

## Downtown Tecumseh Gift Card

### Business Case

Every town and city is looking for ways to drive footfall and spend. The Downtown Gift Card program is proven to drive tangible, measurable spend that grows year on year. It's simple to implement, and delivers increasing value over time.

By creating a product which offers consumers unbeatable local choice we can divert money from online retailers and marketplaces such as Amazon back into local businesses.

We believe that it's possible to deliver **\$1.1m** of additional local spend for Tecumseh businesses over the next three years **resulting in an 27% Return on Investment**

### The Downtown Tecumseh Gift Card

Research shows that consumers (67.3%) want to buy and receive multi-store gift cards, for the 'choice', 'convenience' and 'flexibility'. They are also looking for ways to support local businesses with 28.8% saying the purchases were driven by this.

Downtown Tecumseh has a fantastic consumer proposition built around retail, food and drink and leisure/entertainment:

Sector	Example 'Hero' Businesses
Shopping	Anne's on the Avenue, Antoyan Jewellers, At Ease Men's Apparel, B-Vogue Boutique, Clyde Hatch Boutique, Cycle Culture, Dan's Nautical Shop, Dollarama, Golden Crown Jewellers, Imperial Gifts and Decor, Ocean Bottom Soap Company, Pet Valu, Shopper's Drug Mart, Simply Swimwear, Three Lambs Registry and Baby Boutique, Zehr's Great Food.
Food and Drink	Antonino's Original Pizza, Basha's Shawarma, Carrots and Dates, El Patron Mexican Grill, Frank Brewing Company, Georgia Rae's Hot Chicken, Odd Burger, Homestyle Deli and Bakery, LaRucola Restaurant, Pita Mania, Simply Thai Restaurant
Leisure and Entertainment	Art Galia, Aura Hair Salon, Beacon Physiotherapy, Caribbean Tanning Salon, MATHCA, SKinov8ive Medical Esthetics, Sonata Piano Studio, The Good Life, The Mane Station Barber, Wellness Market.

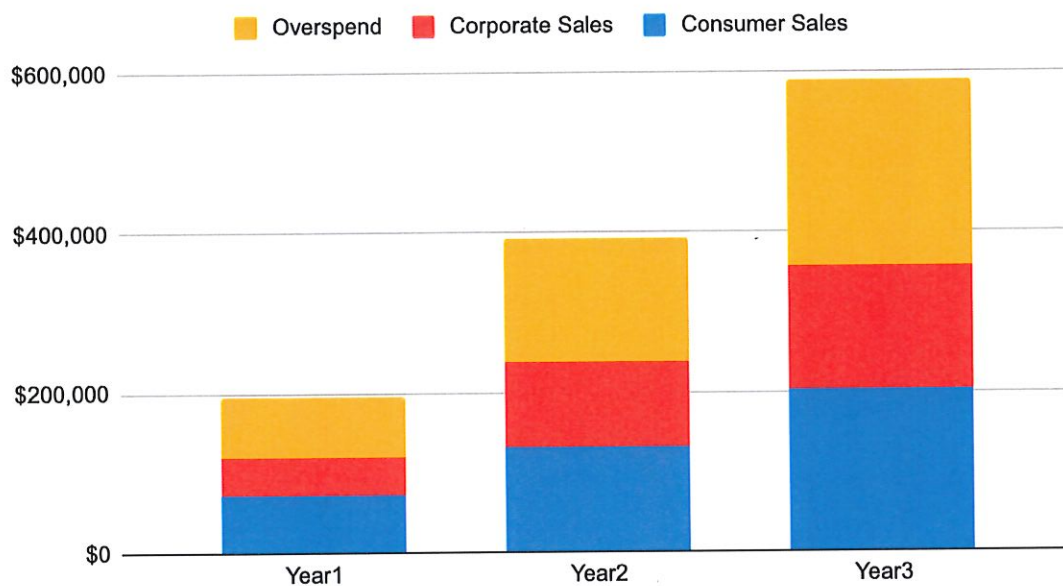
A gift card that can be spent across these businesses and more will have strong appeal to consumers. Consumers from across Canada and beyond will be able to purchase the Downtown Tecumseh Gift Card via the [Downtown Gift Card](#) website.

*“when we asked employees whether supporting local was important to them over 99% responded with a yes and 73%+ said they would prefer a multi-store card”*

The gift card will appeal strongly to local employers as well.

Based on the strength of the product appeal for both consumer and employers and with a local population of over 197,000 the following sales are forecast:

### Tecumseh Gift Card: 3 Year Forecast



	Year1	Year2	Year3	Total
Consumer Sales	\$71,359	\$130,826	\$203,375	\$405,560
Corporate Sales	\$47,573	\$107,039	\$153,423	\$308,035
Total Gift Card Sales	\$118,932	\$237,865	\$356,797	\$713,595
Sales + 65% overspend*	\$196,239	\$392,477	\$588,716	\$1,177,432

\* When cardholders spend their gift cards on average they spend 65% more than the gifted value.

Examples of clients that are achieving these results or better:

### Prince Edward Island achieved over \$1.7 Million in sales in 2021.

Kent Thomson, Director of Finance & Food Tourism, PEI Food Island Partnership:

"We have 150,000 residents on Prince Edward Island as Canada's smallest province and had projected that the entire project would raise \$100,000 for our local economy. It quickly turned into a \$1.7 million project."

### Peterborough Downtown Business Improvement Area secured \$70,000 in sales of the BORO Gift Card in its first year.

Terry Guiel, Executive Director of Peterborough DBIA:

"We pushed ourselves to get the card out in time for Christmas and that really paid off. There was a real interest in supporting local. Within its first month, the Boro Gift Card achieved \$70,000 in sales-equivalent to around 5 years of sales for our old paper system"

## Promoting your gift card

Key to maximising sales of the Downtown Tecumseh Gift Card is marketing, utilising your existing channels and working alongside stakeholders and participating businesses as part of your regular marketing activity. By celebrating the businesses who are part of your gift card program, you can not only encourage business engagement, but demonstrate the appeal of the gift card to a consumer and corporate audience. Miconex will work alongside you for the launch of your program, and on an ongoing basis, providing marketing toolkits and campaign assets that you can leverage within your marketing activity to drive sales.

### *What's required from Downtown Tecumseh::*

- Encourage Downtown Tecumseh businesses to accept the gift card.
- Attend the Downtown Gift Card program client success webinars and pick up tips and ideas from other successful programs.
- Awareness is key to success:
  - Ensure every participating business has a window sticker displayed and a staff room poster.
  - Promote the gift card all year round, keeping the awareness high.
  - Lead by example, use the gift card at events, for competition prizes etc.
- Promotion:
  - Promote where consumers can purchase the card
  - Target the 'Hallmark Holiday'
  - Talk to businesses about the gift card at every opportunity, at BIA events.

## Investment Required



Based on experience of working with Towns & Cities across Canada, we estimate that a Downtown Tecumseh Gift Card can deliver between \$700K - \$1.1 Million of additional local spend for Downtown Tecumseh Businesses over a 3 year period.

As we have outlined above, we have designed the Gift Card to be easy for BIA's and businesses to adopt and a key component of this is cost.

For businesses it is **100% free (no additional fees)** and for BIA's we charge a set up fee of \$12,950 and a monthly fee of \$525 per month + \$1.25 per participating business. Our annual licence fee covers the platform and operating costs as well as our customer success team who will work with Downtown Tecumseh to support you in maximising the local spend opportunity.

For full information about our service please visit: [Downtown Gift Card Brochure](#)

	Year1	Year2	Year3
Set up Costs	\$12,950	\$0	\$0
Monthly Fees	\$7,200	\$7,200	\$7,200
Gift Cards	\$0	\$4,800	\$4,800
Total Investment	\$20,150	\$12,000	\$12,000

\*based on a forecast sales.

\*100 participating businesses assumed

\*5000 gift cards = \$4,800

\* We charge a fee of \$1,25 per card loaded but this is usually offset by charging the consumer an equivalent purchase fee so has not been included.

Over three years that equates to \$44,150 which represents a 34% Return on Investment.