

The Giving and Receiving of Corporate Gifts in South Africa

There are a myriad of advantages for companies to utilise the promotional tactics of corporate gifts. It begins with its own marketing schemes in which branded items are handed out to certain groups as a token of good-will. Companies in South Africa who procure corporate gifts are doing so to advertise their own unique brand with that unique product. There are always legalities of receiving gifts, even when they are promotional souvenirs, and these companies must adhere to the [Prevention and Combating of Corrupt Activities Act 12 of 2004 \(PCCA Act\)](#). Having said this, promotional, corporate gifts, when offered as a reward to their customers or employees are often luxury items and are usually sought after to compete for a set image of their brand; as a generous brand and as a high-quality brand.

Cape Town Business and Economy

Cape Town is [dedicated to the economic development of the city and of its residents](#). Its Economic Development Department (EDD) promotes economic growth, creates jobs and reduces poverty. It is involved in informal trading and business support and local economic development programmes which indicates Cape Town's determination to head towards a highly moral and positive society. To make sure businesses follow the structure set out by the EDD, certain actions that companies take part in need to be done legally and professionally. Corporate gifts is one of those actions which can be seen as a kind gesture from a company to a customer, supplier or even an employee. Corporate gifts have become an institution whereby rewards for behaviour or loyalty pay off in repeat of said actions. These gifts can be luxury items but often represent the brand while advertising on the item itself.

Corporate Gift Ideas

One of the main products on the market are pens. Luxury pens are usually made of metal and the word 'luxury' can again be used in the same sentence as the price. Pens are a highly sought after item. They are small, reasonably cheap (depending on the material: either plastic or metal) and they stick around since they are a stationery item which is almost always in someone's hand. These are high-quality and rewarding items which benefit the giver and receiver of the product. Depending on the companies' finances, there are so many items that can stretch the budget but also reflects on the image of the company itself. 'Will this personalised paperweight reflect my company in a positive light? Or will this personalised, 3oz. Flask represent me better?' It all depends on the standard of the image and the option of choosing [executive and professional, rewarding items](#) for the customers or employees.

The [South African National Consumer Protection Act, 2011](#) (CPA) promotes good business practice between suppliers and consumers. This Act was brought in to protect consumers, giving them rights such as 'The Right to Disclosure' and 'The Right to Representation.' This makes it easier and safer for consumers and businesses with this law to protect them when there are corporate gifts involved.

The Legalities of Receiving Gifts

Business in South Africa has turned to [seek anti-corruption and maintaining good, legislative governance](#) in its practice. A positive outlook will label the company in an attractive and positive light and customers will tend to deal more with this legitimate business than with those with a less favourable reputation. This is why businesses are tending to gain a wider field of knowledge about

their suppliers and customers to build much more strong and appealing relationships that will last for some time and keep both sides economically strong.

Corporate gifts are given to maintain these strong relationships between the company and its suppliers or customers. However, the danger of receiving the gift is that it may mean this benefit marks a sign of corruption. The PCCA Act 2004 states that ‘any person who accepts, agrees or offers to accept any gratification for the benefit of himself, herself in a manner that is designed to achieve an unjustified result, is guilty of the offence of corruption.’ Corruption is very serious in the eyes of the law and very damaging to any business.

Therefore, corporate gift suppliers usually sell a variety of products such as bags, folders, notebooks, pens and other stationery, clocks, and general homeware gifts. These are simple items and can be manufactured from a standard quality to a high quality. Gift sets are a popular item which can come in carving knives or tea sets and these are generally seen as low-key, safe products within the law. But it is only when the gift is seen as a [gratification that would directly or indirectly benefit a person or persons](#).

Michael Holloway.