for transportation and less packaging.

### **You conserve your tax dollars**

Spending locally instead of online ensures that your sales taxes are reinvested where they belong— in your community!

### **You invest in entrepreneurship**

Creativity and entrepreneurship are what the American economy is founded upon. Nurturing local business ensures a strong community.



Most people agree that strong local and independent shops and restaurants benefit the community. The “Shop Local” movement is going strong, particularly with Millennials (born 1982-2000), who prefer to drive less and support socially responsible businesses<sup>4</sup>.

We can accelerate this in communities large and small by making it as easy and convenient to support local brands as it is the national and online brands.

<sup>2</sup> <https://www.independentwestand.org/what-happens-when-you-shop-local/>

<sup>3</sup> [Andersonville Study of Retail Economics, 2012](#), by Civic Economics.

<sup>4</sup> [Shopping Patterns of Millennials](#), 2015, Inland Institutional Capital Partners

## Introducing the Community Card, a Multi-Use Digital Gift Card Featuring Your Local Merchants

Local merchants and community leaders are busy. They are spread thin, with a small staff performing many tasks. Their focus is not generally Information Technology (IT) or marketing, and merchants are often challenged with high employee turnover. Local communities need solutions that help reach their constituents and customers online and mobile – but they can't require IT or take time, and they must be intuitive to use and inexpensive.

The Community Card, powered by Yiftee, is such a solution. It builds on the goodwill of communities, giving consumers and corporations an easy way to support their local merchants. Simply put, it's a digital gift card that works at any number of local shops and restaurants. So instead of giving national brand or online shopping gift cards, where the profits go to headquarters far away, with your Community Card the money stays in your community, reaping all the benefits described in the studies above.

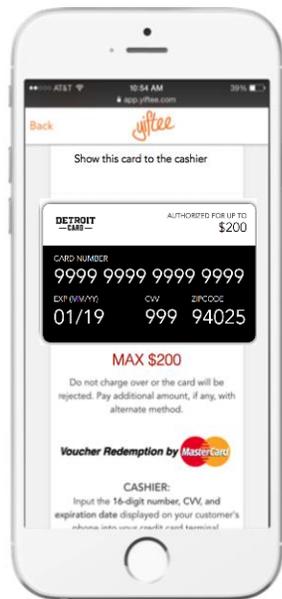


### Community Cards work for Chambers of Commerce, Offices of Economic Development and other Organizers because:

- *They are a value-added service that drives foot traffic in to participating merchants.* Community Cards can only be redeemed at participating merchants and Organizers control who can participate.
- *They are personalized for your community.* You name your Card and upload the images and description you want. You can change this branding as you like.
- *They provide data and visibility on how the Card is working.* You have full visibility into Card sales and redemption; consumer, corporate and merchant participation; and the ability to see reports and share data about the program's success with other community members.
- *They are easy to implement.* Community Cards are a hosted service, powered by Yiftee, Inc., a leader in digital gift cards and promotions for local businesses. Yiftee and its partners work closely with you to deploy and support your Community Card. No IT resources are required.
- *You have no financial liability, special accounting or escheatment.* The right amount of money always goes to the right merchant, with no involvement from the Community Card Organizer. It works like this: consumers and corporations buy Community Cards online from Yiftee, and Yiftee issues the Community Cards to the recipients digitally. Yiftee holds the funds in escrow until the Card is redeemed. Upon redemption, the MasterCard network pays the merchant and Yiftee pays the MasterCard network.
- *Merchants and Organizers have no fraud risk.* Unfortunately, bad people use stolen credit cards to buy digital gift cards. They would buy Community Cards if they could. Yiftee takes payment for all Community Cards and vets it for credit card fraud. Organizers and merchants have no risk of fraud.

### Community Cards work for busy local merchants because:

- *It's easy to sign-up and they require no special IT to participate.* They are Point-of-Sale (PoS) system agnostic, with no integration necessary with the PoS. Community Cards run on the MasterCard network, so if the merchant can take MasterCard, they can participate.
- *They require minimal training to redeem.* If cashiers know how to process a MasterCard for a phone order, they are all set. They just need to be aware of the program.
- *Merchants get their payment immediately when they provide goods or services.* They are paid as usual by their MasterCard bank. Community Card redemptions appear as a Card-Not-Present (CNP) transaction on their statement and they get the full value of the transaction less their normal MasterCard CNP fee. There is no additional margin subtracted from the sale.



### Community Cards work for consumers because:

- *They are easy to buy.* People purchase Community Cards online and send them via email, text, Twitter or printed for hand delivery. They pay with a credit card and write a personal message from the sender.
- *They are always accessible on their mobile phones.* There is no mobile app required, and no login or other “friction” involved with receiving a Card.
- *They get reminders to use them.* If the Card was sent via email or text, recipients will get periodic reminders to use it until the funds are gone.
- *They can use it many times, at many places until the funds are gone.* The Card is multi-use so a recipient of, say, \$100 Community Card could spend \$5 for coffee, \$15 for a manicure, \$30 for lunch with a friend and still have \$50 left to splurge at a favorite boutique.

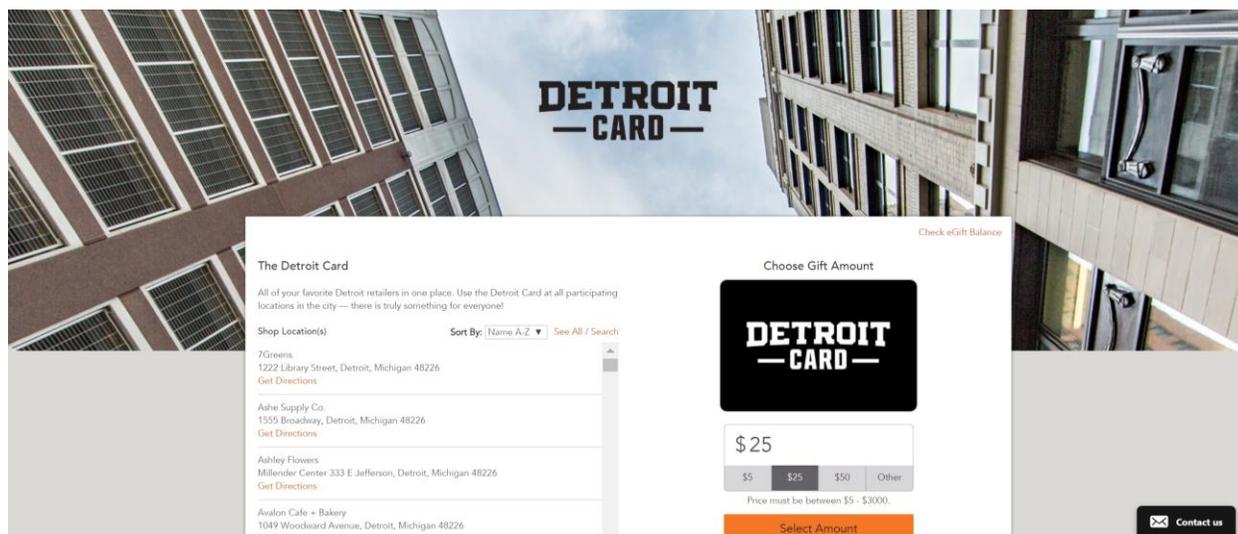
### Community Cards work for corporations because:

- *They demonstrate a commitment to their community.* Most companies care about the community in which their employees work, live and play. Using Community Cards is a tangible way to “give back” in an easy and highly visible manner.
- *They augment or replace current programs.* Corporations have used Community Cards for employee rewards, survey incentives, anniversary gifts, new hire welcomes, marketing programs, trade show give-aways, customer appreciation (or recovery), thank you gifts and many more creative programs. One company used them to reward employees for finding alternative meeting spaces when their conference rooms were all full due to rapid growth. Another used them for peer-to-peer recognition.
- *They save money.* Corporations can define an expiration period for the Cards and get unspent funds back rather than going to waste. Upon expiration, any remaining funds on the card are returned to the corporation and can be recycled or refunded. This makes Community Cards more cost-effective than traditional plastic gift cards, where there is often an amount that goes unspent.

- *They can manage to budgets using an Enterprise Platform.* When companies are spending corporate funds, they often want to define program budgets and limit access to authorized personnel. Yiftee’s Enterprise Platform allows them to do so, as well as to set expiration dates on the cards that are used for different purposes. They can see usage by program, by department and by person.

Yiftee has found that communities with strong corporate participation experience much faster Community Card growth in popularity and greater usage. Employees learn about the Cards at work, experience them, and then share them with friends and family. Corporate adoption is a key driver of the program’s success both initially and in the long run.

### The Detroit Card: \$500,000 Local Reinvestment in the First Nine Months



### Checklist: How to Get Your Own Community Card

Communities across the US are looking for ways to drive more business into their local shops and restaurants, to deliver the highest economic value to their constituents. Chambers of Commerce and Offices of Economic Development need ways to encourage residents to shop local, and corporations to “give back” to the places their employees work, live and play. Custom-branded Community Cards are a simple and effective way to deliver high value with minimal expense of time and money. Here is a checklist to help you get started.

- 1) *Secure interest from Corporations in your community* to use for employee rewards, survey incentives, spot bonuses, contests, customer appreciation/recovery, marketing, peer-to-peer recognition, etc. The more Corporations who use it, the faster your program will grow and more consumers will become familiar with it.
- 2) *Secure interest from merchants to participate.* They need to be able to process a digital MasterCard, like they would a phone order. There is a small monthly fee to participate and they will need to run an “Activation Card” (a \$0.10 digital MasterCard) to authorize redemptions in their stores. Although they are redeemed as MasterCards, Community Cards can only be used at merchants who are authorized to participate in the program.

- 3) *Optional: secure interest from sponsors to fund monthly subscription fees.* If you prefer to have your Community Card open to all merchants in your Community, you could identify a sponsor such as a local bank to cover the monthly merchant fees in exchange for branding on the digital Card. You can change sponsors and change the graphics on the digital Card as desired.
- 4) *Yiftee will set up your Community Card account.* You can name your Card whatever you like, and use logos, images and other branding from your Community on your Card and the hosted web page where it is sold. No technical expertise is required.
- 5) *Add your participating merchants.* You upload your list of participating merchants and their contact information, and send them their Activation Cards to get started. You can add more merchants as they sign up. You can also easily add “pop-up” stores that come and go at certain times of year.
- 6) *Make changes to your card as you like.* It’s easy to make changes to your card as you like – for instance with seasonal graphics to promote it at the holidays.

The Community Card, powered by Yiftee, is a simple and effective way to keep business in your local community. It gives Corporations and consumers the convenience of a digital, mobile solution that allows them to “give back” to their communities in their everyday rewards and gifting. With your Community Card, people can “shop local” as conveniently as buying online and from national brands, and in doing so, help the places where they work, live and play thrive.

## **About Yiftee**

Yiftee is a Data-Driven Mobile Promotions & Gifting company serving local and multi-location restaurants, retailers and other partners since 2012. The Community Card came out of a natural evolution of wanting to find a way to drive business into the local shops and restaurants that we love, using our easy-to-use technology. Many Corporations and consumers want to do the same. Yiftee helps its clients increase revenue by acquiring new customers and driving frequency. In addition to selling custom-branded eGift cards for clients’ websites and Facebook pages, merchants can use Yiftee for BOGO, SMS, email and Twitter campaigns, and Birthday Club promotions, as well as incorporate Yiftee into their Loyalty rewards and customer recovery programs. Yiftee delivers greater value and better results than physical gift cards or coupons with promotions that typically bring 20% – 85% of promotion recipients in store. Yiftee requires no technology or POS integration, protects clients from fraudulent transactions, and can be up and running in no time. To learn why more than 58,000 businesses use Yiftee, or to get your own Community Card, please visit [yiftee.com](http://yiftee.com) Twitter: @Yiftee, Facebook: [facebook.com/yiftee/](https://facebook.com/yiftee/) or contact 650-533-0938 or [info@yiftee.com](mailto:info@yiftee.com).