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BUSINESS GIFT GIVING ETIQUETTE

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ABSTRACT

Business world today is faced with cultural similarities and cultural gaps. Every business person should be familiar with the business etiquette, in order to avoid a cultural faux pas. The topic of this paper is business gift giving in various parts of the world with the special emphasis on the English speaking countries. It comprises the basic rules of business gift giving etiquette, the types of gifts, especially the difference between the gifts for clients, the gifts for employees and the gifts for service providers. The author also included some typical and frequently asked questions regarding business gift giving.

Keywords: business gift, business gift giving etiquette, cultural faux pas, basic rules of business gift giving, types of business gifts, frequently asked questions.

INTRODUCTION

The term *gift* dates back to the 13th century from the Scandinavian source such as Old Norse *gift* or *gip*, the meaning of which was 'to give or receive'¹. The verb first appears in the *Oxford English Dictionary*, which cites an anonymous 16th-century English ballad entitled *A Merry Jest of a Shrewd and Curst Wife Lapped in Morel's Skin for her Good Behaviour*. ('Morel' is the name of a horse the husband kills for its skin. The horsehide is then rubbed in salt and wrapped around his wife to teach her good behaviour). Some scholars believe this long and very brutal poem about wifely submission, which was popular in its day, inspired Shakespeare's *The Taming of the Shrew*.

¹ Online Etymology Dictionary

Giving gifts to clients or business partners can be rather complicated and stressful, if the etiquette behind it is unknown. The objective of this paper is to present the cultural differences upon gift giving in the business world. It includes some important rules of gift giving in various countries and points to the mistakes which may be made if the business gift giving etiquette of the particular country is not followed. Accordingly, all the persons engaged in the business world should be familiar with the topics presented in this paper.

1. BASIC RULES

Before starting to shop gifts for clients, colleagues or employees, the following business gift giving etiquette tips should be considered:

Personalize gifts if possible

Whenever possible, a gift should be personalized to each recipient. Clients, business partners and colleagues want to know that they are appreciated. Giving an item that is specifically aligned with their interests can mean more than a promotional item from one's company. However, there are exceptions. For instance, most employees would prefer cash bonuses in lieu of a physical gift. In the case of a large number of clients, when it is not possible to buy for each one individually, a small but useful item or even a gift card are options. Cheap promotional items or ones that are too specific to benefit each client should not be sent.

Plan a budget for gifts

Deciding on a budget for gift-giving occasions throughout the year will largely have to do with the company's finances. Even if a small amount can be spent on gifts, a small token or just a handwritten card will suffice to let people know that they are important to this company. However, the big mistake would be to spend too much on gifts. Certain types of service providers have limits for the types of gifts they can receive, whereas some are not allowed to accept gifts at all. Postal workers in the USA, for instance, are not allowed to accept gifts worth more than \$20. Accordingly, one should be well-informed on this issue before giving gifts, in order to avoid an unpleasant situation.

Consider religious beliefs

Upon gift giving, the fact that not all the clients or colleagues celebrate Christmas, Easter or other big holidays of the Christian world should be taken into account. Giving a gift to someone who cannot accept it because of their religious beliefs can make both the gift giver and the gift recipient uncomfortable. To avoid this, you can simply ask if they celebrate Christmas, for example, without getting into specifics about their religious preferences. If someone does not celebrate Christmas and would be uncomfortable receiving a gift, your ap-

preciation may be shown in other ways, such as sending a small token after the completion of a big project or offering them an end-of-the-year bonus.

Regift with caution

Regifting is the practice of giving gifts that you previously received from someone else. This is not an acceptable practice in every culture, but is becoming more and more common. Regifting should be carefully practiced due to the fact the recipient may be able to tell the item is regifted and thus not purchased specifically for him or her. If the person who originally bought you the gift would be likely to find out that you passed along their purchase, it could hurt both them and the recipient.

Every person is important

When giving gifts to the employees, it is important to remember every person and not to give gifts to only certain team members. Even clients within a certain industry or group may talk with one another and therefore no one should be forgotten. To avoid such awkward situations, one should prepare a list of all the clients and employees and check it carefully before sending out gifts or cards. Even a small item or a card can make people feel important to the business.

2. TYPES OF GIFTS

Gifts for Clients

"Gifts keep you at the top of clients' minds year round", writes Forbes contributor John Hall. At least once a year a small gift should be sent to all the company's clients. Even in the period of recession business people believe that gift giving is important for maintaining good business relationships. Personalized gifts make clients feel important for the business. For example, if the client plays golf, a small token from their favourite course is more appropriate than a bottle of wine. However, if the company has too many clients to make individual purchases, smaller, more general items will do, except cheap promotional items like pens or notepads with the company's business logo. Even a handwritten card seems more genuine than such items.

Gifts for Employees

Employees usually expect a small token of appreciation from their employer at least once a year. Gifts are usually presented during the holiday season or at the end of the year. The most important aspect of giving gifts to employees is to remember every single person. Gifts can range from a small token like a restaurant gift card to sizeable cash bonuses, depending on the size of the company, the financial situation of the company or the manager's own will. If there are only one or two employees like an assistant or a partner, larger gifts would be more appropriate.

Gifts for Service Providers

Service providers comprise a large group of associates, ranging from virtual assistants, consultants to postal workers. The gifts to service providers may be sent over Christmas or after the completion of a certain project in which they actively and successfully participated. The gifts may be personalized, i.e. purchased for each person individually, small items, cash or gift cards, depending on the provided type of service.

3. GIFT GIVING IN ENGLISH SPEAKING COUNTRIES

United Kingdom

Giving gifts is not a common part of British business culture. British business people are quite likely to feel embarrassed when receiving any gift at all. The only exception represents the completion of a business deal, when it is regarded appropriate to give a gift to mark such an occasion. Such gifts may be gold, silver, or porcelain with a suitable inscription. Accordingly, the object should be tasteful and not too expensive, in order to avoid embarrassment on the part of the recipient. However, small gifts may be considered appropriate to give to colleagues for the provided services, comprising a pen, a book, flowers (not red roses, white lilies, or chrysanthemums), or wine/champagne. Spirits, on the other hand, are a matter of personal taste and best not given as a present. Business gifts are never exchanged at Christmas but it may be appropriate to send a card, particularly as an expression of thanks to your business associates but also as a means of maintaining valuable contacts.

United States of America

A business gift giving in the USA is a nice gesture, however not obligatory. They are mostly presented after a closed deal or during the Holiday season (late November through the first week of January). Business gifts on such an occasion comprise useful items for the office, spirits or wine. Gifts for women such as perfume or clothing are usually inappropriate. They are considered too personal.

Gifts should not have any religious connotations, due to the fact that not all the business associates celebrate the same holiday. While Christmas is the dominant celebration, and is widely commercialized during this period, people may be celebrating many other holidays during this period (e.g. Hanukkah, Kwanzaa). In the case when a gift giver is from another country, the best gifts are those that come from his/her country.

Indian giver is an American expression, which describes a person who gives a gift and later wants it back, or something similar in return. The term dates back to

the 15th century when the Europeans first encountered the Native Americans on arriving in North America. The Europeans thought they were receiving gifts from the Native Americans, while the Native Americans believed they were engaged in bartering, which resulted in the Native Americans finding the European behaviour ungenerous and insulting. It was a custom among some groups of Indians that when a gift was given, something of equal value was given by the receiver of the gift. The phrase was first used in print in 1765. It is based on the experiences of early European settlers and pioneers like Lewis and Clark who documented that any trade, once consummated, was considered a fair trade. If on one day, they traded beads for a dog from a tribe, then days later, the trade could be reversed - upon surrendering the beads, the tribe expected the dog back. The phrase was first noted in the 18th century characterizing an Indian gift as "a present for which the equivalent return is expected", which suggests that the phrase originally referred to a simple exchange of gifts. However, according to Bartlett² the phrase was being used by children in New York to mean "one who gives a present and then takes it back."

Australia

Principally, business gift-giving is not a part of the Australian business etiquette. However, if a foreign business partner is invited to a home for dinner, it is advisable to bring a gift, such as flowers, chocolates, wine, a craft or an illustrated book from his/her home region. One should bear in mind that a thoughtful choice is considered more important than the actual cost of the gift.

4. CULTURAL FAUX PAS

Giving a gift has long been an accepted social tradition in business, but knowing what presents are appropriate for foreign clients can be difficult. Cultural faux pas can be avoided by researching the country and company before presenting a gift. Gifts are intended to show appreciation and respect and should not be seen as trying to buy favour. Some corporations have strict policies on the practice so it is best to check with the company first. Embassies and consulates can provide guidelines for international customs.

To avoid embarrassing situations and sending unintended messages, special consideration should be given not only to the gift but also to how it is wrapped and presented and why and when it is given. For instance, in Japan and China gifts should not be wrapped in white paper as it symbolises death. The colours blue and black should also be avoided in China because they are associated with funerals. Using red ink when signing a card or notes in China

² Bartlett, J.R., Dictionary of Americanisms

should be avoided as it symbolises death and the end of a relationship. Sharp objects also imply the severance of a relationship, letter openers are out of question. Both, in China and Japan gifts should be presented with two hands, since such a gesture implies the importance of the gift. The gift should be given at the end of the business meeting.

According to Terri Morrison and Wayne A. Conway³ plants and flowers can be dangerous. Many countries associate certain flowers with funerals or graves. For example, the Germans consider heather, which is placed on graves, bad luck in the home, whereas chrysanthemums are inappropriate in Spain and France where they are used for funerals. Yellow flowers are best avoided in France because they symbolise infidelity, while in Mexico they are associated with death.

In view of the Latin America, Morrison and Conway⁴ say gift giving can be a part of establishing successful relationships with Latin Americans. When giving gifts to Latin clients, the following items should be avoided: knives or scissors because blades represent the severing of a friendship, carved elephants because some Latin Americans have an entire folklore about them, handkerchiefs because they are associated with weeping and sorrow and items wrapped in black or purple because they are colours symbolic of Holy Week (Semana Santa) processions.

In the Muslim countries business gifts should be presented with the right hand and never comprise alcohol, as they are regarded as offensive.

5. FREQUENTLY ASKED QUESTIONS

Below are some most frequently asked questions and replies referring to business gift giving:

Should I have a gift for everyone who gives me something?

A gift for everyone is not necessary. However, it is always nice to give a gift to somebody, especially if this person thought enough of you to give you one. It is advisable to have pre-wrapped items which are suitable for most people, such as pens, gift-wrapped food items, coasters, etc.

Should I hide a disappointment with the gift?

A disappointment with the presented gift should not be shown, since nobody's feelings should be hurt. Upon opening the gift, a smile would be sufficient, including saying *thank you to the gift giver*.

Is it appropriate to give gift cards?

³ Morrison T., Conway W.A., *The International Traveller's Guide to Doing Business in the European Union*

⁴ Morrison T., Conway W.A., *The International Traveller's Guide to Doing Business in Latin America*

Giving gift cards is generally appropriate, but we should be familiar with the recipient's interests, hobbies and habits.

Should I give my boss a holiday or a birthday gift?

It all depends on the company's policy, the corporate culture, and the relationship you have with your boss. If the company policy allows it, consider getting a group of co-workers together for one nice gift, preferably for the desk, such as a picture frame or a pen set.

Is it necessary to send a thank you note if you say thank you in person?

Yes. Every time someone gives you a gift or does something special for you, always show good manners by sending a thank you note later.

6. CONCLUSION

Emily Post, the greatest American writer on etiquette business wrote in her book⁵ that *"Etiquette is the science of living."*

A business gift giving etiquette is an intricate issue, taking into consideration cultural differences. The fact that clients or business partners come from various parts of the world requires a good knowledge on the etiquette behind. Good intentions may be overshadowed by the gaffe if you have purchased the gift which does not correspond to the recipient's interests, a particular philosophy of life or conception of the world. Therefore, before giving or sending any gifts, one should be acquainted with the business gift giving etiquette of the client's country.

The main points to consider are the appropriate types of the gift, the value of the gift, the occasion when it should be presented, the way it should be presented, even the colours which should be avoided. It should not be forgotten that not all the nations celebrate the same holidays. Accordingly, business gifts presented for Christmas will not be regarded as appropriate in all the countries. On the other hand, the holidays celebrated in the client's country can be an opportunity for gift giving. However, business gifts need not be sent out for the holidays, only. There are several different groups of people that might warrant gift giving. In the case when it is difficult to decide when to give business gifts and who to give them to, a general rule of thumb is to send gifts to the people who help make one's company successful.

⁵ Post E., *Etiquette in Society, in Business, in Politics and at Home*

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