

Do You Suffer From MFS?

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What is Multiple Facility Syndrome?

Multiple-Facility Syndrome (MFS) is something many large companies suffer from. In the gift card / incentive world, MFS is when a company has multiple (2 or more) facilities, all using gift cards for incentive or award purposes, but management has no control, visibility or financial controls in place to track who is buying and why they are buying gift cards.

National Gift Card Corp. (NGC) has been very successful in working closely with companies to help them overcome this problem. NGC can help companies manage their gift card purchases in order to hold people and facilities more accountable. NGC recently helped a large multi-location manufacturing company with the following issue:

Situation

The manufacturing company had an existing informal internal incentive / safety program. They had 12 locations, with each managing their own rewards. Each location was utilizing gift cards as a spot reward or as a redemption item for a points-based program. Each location manager was going to the local grocery store to purchase the needed cards and to minimize these trips, were often buying excess cards and storing them in a desk drawer or other non-secure location.

Upper management was frustrated with the lack of accountability and visibility around these purchases. In addition, there was a slight concern that the gift cards handed out were not applicable to each recipient, i.e. Employee 'Mike' just qualified for an award. How does the manager know what gift card Mike wants at that given moment? Giving Mike an award he doesn't value could have a negative effect on Mike's current and future performance.

Company management wanted and needed to know:

*Who was buying these gift cards?
What gift cards were they buying?
Who were they given to and why?
Are they having the intended effect?
Is the recipient pleased with the award?
What was the total annual amount spent on gift cards at the individual location and a total for the company as a whole?*

The company was on the verge of eliminating this program due to their lack of control and accountability. This is not what they wanted to do as they knew the effectiveness of the program and the value of the gift cards to their employees. They came to NGC in a final attempt to find a solution to better manage the situation.



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Proposed Options:

Out of the many possible options, NGC offered these three:

Option 1 - Simply require the facility managers to purchase the gift cards through NGC's standard ordering portal *ngcdirect*. Each manager would register their location and add multiple contacts (Home Office) on the account. All registered email addresses would receive an order confirmation on each order placed. This option would provide some accountability and result in accurate spend amounts per facility. It would also eliminate the unnecessary trips to the store. This was the quickest and least costly option to implement. This option had zero upfront costs and immediate implementation.

Option 2 - NGC would create a company branded ordering portal with its own URL. This portal could be customized to require the manager to indicate who the cards were for and for what purpose(s) they were being given out - or gather any information necessary for reporting purposes. This option would include all of the aspects of Option 1, but requires a modest upfront customization fee and would take approximately two weeks to implement.

Option 3 - This option was recommended in conjunction with the first two options but it could also stand alone. We would finally address the 'Choice' concern. How do you know what gift card 'Mike' wants and there is a possibility that the gift card Mike wanted last month may not be the same as this month. NGC proposed creating a custom Rewards Card for the customer. This custom card would be pre-denominated and could be handed out to employees on the spot. The recipient would then follow the simple instructions on the back of the card and go to a standard or custom redemption site. We recommended offering only a virtual redemption option which would result in the recipient receiving their chosen within 24 hours of redemption.

Outcome

The customer chose to start with Option 2 and added the Custom Reward Card, from Option 3, as a card selection. How did the decision address their initial concerns?

Who was buying these gift cards? Each facility registered on the custom ordering website. They included Plant Name, Plant Number, Buyers Name, etc. Each order was visible, via an instant email confirmation to the corporate office.

What gift cards were they buying? Standard reporting is available which includes, orders by Card, Date, Plant Number, Name, etc.

Why they are buying them? A custom field was added to the ordering portal which required each manager to enter a reason code / description of the award reason. This field was required to be completed for an order to be executed.



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Who were they given to and why? This was addressed similar to the above, custom fields were added to ensure the corporate office had all of the information necessary to meet their compliance needs.

What was the total annual spend on gift cards at the individual location and a total for the company? The standard reporting functions allowed them access to this information on an as needed basis.

Are they having the intended affect? Is the recipient pleased with the award? The company saw the value in the Custom Reward Card as an option to ensure that the award recipient had the choice of their reward.

Summary

NGC is more than just a gift card reseller and fulfillment company. It is a consultative company who desires to work closely with business partners to take NGC's vast experiences, extensive capabilities and craft a solution to meet an ever changing environment. NGC has built its entire product line to be customized, tweaked, altered, and manipulated to fulfill any customer needs.

NGC - - - The possibilities are Endless and outcomes are Astonishing!