



# Community Currency Guide



## See Jane win members and influence people: A chamber executive's guide to community currency programs.

When it comes to community currency programs, Jane Clark has seen it all.

Over the last decade, the West Coast Chamber of Commerce president has managed manual, paper certificates and web-based, deal-driven programs. In 2009, Jane thought the Chamber had met the ideal partner in CertifiChecks, until the third-party gift certificate company went bankrupt and left the Chamber holding nearly \$90,000 in unredeemed community cash.

So when Conpoto's founders presented their cloud-based, community currency software solution to Jane, she was skeptical. Before even entertaining a meeting with the team, she needed to be assured Conpoto was designed with two program fundamentals: safety and simplicity.

Jane's experiences with community currency are included in this Chamber guide, which was adapted from a 17-minute interview she taped with Conpoto. Spoiler alert: The West Coast Chamber is a Conpoto client and Jane is an advocate. Still, her advice is applicable to all community currency programs.

This guide will help arm you with the basics you'll need to make an informed decision, build member value, promote the program, and track and measure success.

## How community currency programs fuel Buy Local.

Buy Local is a popular battle cry today. Still, local loses out on billions of dollars annually that are spent on gift cards to national retailers. A community currency program can help Chambers fuel Buy Local promotions by giving merchants, employers and residents convenient access to local alternatives.

Member merchants are happy. Member businesses are happy. And happy members make happy Chambers. Win. Win. Win.

“The Chamber of Commerce is all about making our community successful,” Jane said. “With community currency, we can show visibly how we’re working to keep dollars circulating within our own community.”

### Member merchants see the value.

The West Coast Chamber is always on the lookout for new ways to grow member value. For merchant members, value is often tied to store traffic and revenue. This is why merchants might choose a promotional organization over the Chamber. But community currency programs provide Chambers with a more direct merchant member value proposition—increased business.

“Member merchants are happy because they can see how the Chamber is bringing customers to their doors,” Jane said.

West Coast Cash, the Chamber’s community currency program, has helped reinvigorate the Chamber’s relationship with merchant members. The currency program is even credited for new memberships.

“Community currency programs provide a clear and tangible merchant member benefit,” Jane said. “We’ve attracted several new merchant members from restaurants, health and beauty, retailers—a nice assortment.”

Conpoto’s community currency software is particularly attractive to merchants because it doesn’t require additional equipment to process certificate transactions, Jane said. Merchants can use a free smartphone app or their website to validate certificates.

### Corporate members prefer to gift local.

When gifting to employees, businesses often choose gift cards from national retailers because it’s convenient. As a result, small, local merchants lose out. But what if there were gift certificates good not just for one local store, but for a whole community?

That’s where West Coast Cash fills an important void: helping corporate members keep more money in the community.

“So many of our larger employers reward their employees with different kinds of gifts and incentives throughout the year,” Jane said. “They would like to keep those dollars local. It’s a win-win solution for both merchants and large employers.”

Employers also prefer to give the gift of choice, Jane said. With community currency, employees choose from a wide array of local retailers, restaurants and services.

“As opposed to giving them movie tickets or gas cards, they get to choose,” Jane said. “If you need a massage, we have the option. Gas, we have the option — that exact gift they’re looking for.”

## Community Currency Fundamentals: Safety & Simplicity.

Community currency programs should include two basics—financial safeguards and intuitive, smart software.

### 1. Safety.

When CertifiChecks filed bankruptcy, customers like the West Coast Chamber of Commerce took a financial hit. This because CertifiChecks acted as the fiduciary for the community currency program. CertifiChecks held all the money from sales and commissions. So when the company filed bankruptcy, it left millions of dollars in unredeemed gift certificates in circulation.

It proved a \$90,000 lesson for the West Coast Chamber. To protect your membership organization against financial risk, insist that your organization hold the funds. With Conpoto, community certificates are purchased from your website and deposited directly into your Chamber's bank account. You control the funds, and the certificates are delivered immediately via email.

"All unredeemed certificates are in our own local bank here," Jane said. "We have complete control. I know that no matter happens, those funds are available to redeem to our purchasers."

### 2. Simplicity.

Manual gift certificate programs are time consuming and inconvenient, requiring customers to visit the Chamber. And while online, some community currency programs require a lot of heavy lifting—whether learning a clunky program, negotiating with members or painstaking promotional outreach.

Look for a solution that is truly turnkey. Easy to learn. Easy to administer. And easy on the staff. In Jane's words: "Our staff is at capacity. The rewards for the investment of time had to be great."

## Why Chamber Cash is a staff favorite.

Jane sold Conpoto's community currency program to her board and staff by illustrating the value for member merchants and the overall community. She also assured them that West Coast Cash would not negatively impact other programs or otherwise drain resources.

Her proposal was met with unanimous approval. In fact, community currency is among her team's favorite membership tools.

"We're all very creative people and we like to think about how we can spread the word about this great member program," Jane said. "And from the administrative side, the beauty of this program is that it's all technology-based and Internet-based. Unlike other programs where our office had to be open for someone to purchase a certificate, these are all done 24 hours a day at the buyer's convenience."

## Member sales made easier.

Conpoto's community currency software has made membership all the more attractive, which makes the sales process a bit easier.

"We want to be sure we're serving the whole business community," Jane said. "This is another tool where we can say to so many members that we're helping by bringing sales to your door or to a general member—we're keeping dollars in our community and that's good for all of us."

## The chamber's most successful merchant sales pitch goes a little like this:

*"Do you know we have \$40,000 in West Coast Cash in circulation in our community? That means there are 2,500 transactions that are going to happen. Don't you want a piece of that pie?"*

The West Coast Chamber reimburses merchant members twice monthly. Jane receives an automated list of merchants, and after she's approved the disbursement, the chamber cuts checks or sends payment via ACH transaction.

"It's a very, very easy process," Jane said.

## How can I track the success of community currency programs?

For the West Coast Chamber, CertifiChecks was initially profitable. But the program provided no data from which to track sales or redemptions—information that Conpoto’s partners use regularly to build member loyalty.

Jane uses timely stats and insights to prompt member feedback on the West Coast Cash program.

“When I’m out and about talking with member merchants, I can ask them ‘I see you’re taking in a lot of West Coast Cash.’ The response has been overwhelmingly positive,” Jane said.

### Jane’s top 5 reasons she loves Conpoto’s tracking and data tools:

1. “Any time we sell some West Coast Cash, I get an alert on my phone.”
2. “I can check where they’ve been redeemed. (A big change from CertifiChecks where, frankly, we had no idea where they were being spent.)”
3. “Real time data available to us all the time.”
4. “I can open my Conpoto app and know at any moment my top 10 merchants and where certificates are being spent.”
5. “We decide which merchants can accept West Coast Cash. If a merchant drops membership, they can’t take West Coast Cash.”

## Eight ways to promote community currency.

The West Coast Chamber has used a mix of social media, public relations, personal selling, email and event marketing to promote West Coast Cash. Jane's team enjoys brainstorming new ideas to add lift to the program. She shared eight of their most successful marketing tactics.

### 1. Video.

The Chamber worked with a local production house to develop an inexpensive, animated video asset that illustrates the program in less than 90 seconds. The video has since been customized for other Chambers and is available for a small fee. The Chamber has used the video on social media, in email blasts, meetings and its website.

### 2. Website.

Conpoto provides Chambers with a website plug in, providing prominent visibility of the community and an intuitive tool to order online certificates.

### 3. Soft launch.

The Chamber launched the community currency program internally prior to the community kickoff. Board members gifted staff with West Coast Cash and sent them into the community to buy goodies from participating merchants. The soft launch served three primary purposes: (1) Testing the integrity of the transactions process, (2) Providing merchants with the opportunity to pose questions to Chamber representatives and (3) Creating passionate Chamber advocates.

### 4. Contests.

The Chamber launched West Coast Cash with a community scavenger hunt, hiding \$10 and \$20 increments of community currency around town and providing clues via social media. The scavenger hunt added 1,500 new Facebook fans to the Chamber's page overnight, and won earned media attention.

### 5. Public Relations.

The Chamber deployed a press release to local media announcing the new program. The Chamber used the scavenger hunt as the hook for the news story, winning TV, radio and print media coverage.

### 6. Social Media.

The Chamber regularly promotes West Coast Cash with Facebook and Twitter posts. Content features seasonal promotions and giveaways, as well as merchant specials.

### 7. Email marketing.

The Chamber promotes the program via email, tucked into member news, upcoming events and opportunities.

### 8. Seize the season.

The Chamber leverages holidays and seasonal events to engage residents and entice member prospects. Last Christmas, the Chamber announced its Elf on the Shelf would be visiting area merchants. Those who spotted the Elf were awarded \$10 in West Coast Cash. Clues were provided on the Chamber's Facebook page. Member prospects and new members were delighted with the excitement their Elf visitor brought to their stores.

## How to supersize your community currency program.

The West Coast Chamber has more than 80 merchants actively participating in the community currency program. Together, these merchants represent just about every desirable product, service or experience in the Holland/Zeeland region. It's ripe for gifting. So now the Chamber is focusing on selling bulk certificates to large employers, schools and businesses.

### Why would large employers be interested?

It's a fact. The happiest employees are the best employees. So, what makes happy employees? Studies show small rewards go a long way toward improving their performance and the bottom line. That's why employers spend millions annually on holiday gifts, service anniversaries and incentives. Nearly 75 percent of organizations have a recognition program, despite the fact that only 58 percent of employees are aware of them (Bersin by Deloitte, The State of Employee Recognition, 2012).

This might have something to do with the quality of the gift.

With community currency programs, employees can choose from a wide array of local services, merchants and entertainment options. They can opt to celebrate their accomplishment at their favorite local restaurant, get a manicure or enjoy a round of golf. So, their experience is optimized. Happy employees. Happy employer. Healthy local economy.

### What's in it for schools?

Schools, PTAs, sports boosters and other school-based organizations are perpetually fundraising to afford supplies, gear, trips and more. Community currency promises an easy sell as the local certificates ultimately support the merchants who often give generously to support the school community. (Ever notice the framed little league photos that pepper the walls your local pizza place?) The Rule of Reciprocity meets Buy Local. That's powerful.

### How can businesses leverage community currency?

Companies often provide incentives to spark sales and loyalty. The West Coast Chamber is working with a home improvement company to incent and reward contractors with West Coast Cash. The company has long used incentive programs to motivate sales. When the owner learned that he could replace national gift cards with local certificates, he was immediately sold.

A local automotive dealership purchased a bulk order of community currency to recognize customers on the one year anniversary of their vehicle purchase. Robyn Stephenson of Barber Ford said they chose West Coast Cash because it is more personal than national gift cards, and it helps fuel the local economy.

"We're a local business," Robyn said. "I love the opportunity to thank our customers with gifts from other local businesses. West Coast Cash provides a unique way to show my appreciation while supporting the local economy."

## Two more reasons to go Conpoto community currency.

### 1. Ad space on certificates provides a new source of non-dues revenue.

The West Coast Chamber focus group tested the concept of selling ad space on the West Coast Cash certificates. The initial feedback was overwhelmingly positive, and three merchants reserved spaces on the spot.

The ad space is generating new revenue, rather than cannibalizing other non-dues based revenue or sponsorship fees, Jane said. "It's a very, very easy sell," she said.

### 2. Clean audit with Conpoto community currency.

The West Coast Chamber recently received its 2014 audit report. Previous community currency programs prompted audit notes, Jane said. This because of the uncertainty surrounding open certificates and lack of financial control. This year's audit was 100 percent clean.

"With Conpoto, every certificate is accounted for," Jane said. "The tracking system is really, really incredible. With the money here in our local bank, our auditors are very, very confident that this a safe program for our Chamber."

## Discover the benefits of Conpoto's software for your chamber

Conpoto's automated community currency program was designed specifically for Chambers to make online gift certificates easy and affordable for all. Easy to implement. Easy to manage. Easy to use.

Discover the benefits. Contact us today.

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