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## **Survey of 8,000 Consumers Shows Branded Gift Cards are the Preferred Gift Among Family and Friends**

**May 15, 2008 (Montvale, NJ)** A recent survey of 8,234 consumers uncovered high levels of enjoyment and personal connection to the branded gift cards experience. The survey, commissioned by the Network Branded Prepaid Card Association (NBPCA), a non-profit, inter-industry trade association created to advance the success of branded prepaid cards, and conducted by Professor Dan Horne, Providence College suggests branded gift cards (cards with an American Express, Discover, MasterCard or Visa logo) have crossed the threshold from an impersonal gift to one that is preferred by recipients and shared among close friends and family members in high numbers.

"Branded gift cards are no longer thought of as a "convenience" or "utility" gift as recipients express high levels of emotional value from receiving the cards," said Professor Horne. "People prefer the experience of receiving a branded gift card to receiving cash or traditional gifts. They fantasize about what they will buy and enjoy the freedom to treat themselves to something they pick out."

The study surveyed more than 8,000 gift card recipients (2,300 had received a branded gift card) and asked them about their experiences with gift cards during the 2007 holiday season. It is the largest and most comprehensive study to-date that explains why branded gift cards are such welcome gifts. The survey results (released today) can be found on the NBPCA website at [www.nbpc.com](http://www.nbpc.com).

### **Drivers of Branded Gift Card Enjoyment**

- Over 90 percent of respondents expressed enjoyment at the freedom to choose their perfect gift and 75 percent suggested they prefer to pick out their own gifts when given a choice.
- More than 64 percent of respondents suggested that gift cards are better than traditional gifts and 50 percent thought that gift cards are better than receiving cash.
- More than 90 percent of consumers enjoy fantasizing about what they would buy with a branded gift card, making the overall experience of receiving the card and picking out the perfect item a very satisfying experience.
- Only 7 percent of respondents felt that they received too many gift cards.

- Consumers express strong past experiences and a good understanding of what branded gift cards products provide. 80 percent have had positive branded gift card experiences in the past. 76 percent fully understood the terms and conditions that came with the card and 84 percent thought they were fair.

### **A Personal Gifting Experience**

Branded gift cards are now thought of as an acceptable personal gift. Over 80 percent of branded gift cards are given among family members and friends. 75 percent of respondents appreciate the gift because of their close personal relationship with the giver.

### **2007 Branded Gift Card Data and 2008 Predictions**

- 28.9 percent of the population received at least one branded gift card during the 2007 holiday season.
- The average load on the card was \$116.
- 90% of recipients used their card within seven weeks of receipt. Of those who had not used the cards, 90% were purposely waiting to use them at a later date.
- The predicted growth rate for 2008 is 137 percent.

"The majority of consumers see value in gift cards and they have made a clear statement that gift cards offer a better overall experience than cash and traditional gifts," said Paul Tomasofsky, NBPCA Executive Vice President and Chief Operating Officer. "The extremely low levels of dissatisfaction coupled with high levels of understanding and acceptance of the terms and conditions of branded gift cards is a testament to the industry for providing excellent product value and effectively communicating to consumers."

### **About branded gift cards**

Branded gift cards are more convenient and versatile than gift certificates or store gift cards because they are accepted virtually anywhere a merchant accepts the brand logo, even online. If a favorite store moves or goes out of business the branded gift card can still be used at millions of other locations. They are also safer than cash, because the funds can be recovered if the card is lost or stolen.

### **About the NBPCA**

The Network Branded Prepaid Card Association (NBPCA) is a nonprofit, inter-industry trade association that supports the growth and success of network branded prepaid cards and represents the common interests of the many players in this new and rapidly growing payments category. For additional information, visit [www.NBPCA.com](http://www.NBPCA.com).