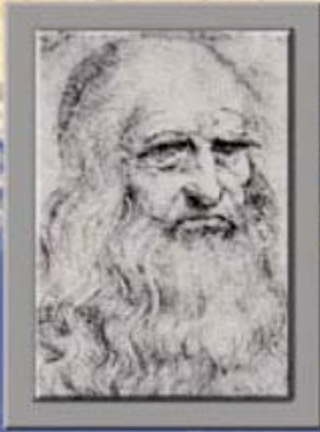


THE MARKETING



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The true value of marketing research is not in the reporting of numbers or in the use of analytical techniques. The real value of marketing research is in how the numbers are interpreted and used to develop an effective marketing strategy as part of the decision-making process. We call it:

*Marketing intelligence
through research.*

Gift Card Study

Conducted for



Payment Innovation

October 2003

03-7632

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Introduction

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Objectives

- Comdata is interested in understanding the usage of and opinions about gift cards among consumers.



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Method

- A total of 300 telephone interviews were conducted with a national RDD sample of consumers between September 23 and October 3, 2003.
- Respondents were screened to have previously purchased a gift card, received a gift card, or to be likely to purchase a gift card in the coming holiday season if they had neither received nor bought gift cards before.



Represents a number that is significantly higher.



Represents a number that is significantly lower.



Arrows are also used to indicate significant differences.



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Limitations

- It should be remembered that survey results are based on a sample, which is subject to "sampling error." Sampling errors arise because interviews were conducted with a sample of the population instead of with all the population. Sampling error is based on two factors: (1) the size of the sample, and (2) the actual percentage answer of a given question. The following table shows the plus or minus variation which can be expected, due to chance, with various sample sizes.

Sampling Error
(95% level of confidence)

If Percentage Answer Is	Plus or Minus Variation:						
	<u>25</u>	<u>50</u>	<u>100</u>	<u>150</u>	<u>200</u>	<u>250</u>	<u>300</u>
5/95	± 8 pts.	± 6 pts.	± 4 pts.	± 3 pts.	± 3 pts.	± 3 pts.	± 2 pts.
10/90	12	8	6	5	4	4	3
20/80	16	11	8	6	6	5	5
30/70	18	13	9	7	6	6	5
40/60	19	14	10	8	7	6	6
50/50	20	14	10	8	7	6	6

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Management Highlights



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Management Highlights

- Seven consumers in ten have either purchased or received a gift card. One-third have never purchased or received a gift card, but of these, two in ten (22%) say that they are likely to purchase a gift card this holiday season.
- The primary reason non-users have never purchased gift cards is simply that it has not occurred to them (39%), although one in ten says that gift cards are “too impersonal.”
- Among those purchasing gift cards, one-half have purchased between one and four cards in the past year. Almost one-third have purchased five to ten cards, and one in eight has bought more than ten.
- One respondent in ten says that they have purchased a gift card for themselves – to purchase cheaper gas, to use in the future, or for convenience.
- The primary reasons purchasers buy gift cards for others is that they want the recipient to get what they really want (44%) or they can't decide what else to get (29%).



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Management Highlights

- Most gift card purchases are made for relatives outside of the respondent's immediate family (49%), and for friends (40%). Approximately two respondents in ten purchase gift cards for their children (24%), parents (21%), or siblings (18%). Light gift card purchasers are least likely to purchase gift cards for children. Heavy purchasers are more likely than moderate and light purchasers to buy them for co-workers or boyfriends/girlfriends.
- Gift cards are most often purchased for birthdays (80%) and for winter holidays (66%).
- Purchasers load an average of \$38 onto each gift card they purchase, and the more gift cards a respondent purchases, the more, on average, they load on the card. The most popular ranges are \$20-\$29, and \$50 or more.
- Two-thirds of gift card purchasers intend from the beginning to purchase a gift card for a particular recipient; three in ten make the decision as an impulse. Light purchasers are more likely to have made their purchases on impulse.



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Management Highlights

- Two-thirds of respondents who have received gift cards in the past year have received between one and four cards. The more gift cards a respondent buys, the more cards they are likely to have received in the past year.
- Two-thirds of gift card receivers were given their last gift card in an envelope, either provided by the giver (35%) or the retailer (33%). One in six received their card in a special package provided by the giver (16%).
- Among respondents who can think of a creative way in which they have been presented with a gift card, one-third say that it was in a greeting card (31%). One in seven received their card wrapped as a present in a box. Other creative methods include: inside a stuffed animal, inside multiple boxes of descending size, in a bouquet of flowers, and as part of a themed gift basket.



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Management Highlights

- Among those who have received gift cards, eight in ten use their cards up completely (79%), and discard the card when its value is depleted (79%). One-half always or often spend more than the value of the card and make up the difference with their own money (53%).
- A few gift card recipients have become loyal to merchants they had not previously patronized as a result of receiving a gift card from a store (15%). Heavy gift card purchasers are more likely than others to become regular shoppers at new stores as a result of receiving a gift card.
- Slightly less than one-half of all respondents say that the appearance of the card is very or somewhat important in their purchase decision (45%); slightly more than one-half (56%) say the same about having a choice of designs. Heavy purchasers are significantly more likely than moderate purchasers to say that both of these attributes are important to their decision to make a purchase. Appearance and design are also slightly more important to non-users than to previous gift card users.



Management Highlights

- Seven respondents in ten say that they are very or somewhat likely to purchase gift cards from a retailer who offered cards from a variety of merchants (72%).
- Respondents are most interested in the ability to purchase one gift card usable in multiple stores (61%), and purchasing gift cards from multiple merchants at one location (52%). There is less interest in using gift cards to purchase merchandise over the Internet (30%), purchasing gift cards over the Internet (22%), or sending gift cards over the Internet (19%). Heavy purchasers are more interested than light purchasers in purchasing gift cards from multiple merchants at one retailer.
- Gift card purchasers expect to continue to purchase cards at the same levels as they have previously done. Light purchasers will buy an average of 4 cards this holiday season, moderate purchasers will buy 6 cards, and heavy purchasers will buy 15. Overall, those making gift card purchases will spend an average of \$183, in total.
- Only one-third of respondents mention something that they dislike about gift cards, primarily that they are impersonal.

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Conclusions and Recommendations



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Conclusions and Recommendations

- A large proportion of consumers have purchased or received gift cards, and a number of consumers without previous experience with gift cards are likely to purchase at least one for the coming holiday season. Non-users would be more drawn to purchasing gift cards if they were more personalized or offered some sort of discount.
- Appearance and design are deemed important factors in the decision to purchase a gift card by one-half of buyers. Offering consumers a variety of attractive designs will encourage purchase. Birthdays and the winter holidays of Christmas, Chanukah, and Kwanzaa are most likely to spur gift card purchases, and should be the first designs considered.
- Offering ways that gift cards could be more personalized or creatively given may also increase sales. For instance, retailers could show customers how they could make a gift card part of a themed gift, making the gift more personal, but having the benefit of greater ease in shopping.



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Conclusions and Recommendations (Cont'd)

- Consumers are interested in making their shopping experience easier, as witnessed by the number who say that they are interested in purchasing gift cards from multiple merchants at one retail outlet. They are also interested in offering gift recipients a choice and express interest in cards which can be used at multiple merchants.
- The majority of recipients use up the entire amount of the card and then throw it away. It may be advantageous to train cashiers to offer to reload money on the card where this option is available.
- Gift cards may be positive vehicles for gaining new customers. One card recipient in seven becomes a regular shopper at a new store as a result of receiving a gift card. This number may actually be artificially low, since many purchasers are likely to only purchase gift cards from merchants at which they know the recipient is likely to shop.
- While two-thirds of card purchases are pre-planned, one-third are impulse, or gifts of last resort. Suggested sales by associates may remind more buyers that gift cards are a viable option, especially since a large number of non-users say that buying a card never occurred to them.

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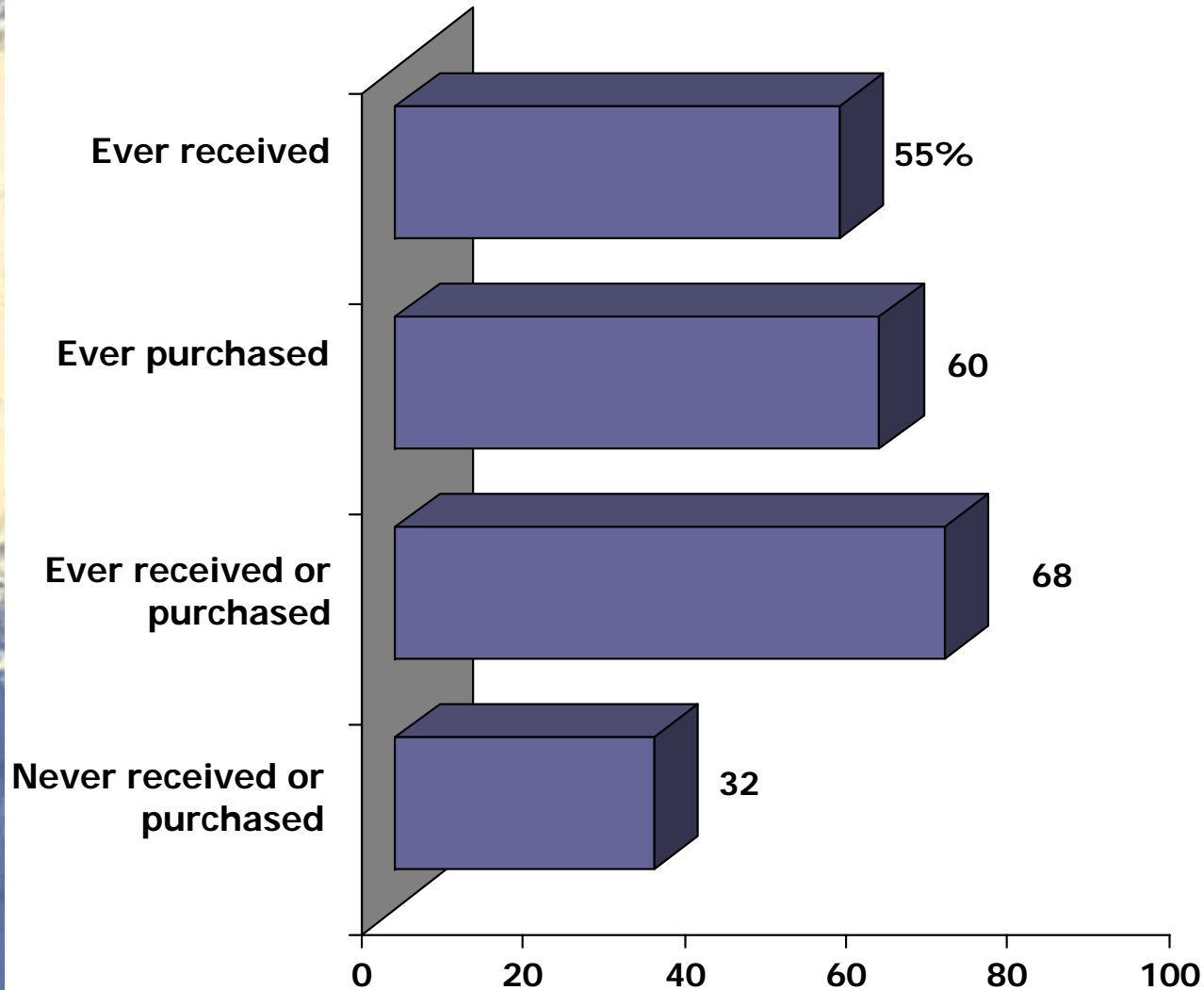
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Detailed Findings



Incidence of Gift Card Usage

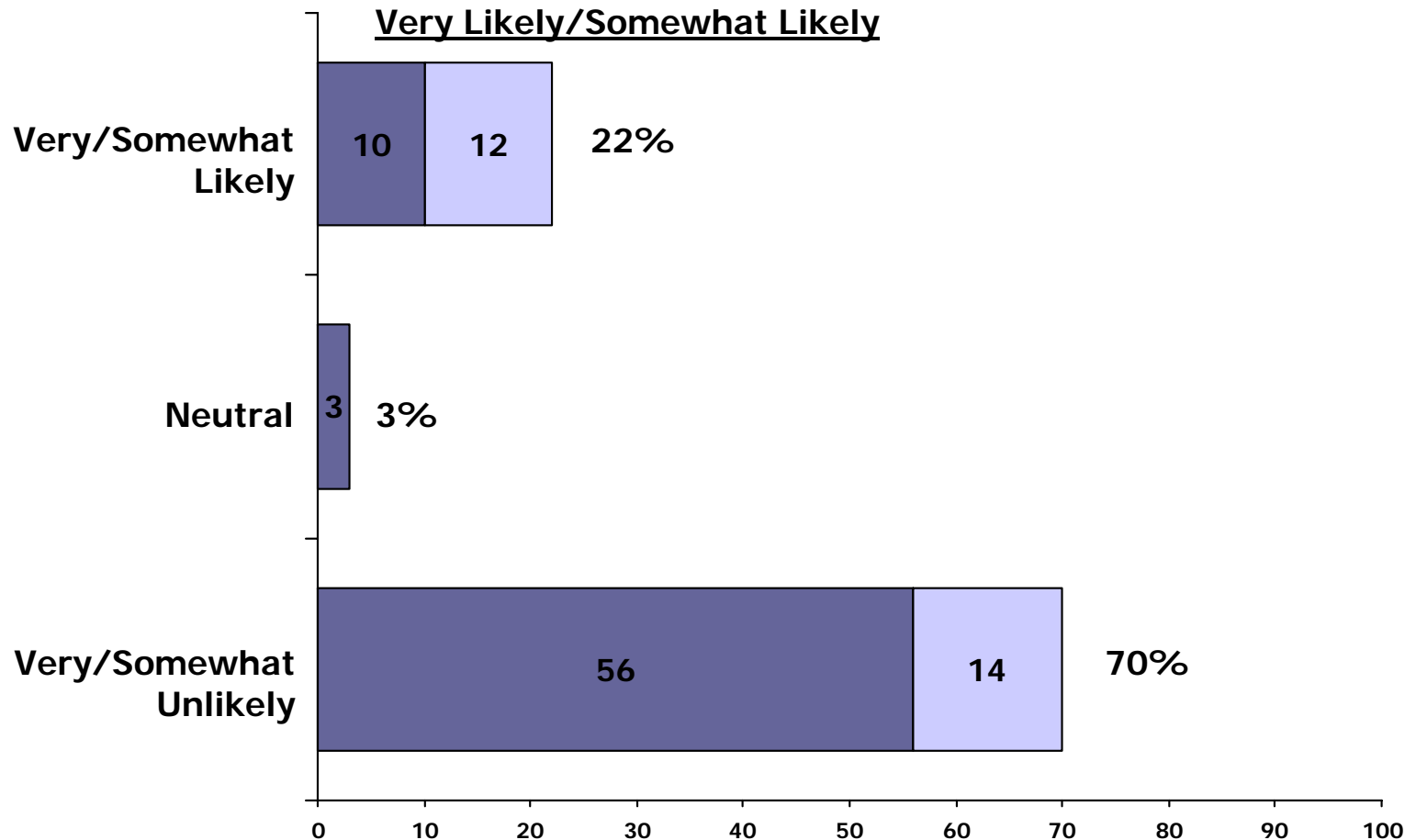
- Almost seven consumers in ten have either purchased or received a gift card.



Likelihood of Purchase this Holiday Season

(among 148 non-users answering)

- Two respondents in ten who have never purchased or received a gift card are likely to purchase one in the coming holiday season.



Q.2c: How likely are you to make a gift card purchase during the holiday season this year? Would you say...

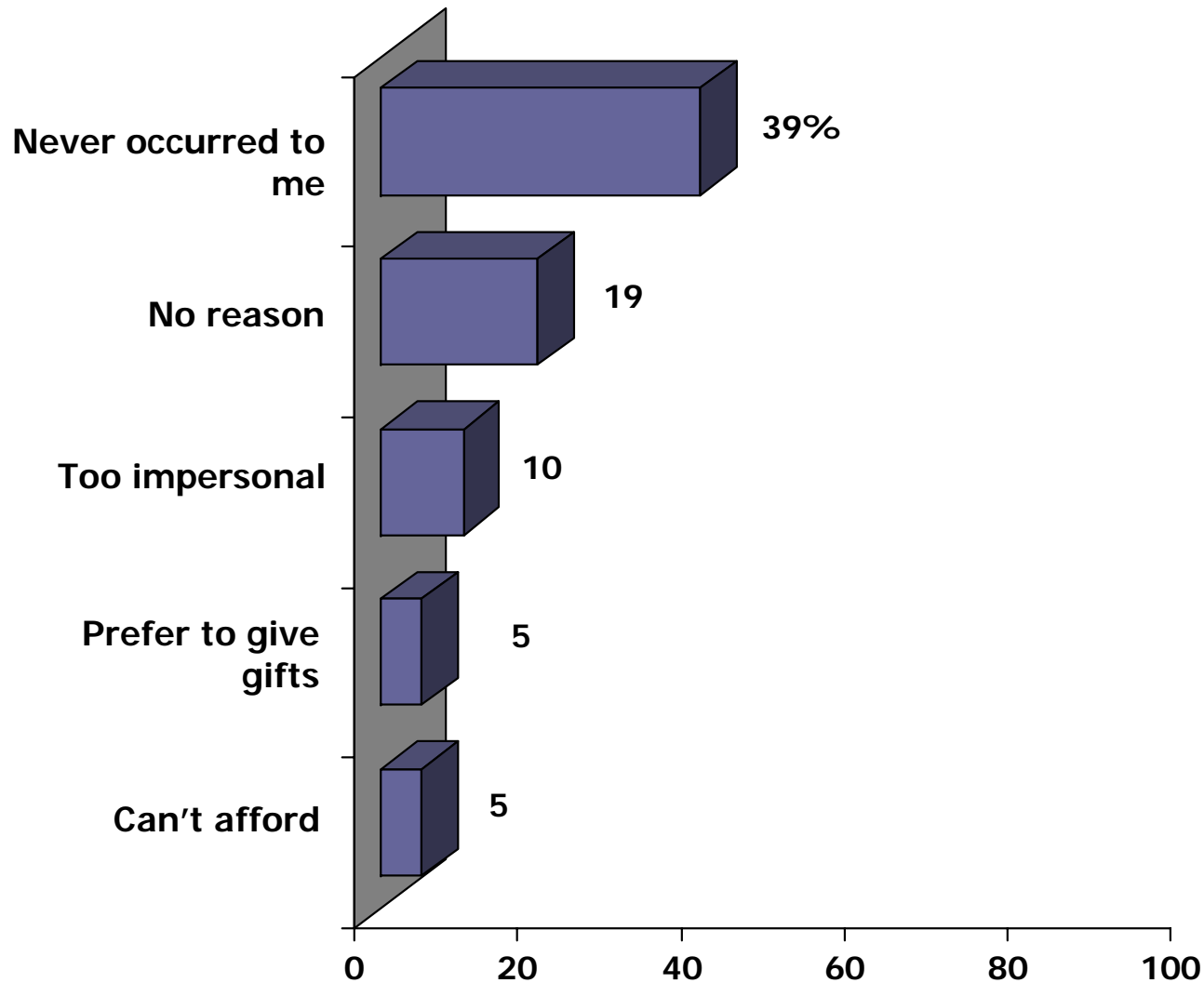


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Reasons for Not Purchasing Gift Cards

(among 167 non-users answering)

- The primary reason cited for not purchasing gift cards is that it “never occurred” to non-purchasers. One in ten believe that gift cards are “too impersonal.”



Q.2a: Is there a specific reason that you do not purchase gift cards?

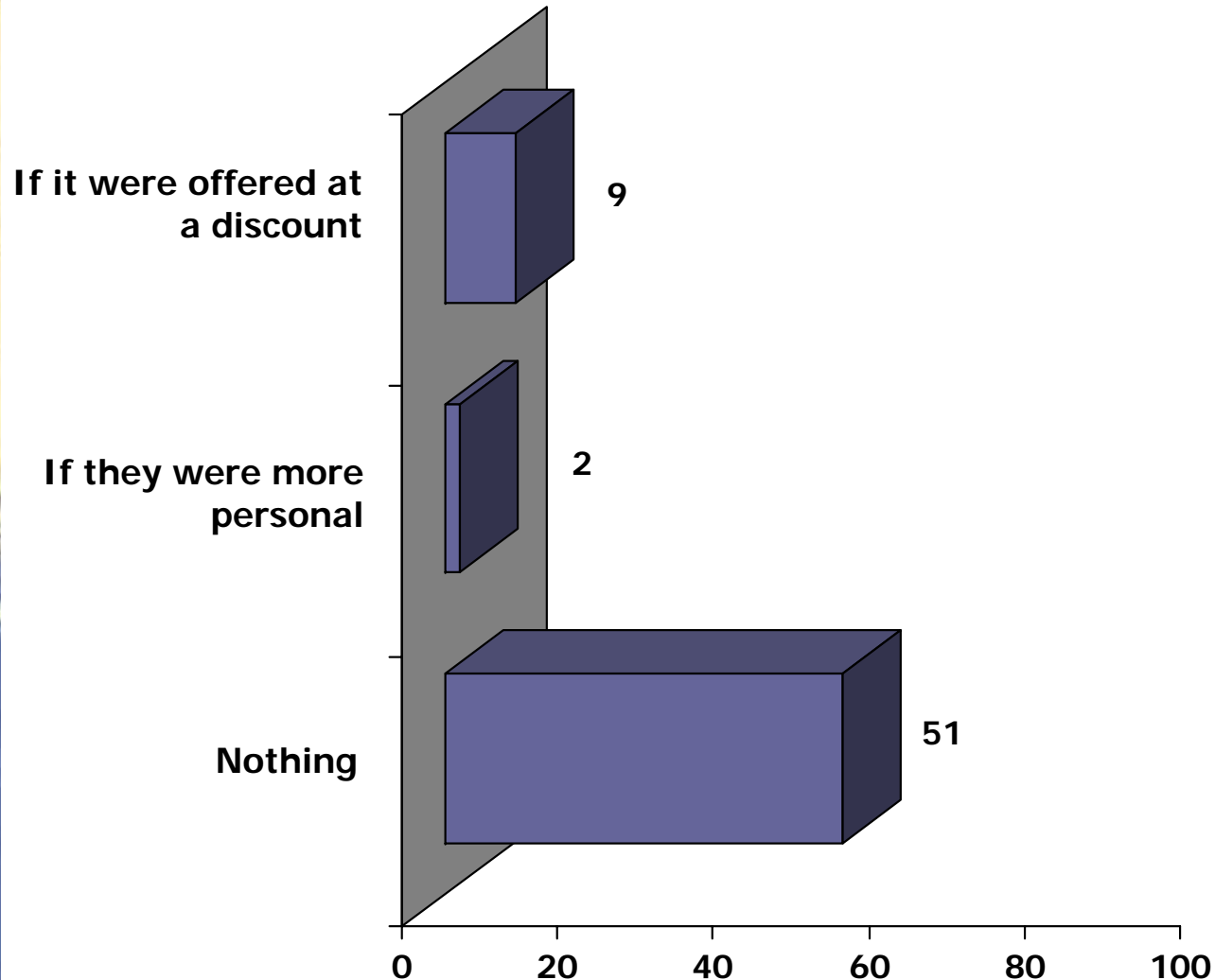


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What Would Encourage Gift Card Purchase

(among 153 non-users answering)

- Although one-half of non-users say that nothing would make them more interested in purchasing gift cards, one in ten would be more interested if the cards offered some kind of discount.



Q.2b: What, if anything, would make you more interested in purchasing a gift card?

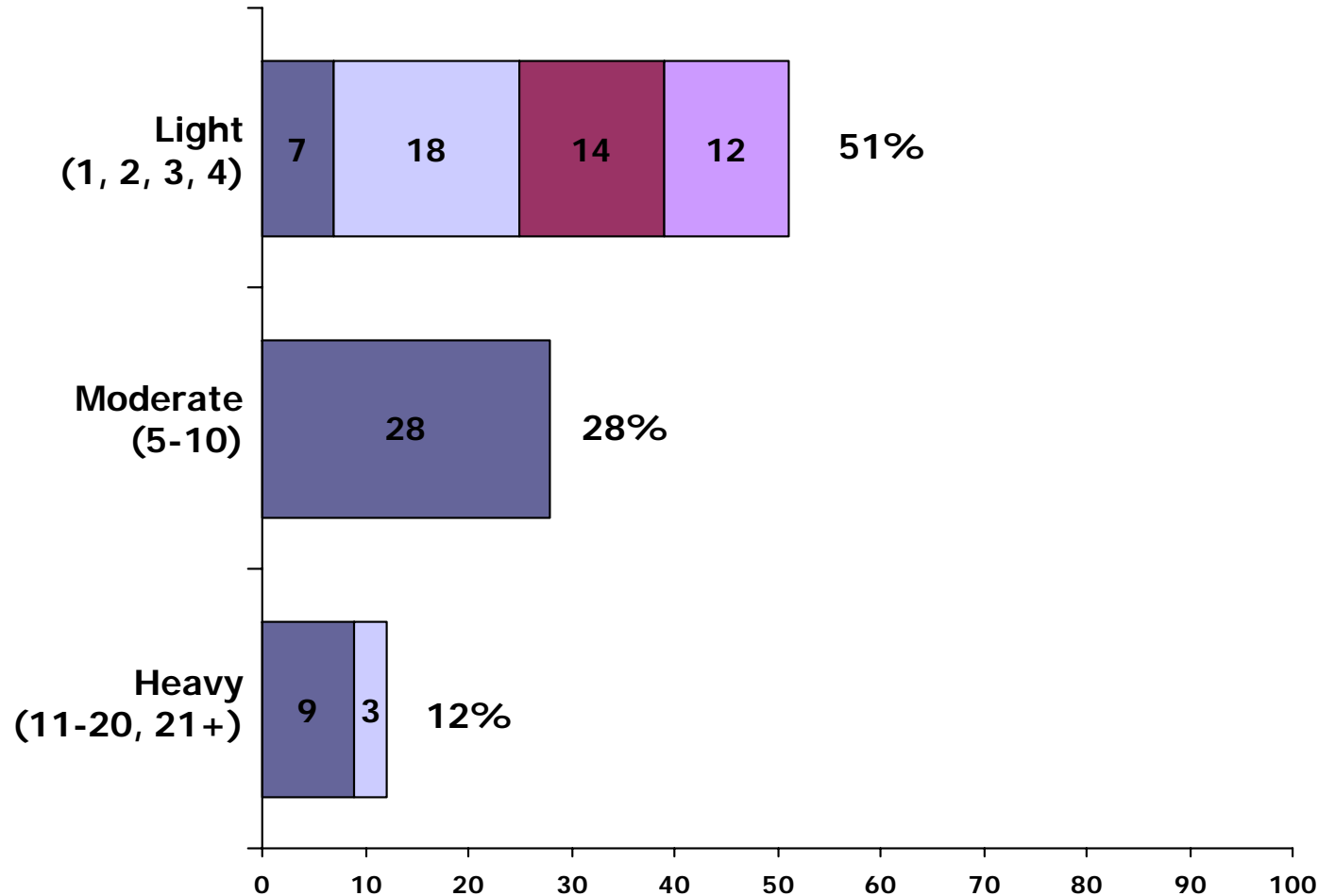


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Past Year Purchases of Gift Cards

(among those purchasing gift cards)

- One-half of gift card purchasers have purchased between one and four gift cards in the past year. One-third have purchased between five and ten. One respondent in ten has bought more than ten gift cards since last fall.



Q.4: How many gift cards have you purchased in the past year, that is, since last fall?

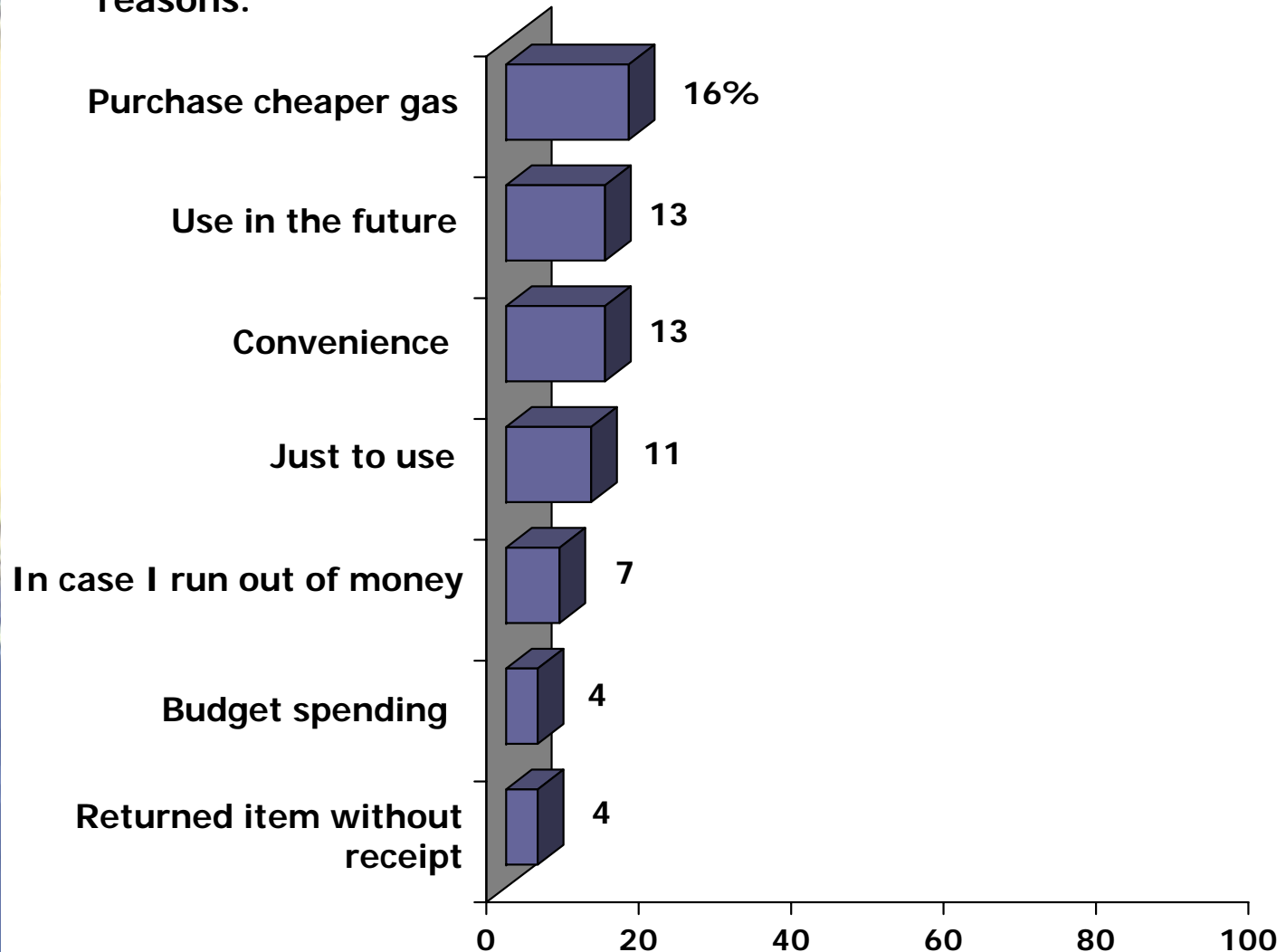


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Reasons for Purchasing Gift Cards for Self

(among 45 purchasing card for self)

- Those who have purchased gift cards for personal use cite a variety of reasons.



Q.3a: You mentioned that you have purchased a gift card for yourself. What are the main reasons you purchase gift cards for yourself?

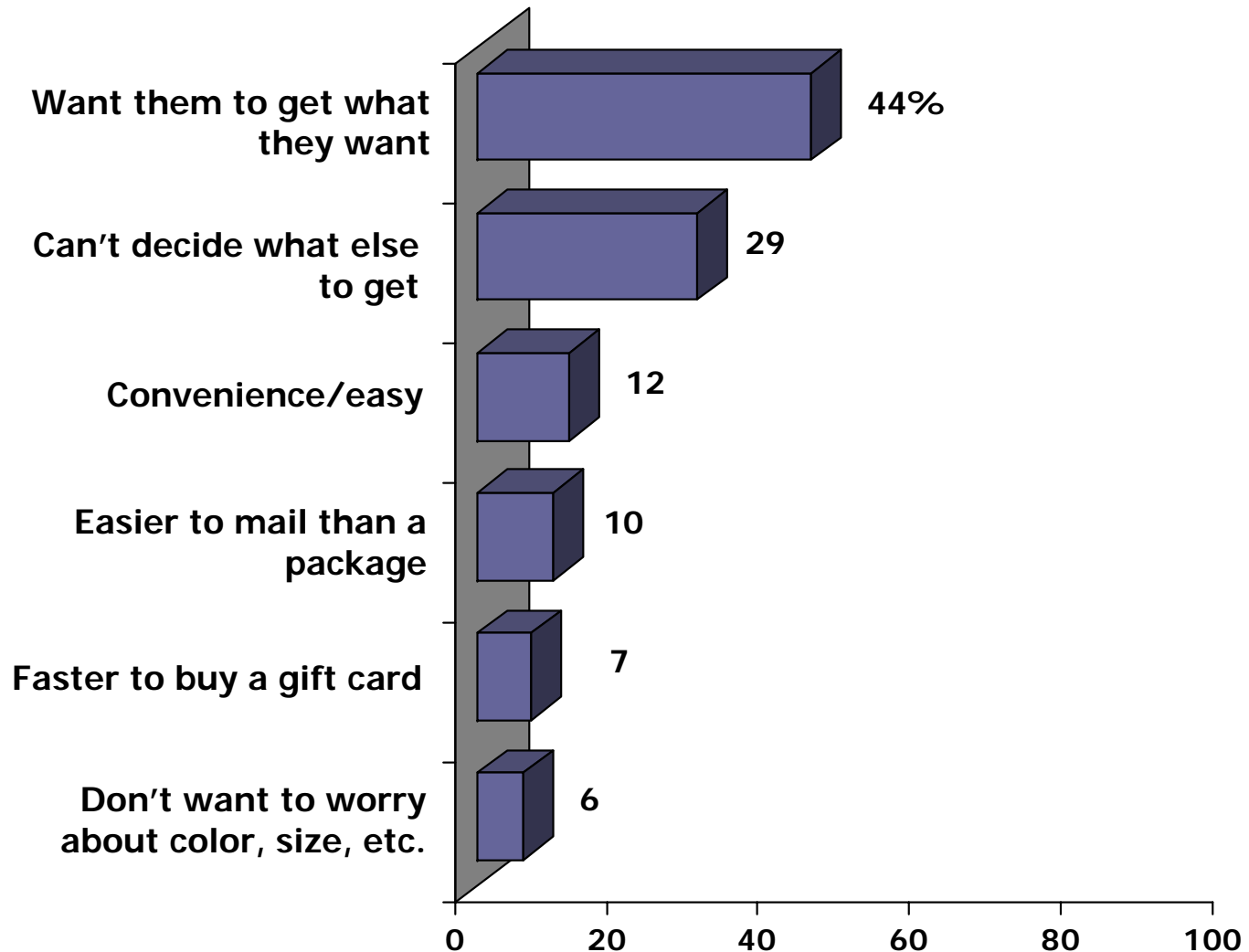


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Reasons for Purchasing Gift Cards for Others

(among those purchasing gift cards)

- The primary reason for purchasing gift cards is the desire for the recipient to be able to get what they want, followed by indecision over what else to get.



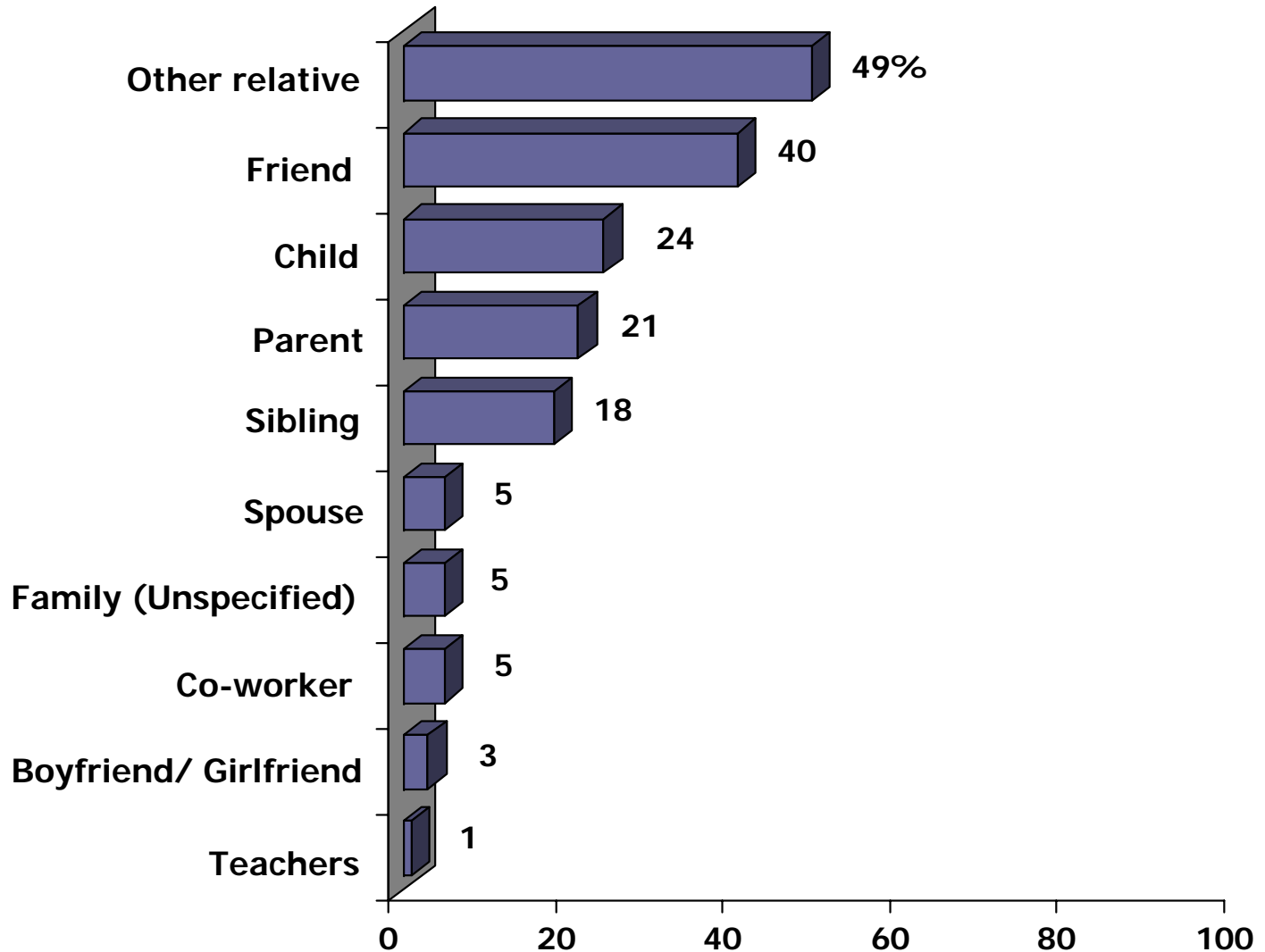
Q.3b: What are the main reasons you purchase gift cards for others?



Gift Cards Purchased For:

(among purchasers)

- Gift cards are primarily purchased for relatives outside of the immediate family and friends. Children, parents, and siblings are also regular recipients.



Q.5: For whom do you usually purchase gift cards?



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Gift Cards Purchased For:

- Heavy gift card purchasers (11 or more cards in the past year) are more likely than others to purchase cards for co-workers or boyfriends/girlfriends. Light (1-4 cards) purchasers are least likely to purchase cards for children.

	Purchase		
	Light (1-4)	Moderate (5-10)	Heavy (11+)
(Base)	(130)	(70)	(33)
	%	%	%
Other relative	48	49	58
Friend	42	43	36
Child	14	31	36
Parent	18	30	18
Sibling	15	21	27
Spouse	5	6	6
Family (unspecified)	5	4	6
Co-worker	3	3	15
Boyfriend/Girlfriend	2	1	12
Teacher	-	1	^L 3

L = Significantly higher than Light.

Q.5: For whom do you usually purchase gift cards?

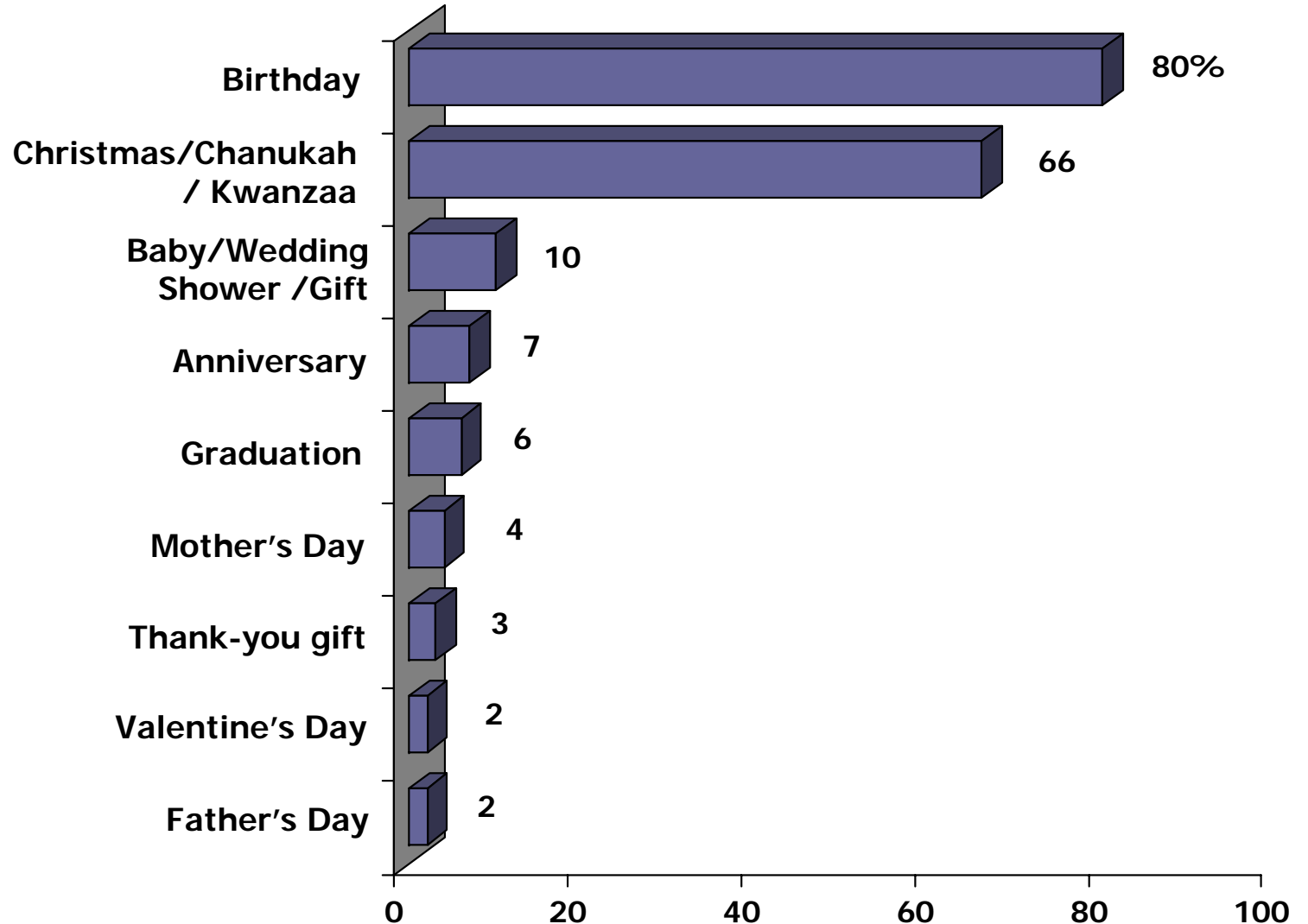


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Occasions Gift Cards Purchased For:

(among purchasers)

- Birthdays spur the majority of purchases, followed by the Winter holidays.



Q.6: For what occasions do you usually purchase gift cards?



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Occasions Gift Cards Purchased For:

- Heavy purchasers are more likely than moderate purchasers to buy gift cards as anniversary presents. Moderate buyers are more likely to purchase cards for Mother's Day and Father's Day.

	Purchase		
	Light (1-4)	Moderate (5-10)	Heavy (11+)
(Base)	(130)	(70)	(33)
	<u>%</u>	<u>%</u>	<u>%</u>
Birthday	79	89	76
Christmas/Chanukah/Kwanzaa	61	74	61
Baby/Wedding shower/gift	9	10	15
Anniversary	7	3	→ 15
Graduation	7	4	6
Mother's Day	2	→ 9	-
Thank you gift	2	-	3
Valentine's Day	2	1	L 9
Father's Day	1	→ 7	-

L = Significantly higher than Light.

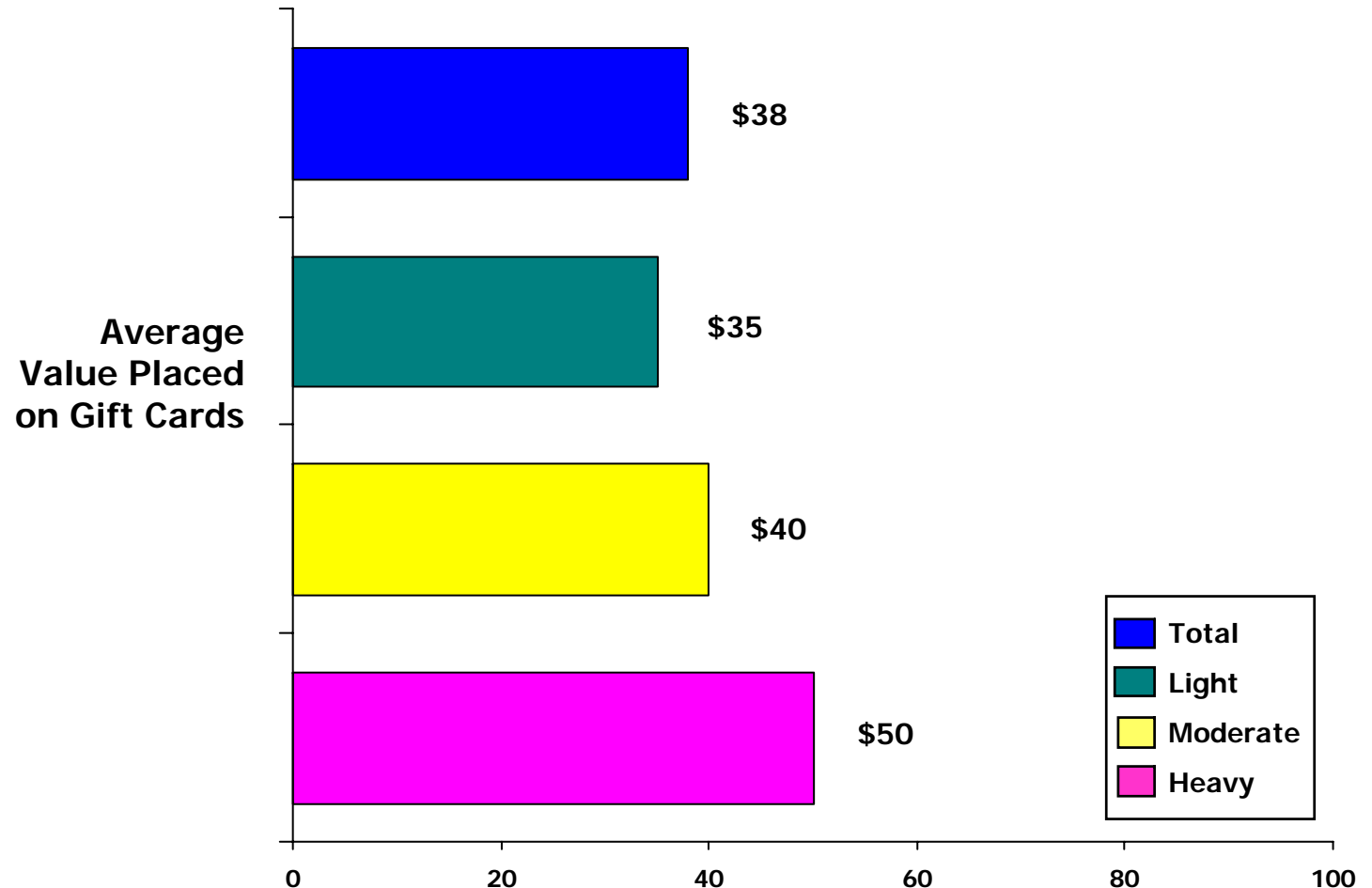
Q.6: For what occasions do you usually purchase gift cards?



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Average Value of Gift Cards Purchased

- Purchasers load each gift card they purchase with an average of \$38. The more gift cards a purchaser buys on average, the more they place on each card.

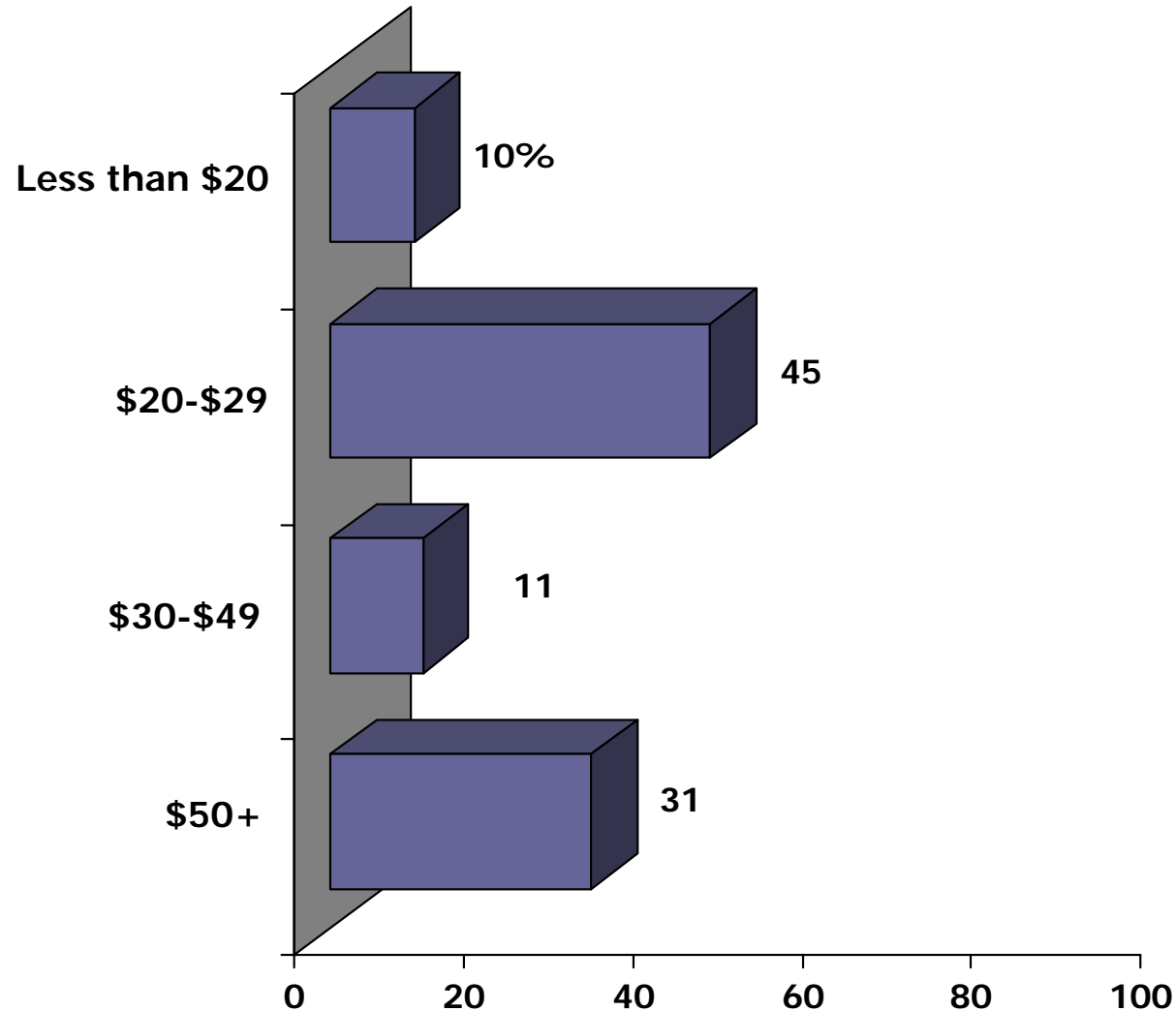


Q.7: What is the average value of the gift cards you purchase?



Average Value of Gift Cards Purchased

- Almost one-half of purchasers put a value of \$20 - \$29 on gift cards they present to others. One-third put \$50 or more on the card.



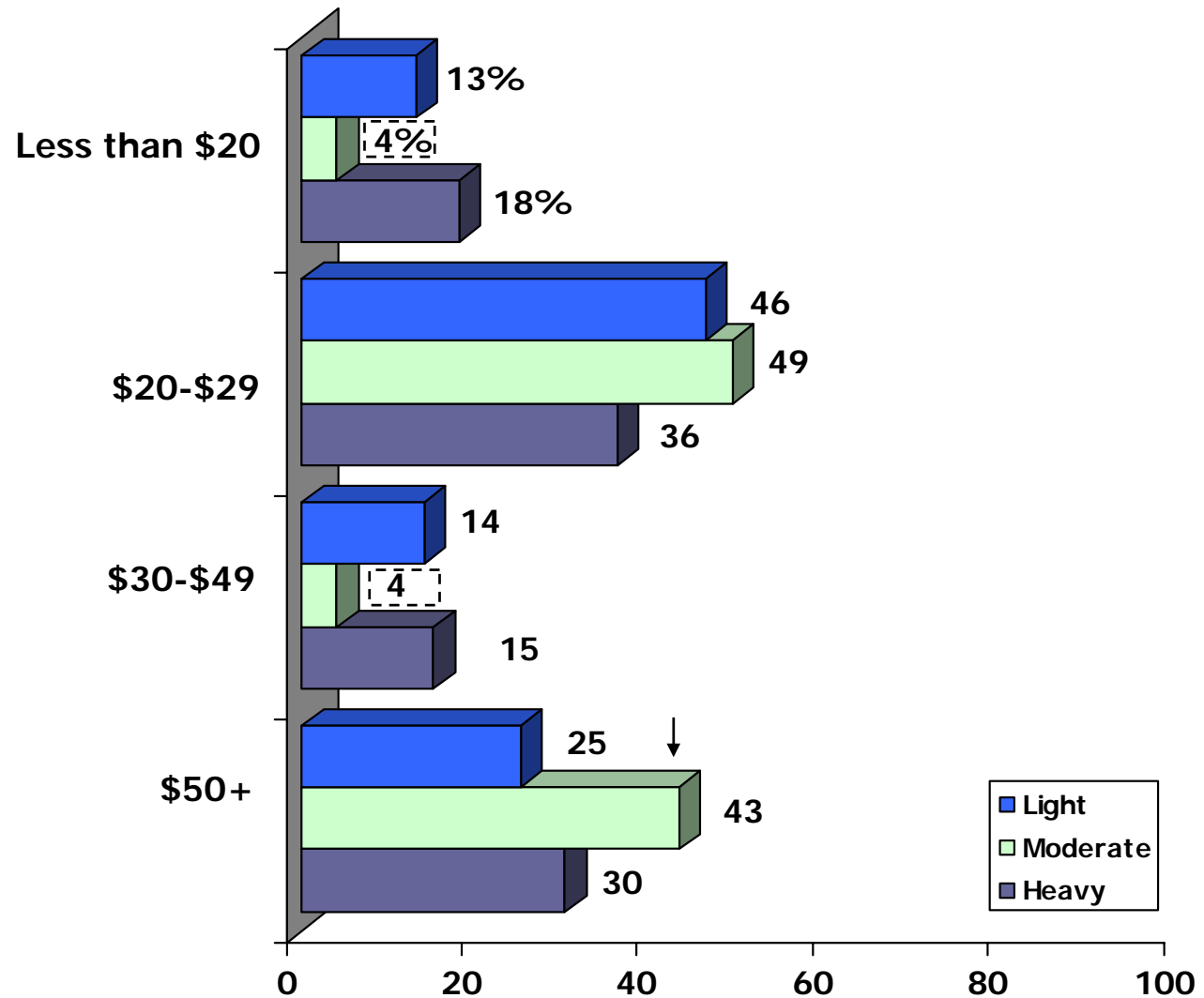
Q.7: *What is the average value of the gift cards you purchase?*



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Average Value of Gift Cards Purchased

- Moderate gift card purchasers are least likely to load cards with less than \$20 or \$30-\$49, and more likely to put \$50 or more on the cards they purchase.



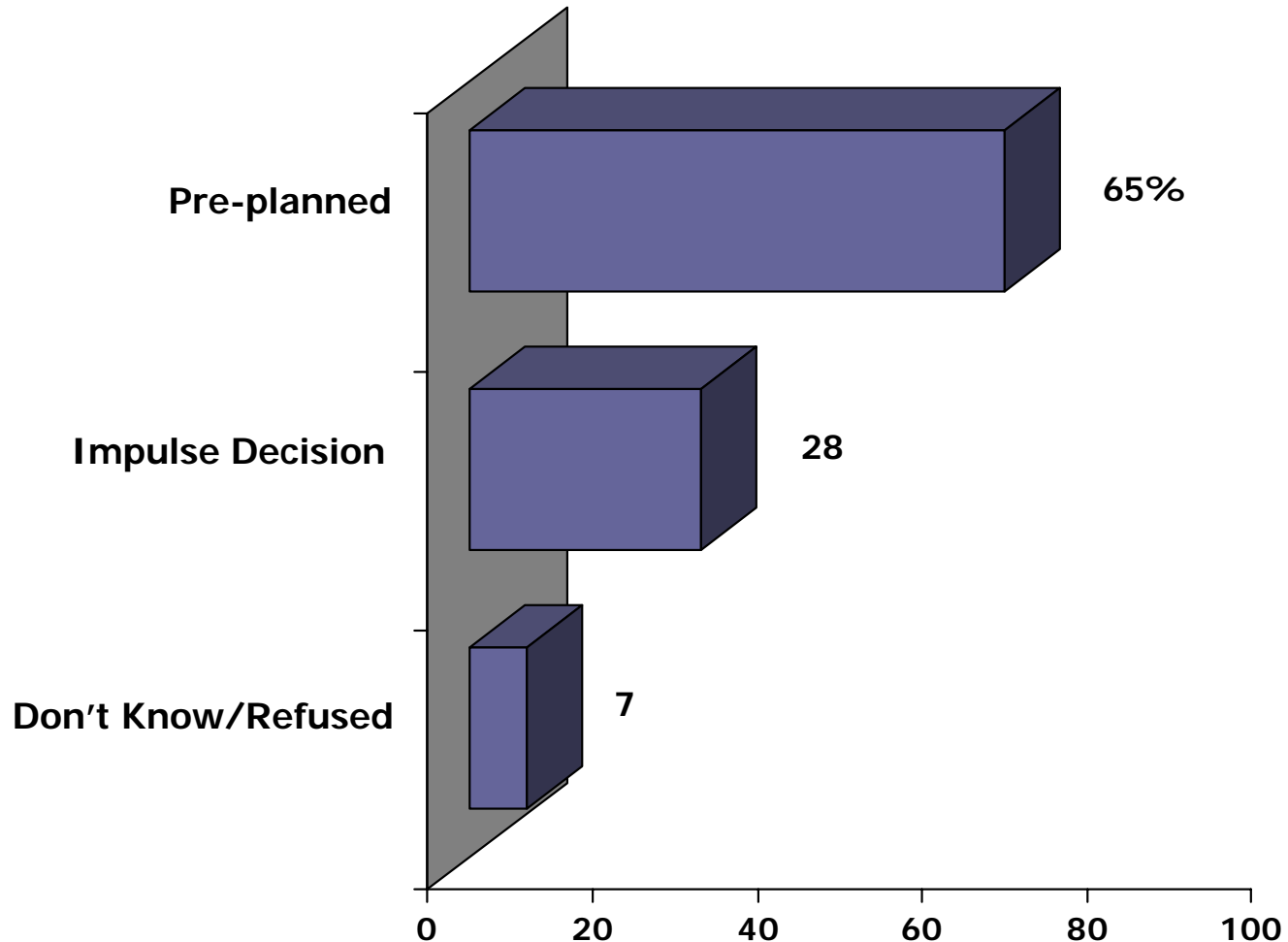
Q. 7: What is the average value of the gift cards you purchase?



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Gift Card Purchase Decision

- Two-thirds of gift card purchases are planned rather than impulse decisions.



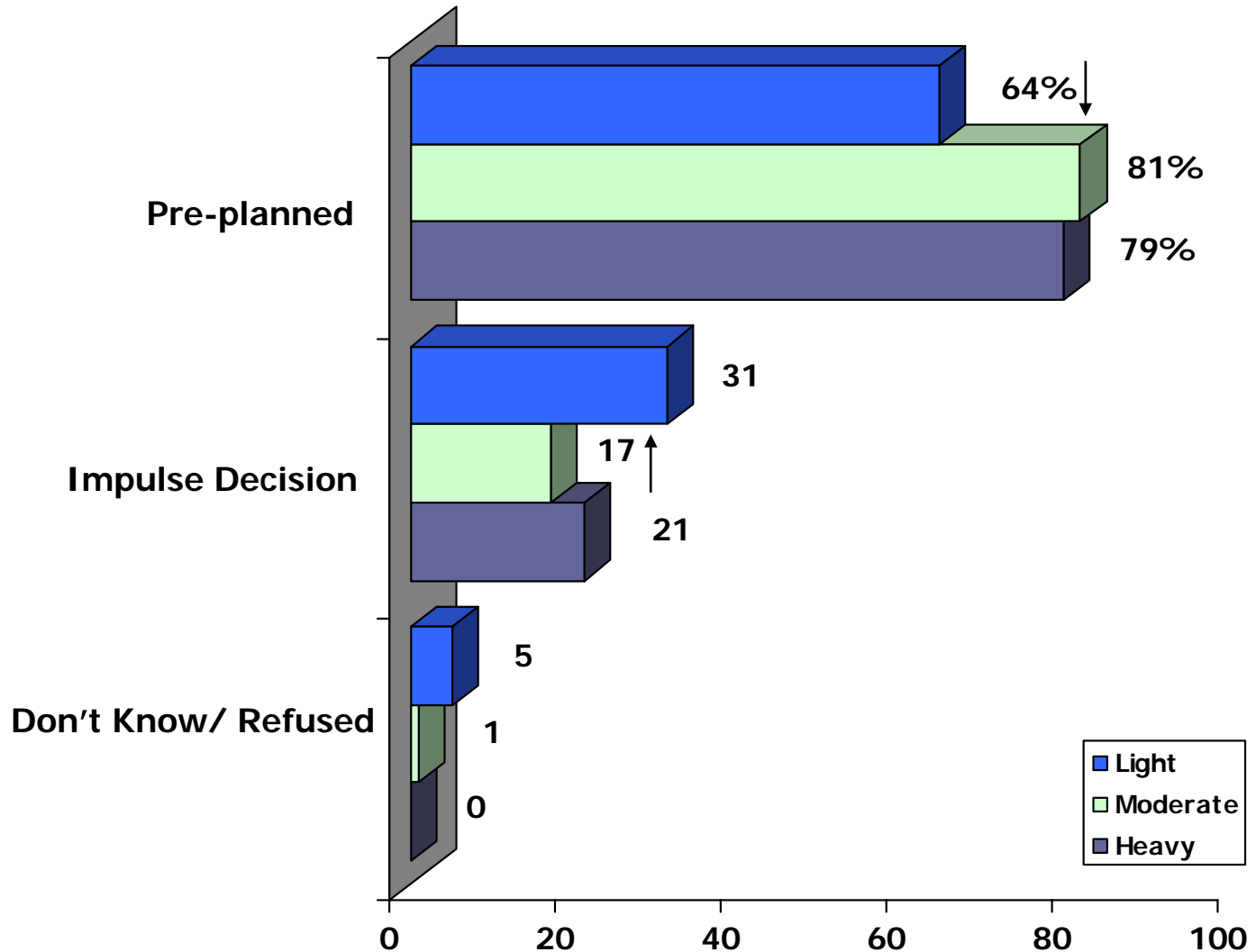
Q.8: Overall, when you purchase gift cards for others do you intend from the beginning to get a gift card, or is it an impulse decision?



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Gift Card Purchase Decision

- Respondents who purchase one to four gift cards per year are more likely to purchase gift cards as an impulse.



Q.8: Overall, when you purchase gift cards for others do you intend from the beginning to get a gift card, or is it an impulse decision?

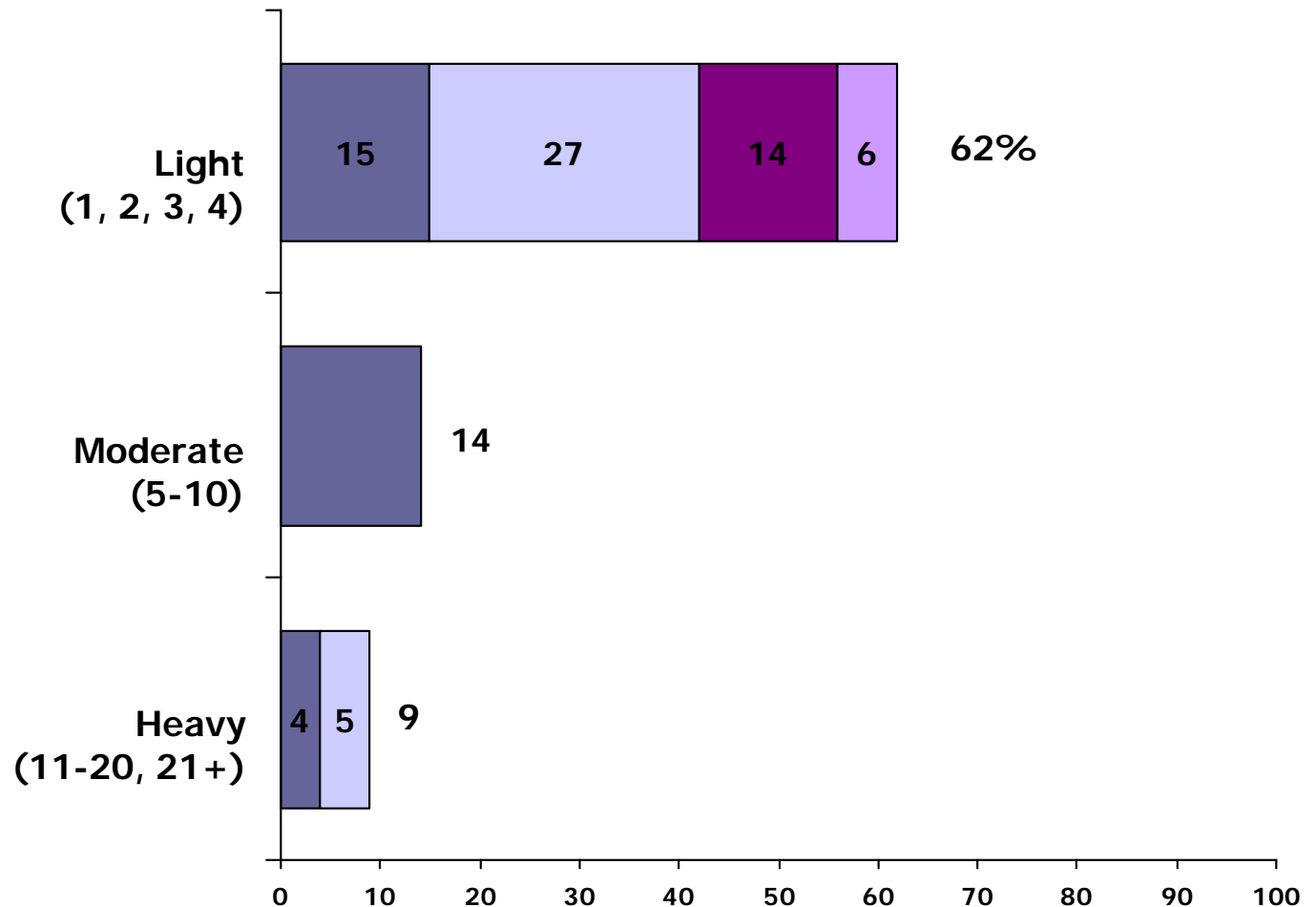


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Past Year Receipt of Gift Cards

(among those receiving)

- Among respondents receiving gift cards in the past year, six in ten have received between one and four gift cards.



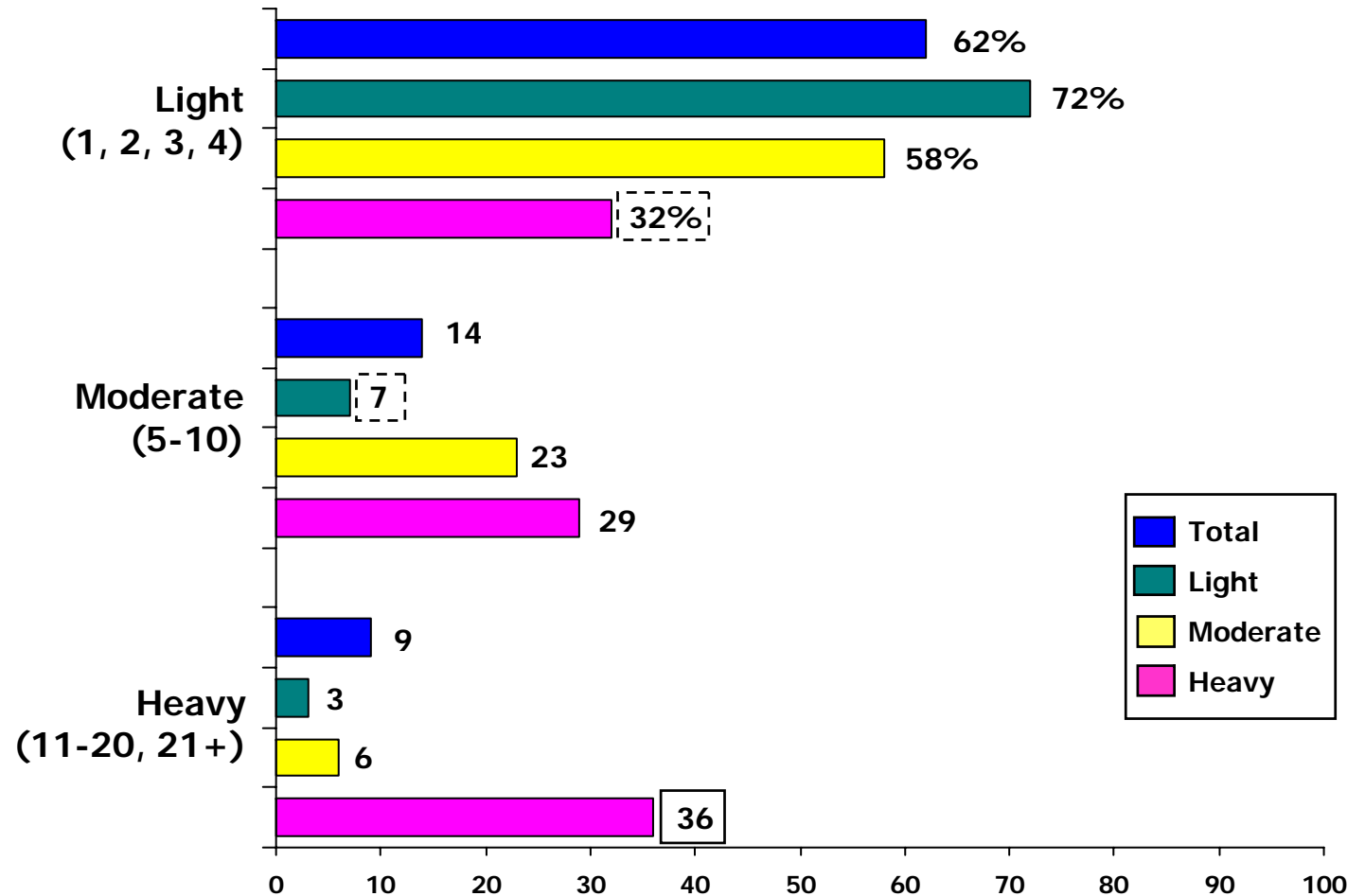
Q.12: How many gift cards have you received in the past year, that is, since last fall?



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Past Year Receipt of Gift Cards

- Heavy gift card purchasers are significantly more likely than others to have received eleven or more gift cards in the past year.



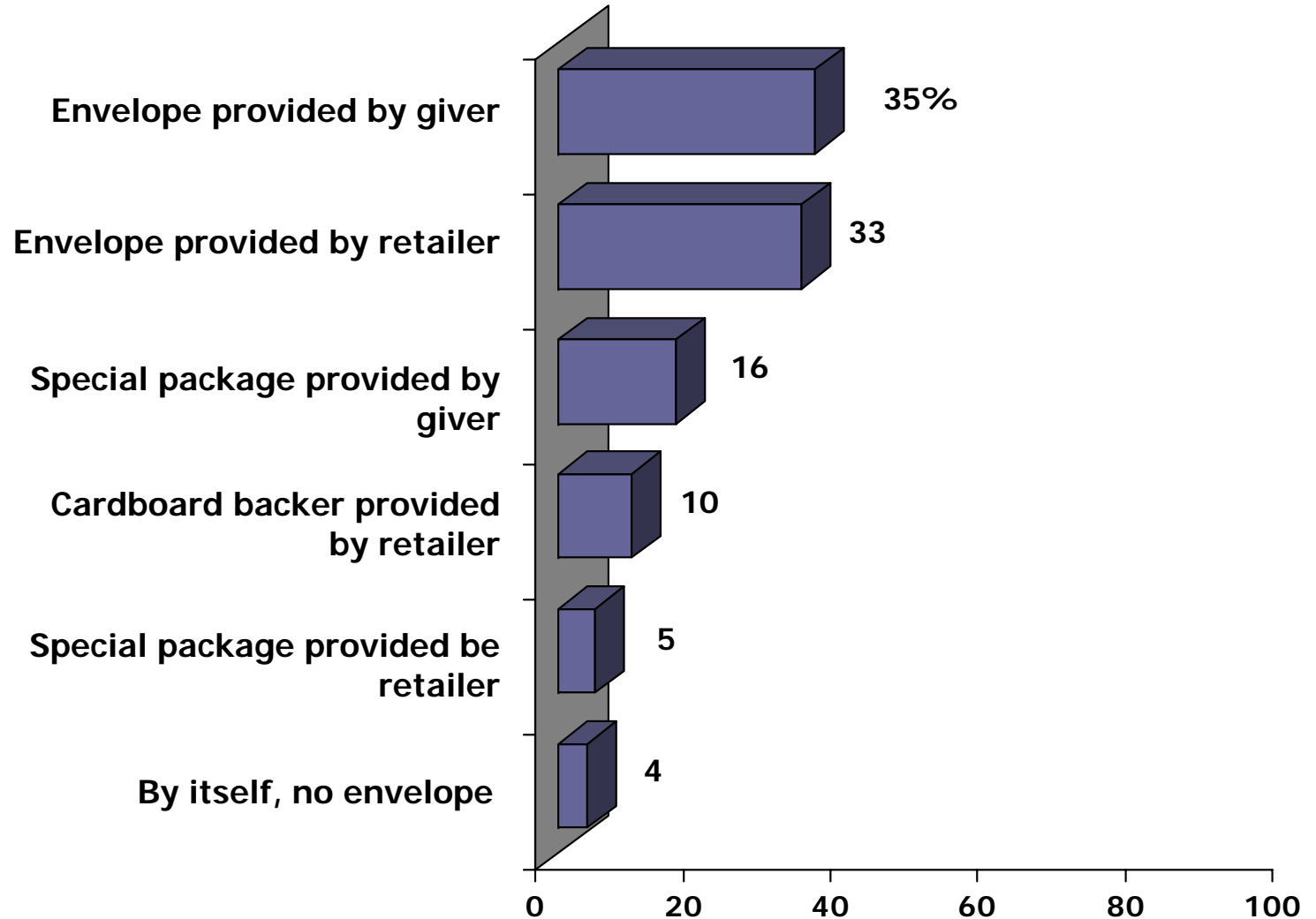
Q.12: How many gift cards have you received in the past year, that is, since last fall?



Packaging of Gift Cards

(among those receiving gift cards)

- Two-thirds of gift card recipients received their last gift card in an envelope.



Q.16: The last time you received a gift card as a gift, how was it packaged?

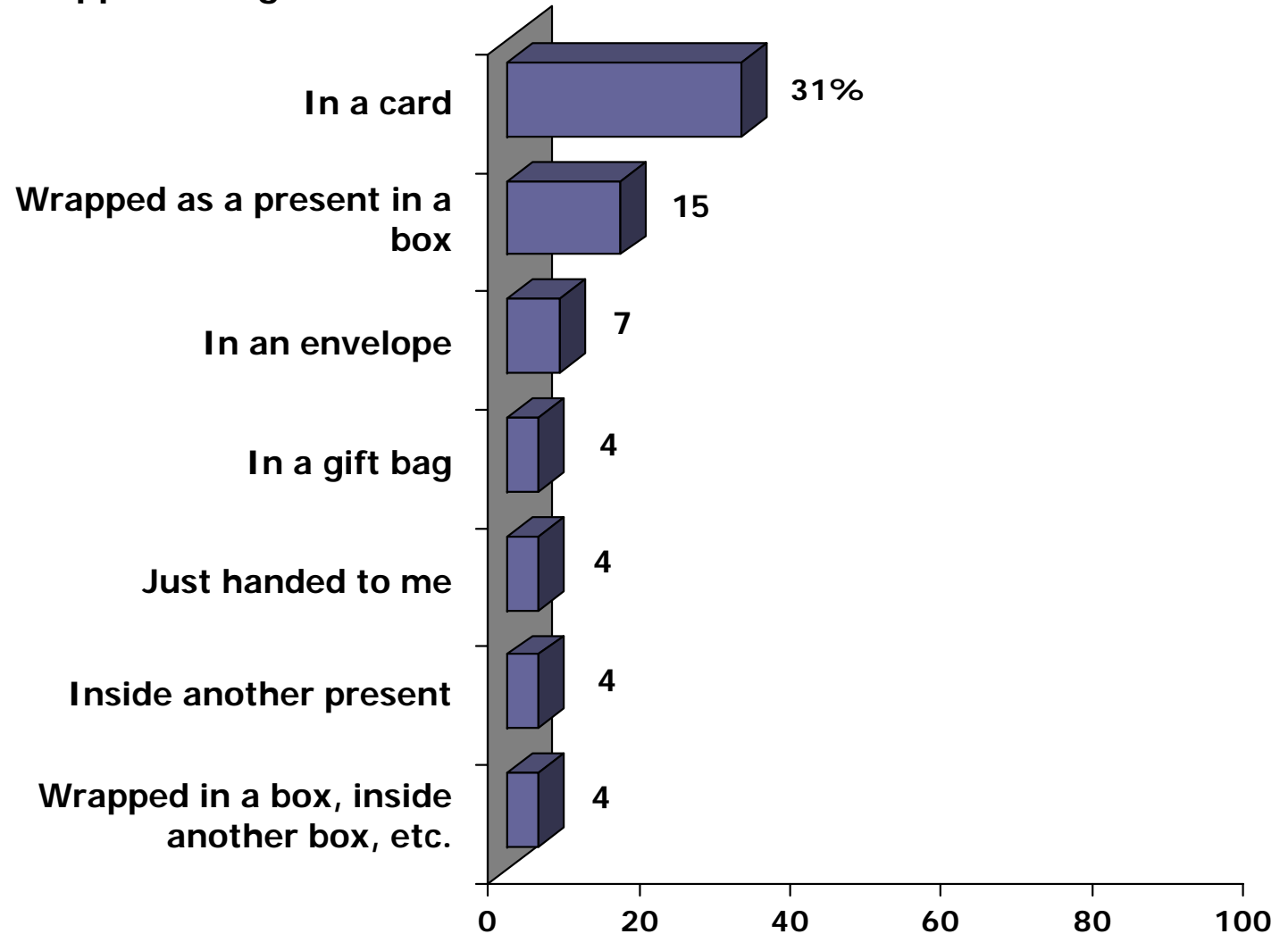


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Creative Packaging of Gift Cards

(among those receiving gift cards and answering)

- One-third of respondents who can think of a creative way they have received a gift card say that the most creative way they have received one was inside a greeting card; one in seven has received one wrapped as a gift.



Q.17: What is the most creative, fun way you have ever been given a gift card?



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Other Creative Packaging

(verbatim comments)

- A few people are very creative when presenting a gift card as a gift.

I have had them stuffed inside of a stuffed rabbit, mailed, and just handed to me.

My daughter put it underneath the cake.

In a little box inside of a bigger box inside of a bigger box. I almost threw it away.

As a surprise, someone dropped in and gave it to me dressed up as a clown.

I had to open 4 presents and it was in the last present, it was really complicated. Weird, but interesting.

In a bowl with 2 sodas, some popcorn, and a gift card to Blockbuster.

In a bouquet of flowers.

In origami box.

In a huge box & I had to keep unwrapping until I got to the smallest one containing the gift card.

It was a big package with the gift card and a big brick in it. The card was attached to the brick.

Stuck inside a wallet that was a gift.

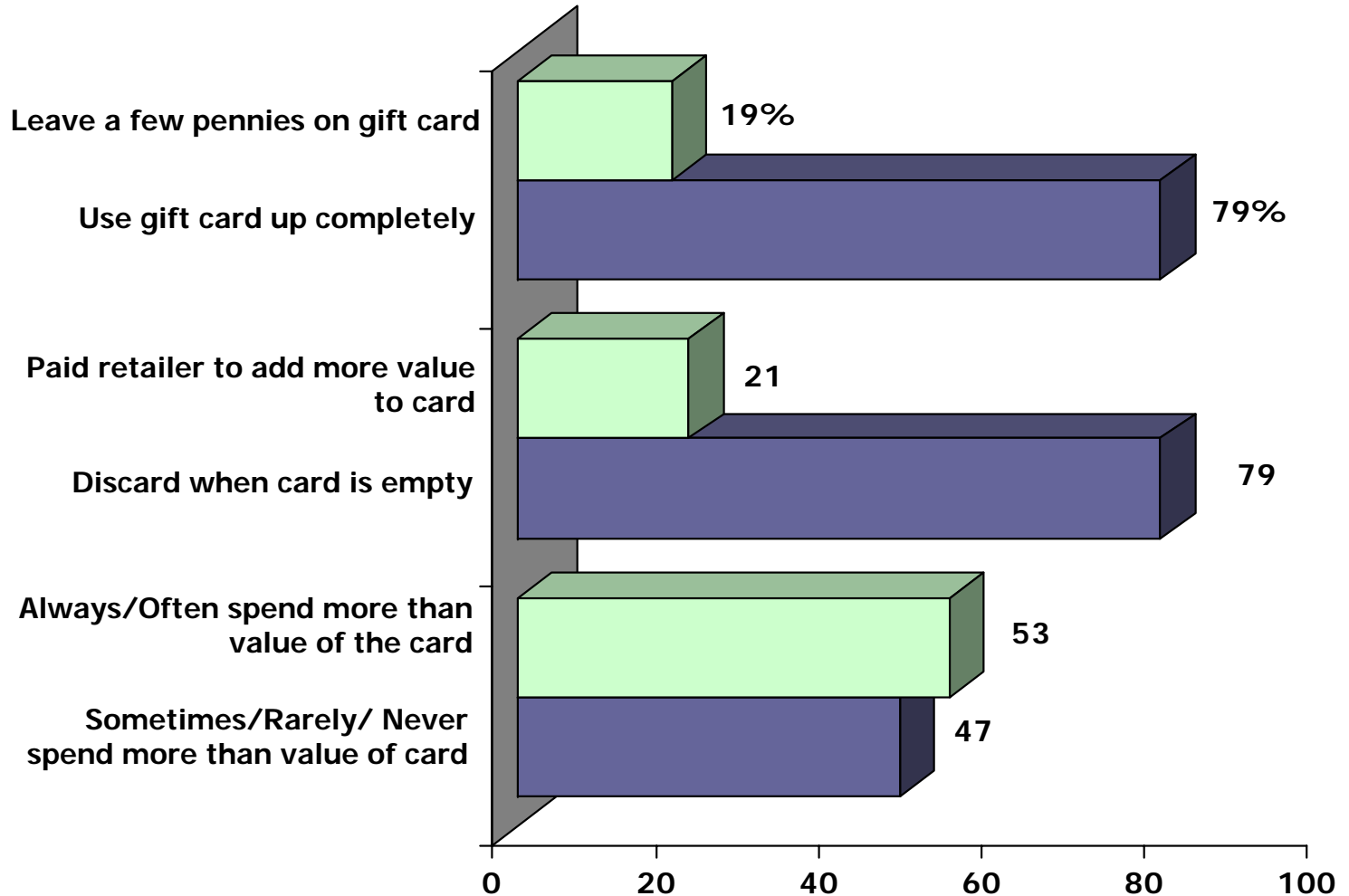
With a scrapbook. The scrapbook was a present, and the gift card was stuck on one of the pages.



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Gift Card Usage

- Eight gift card receivers in ten use up their card completely, and discard the card when it is empty. One-half spend more than the value on the cards and make up the difference with their own money.



Q.13: When you use a gift card, do you ever dispose of the card with a few pennies still left on it, or do you always make sure that it is completely used up?

Q.14: Have you ever used a gift card's value up and then paid the retailer to put more on it for future use?

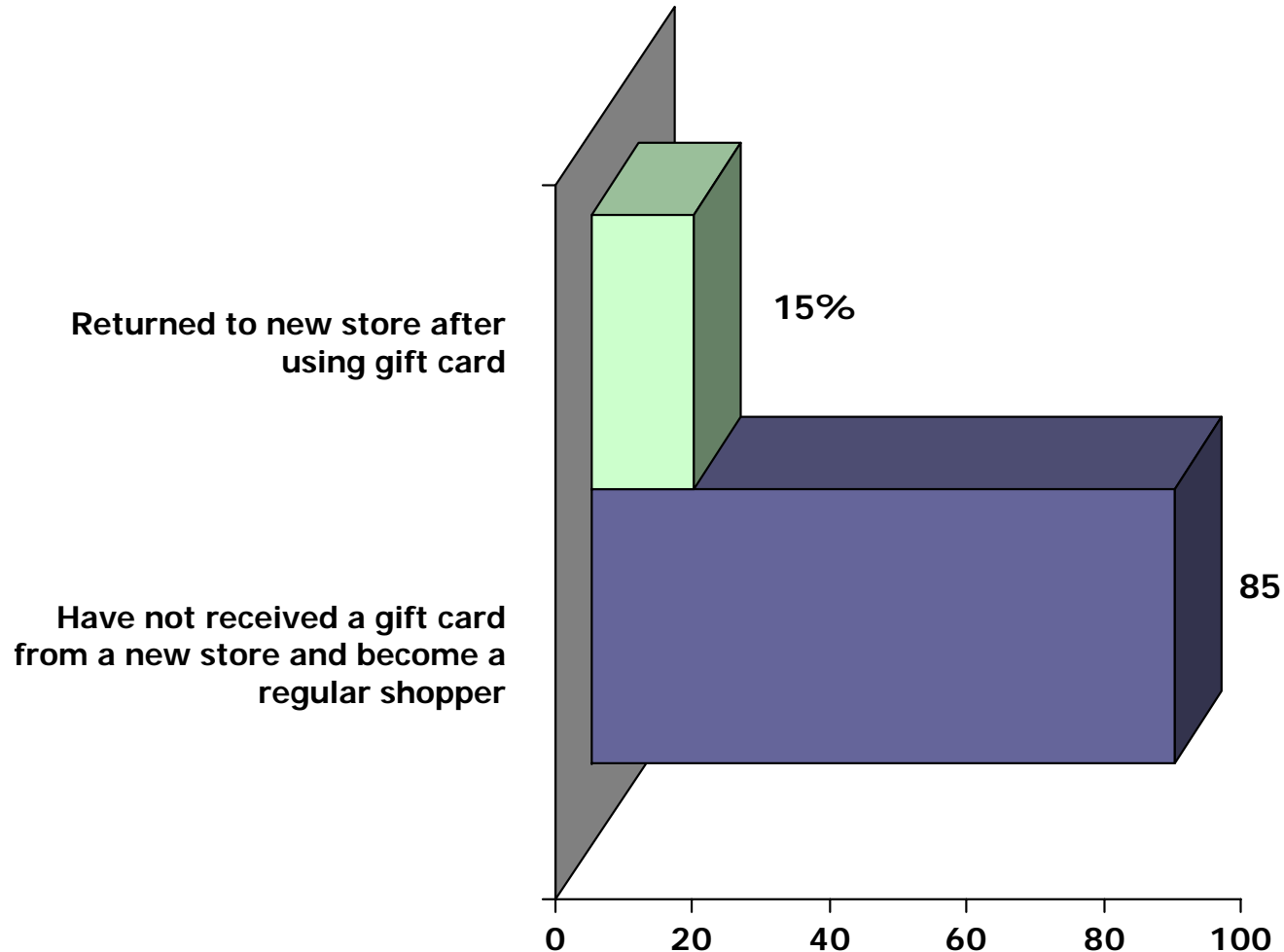
Q.15: When you make purchases with a gift card, how often do you spend more than the value of the card, 38 using your own money to make up the difference?



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Gift Card Usage – New Loyalty

- One gift card recipient in seven has received a gift card from a merchant they did not normally frequent, and become a regular shopper as a result.



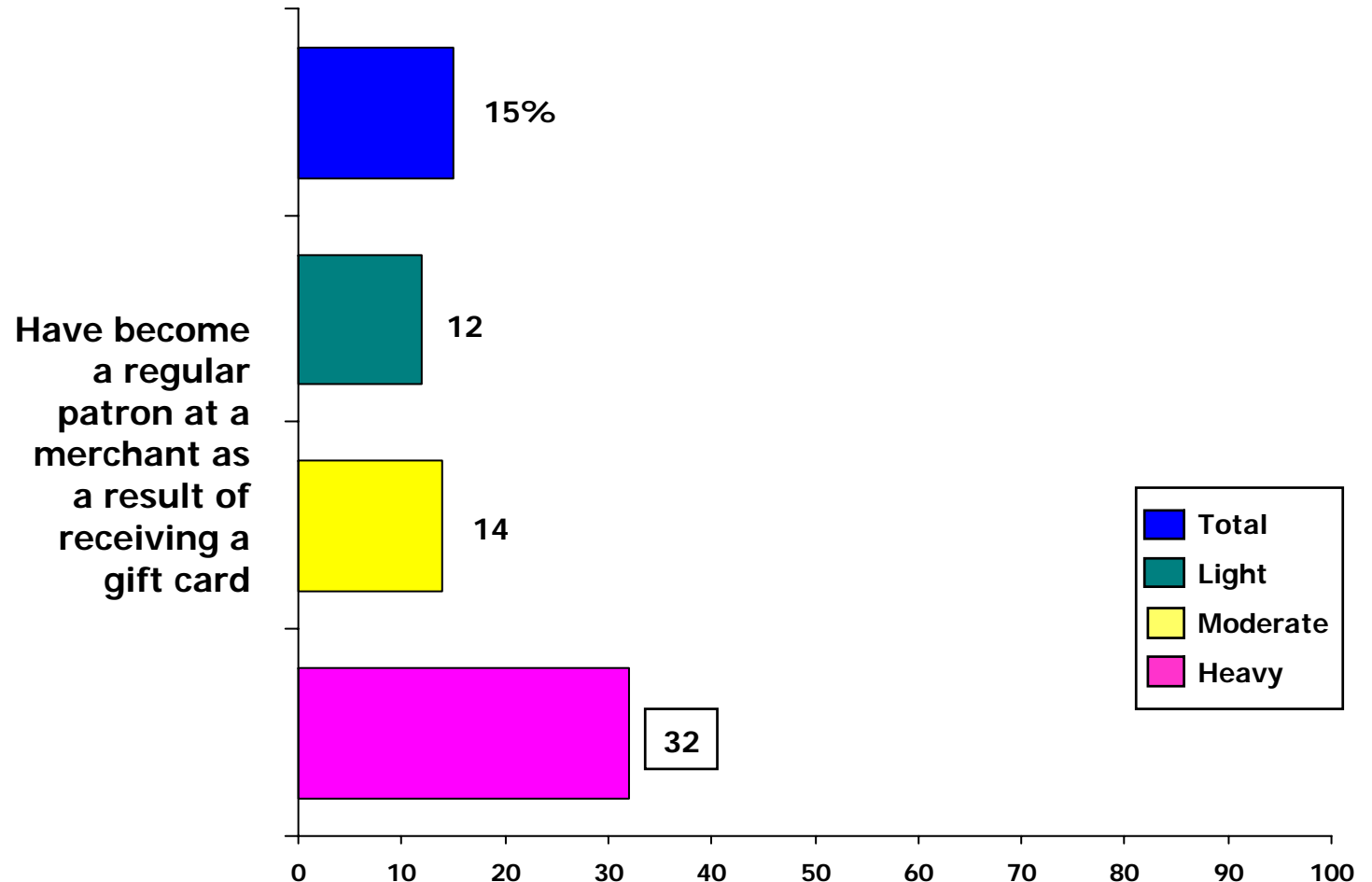
Q.18: *Have you ever received a gift card from a store that you did not normally frequent, and then begun shopping there on a more regular basis as a result?*



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Gift Card Usage – New Loyalty

- Heavy gift card purchasers are more likely than others to become a regular shopper at a new store from which they receive a gift card.



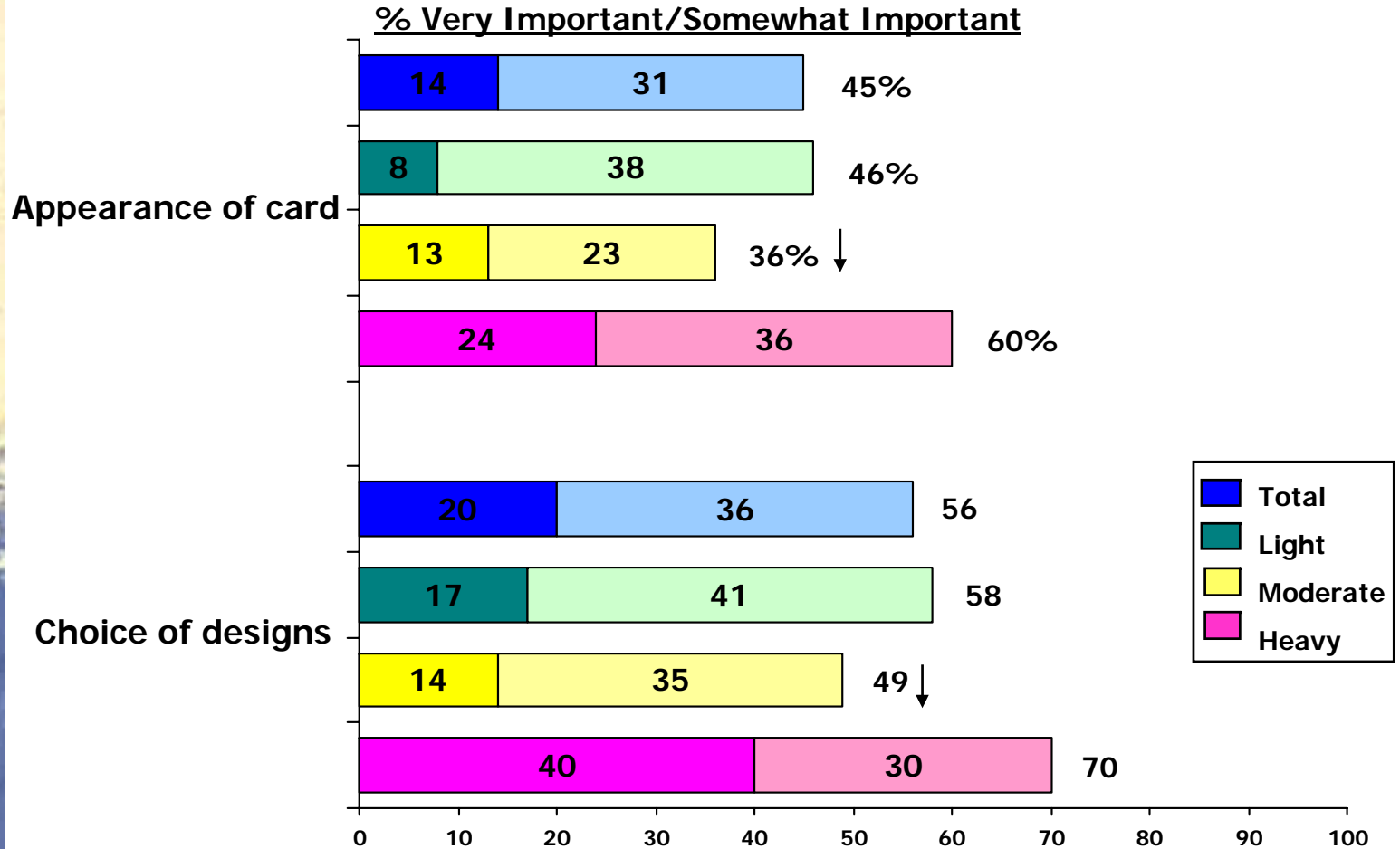
Q.18: *Have you ever received a gift card from a store that you did not normally frequent, and then begun shopping there on a more regular basis as a result?*



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Importance of Appearance/Design

- Approximately one-half of respondents say that the appearance and design of a gift card is very or somewhat important in their decision to purchase. Heavy purchasers are more likely than moderate purchasers to view these things as important.



Q.9: How important would the appearance of a card be in your decision to purchase it? Would you say . . .

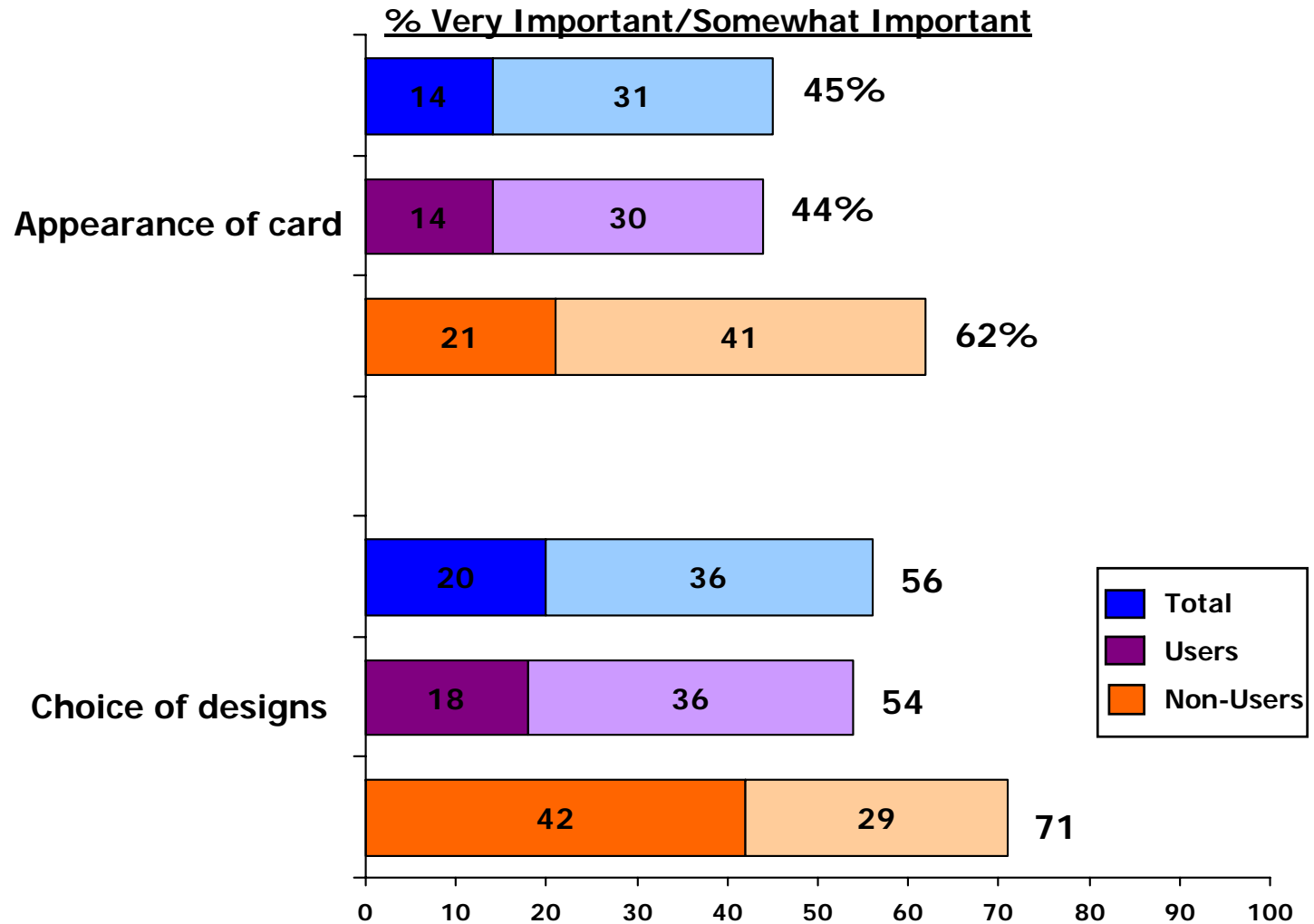
Q.10: How important would it be that a merchant offers you a choice of designs, for instance, cards that have the words "Happy Birthday" or "Congratulations," when you purchase a gift card? Would you say . . .



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Importance of Appearance/Design

- The appearance and design of a gift card is perceived as slightly more important to the purchase decision among non-users, that is, people who have never purchased or received a gift card.



Q. How important would the appearance of a card be in your decision to purchase it? Would you say . . .

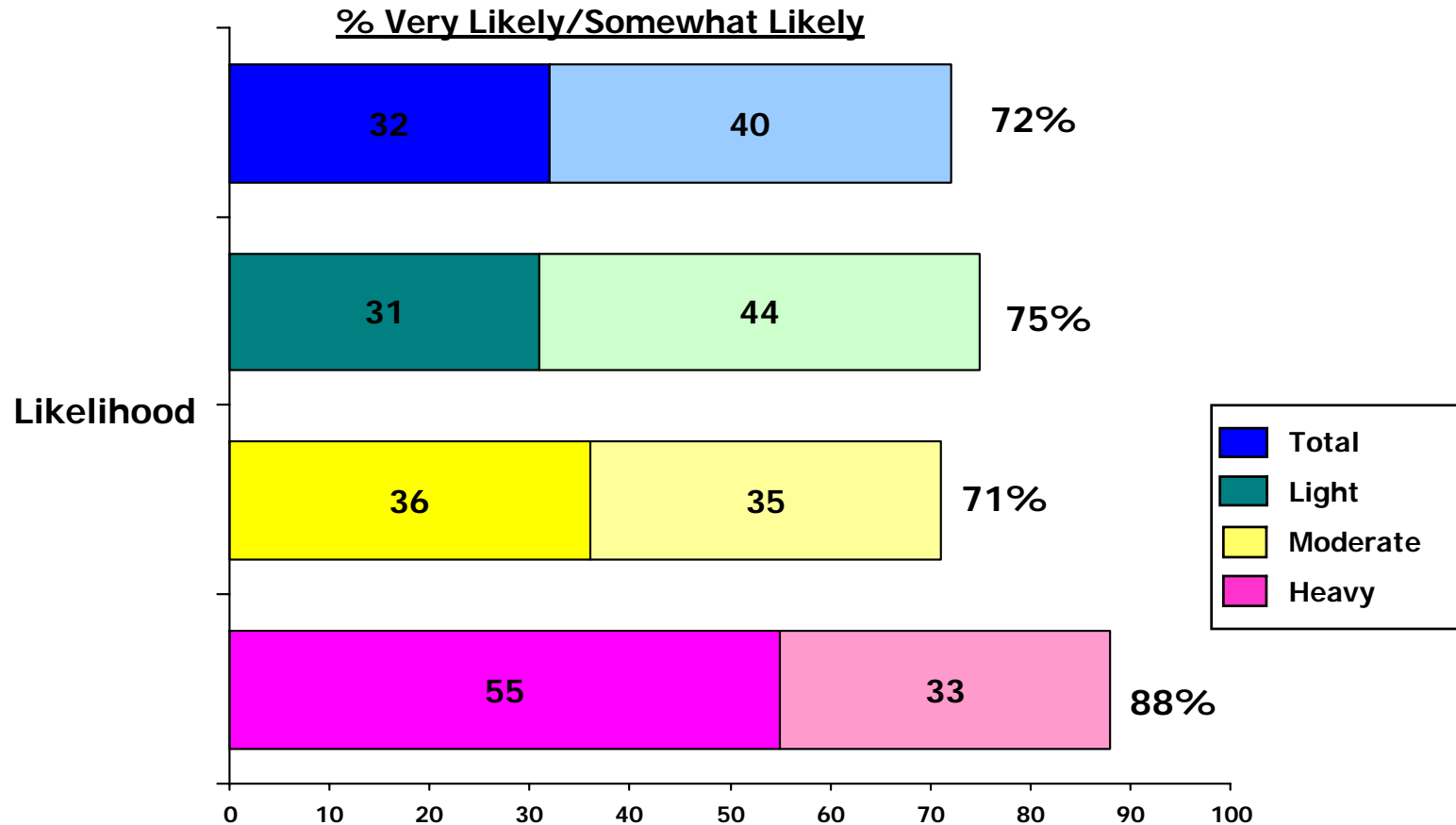
Q.10: How important would it be that a merchant offers you a choice of designs, for instance, cards that have the words "Happy Birthday" or "Congratulations," when you purchase a gift card? Would you say . . .



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Likelihood of Visiting One Merchant for Multiple Cards

- Seven respondents in ten say that they would be very or somewhat likely to purchase gift cards from a retailer that offered gift cards from a variety of merchants.



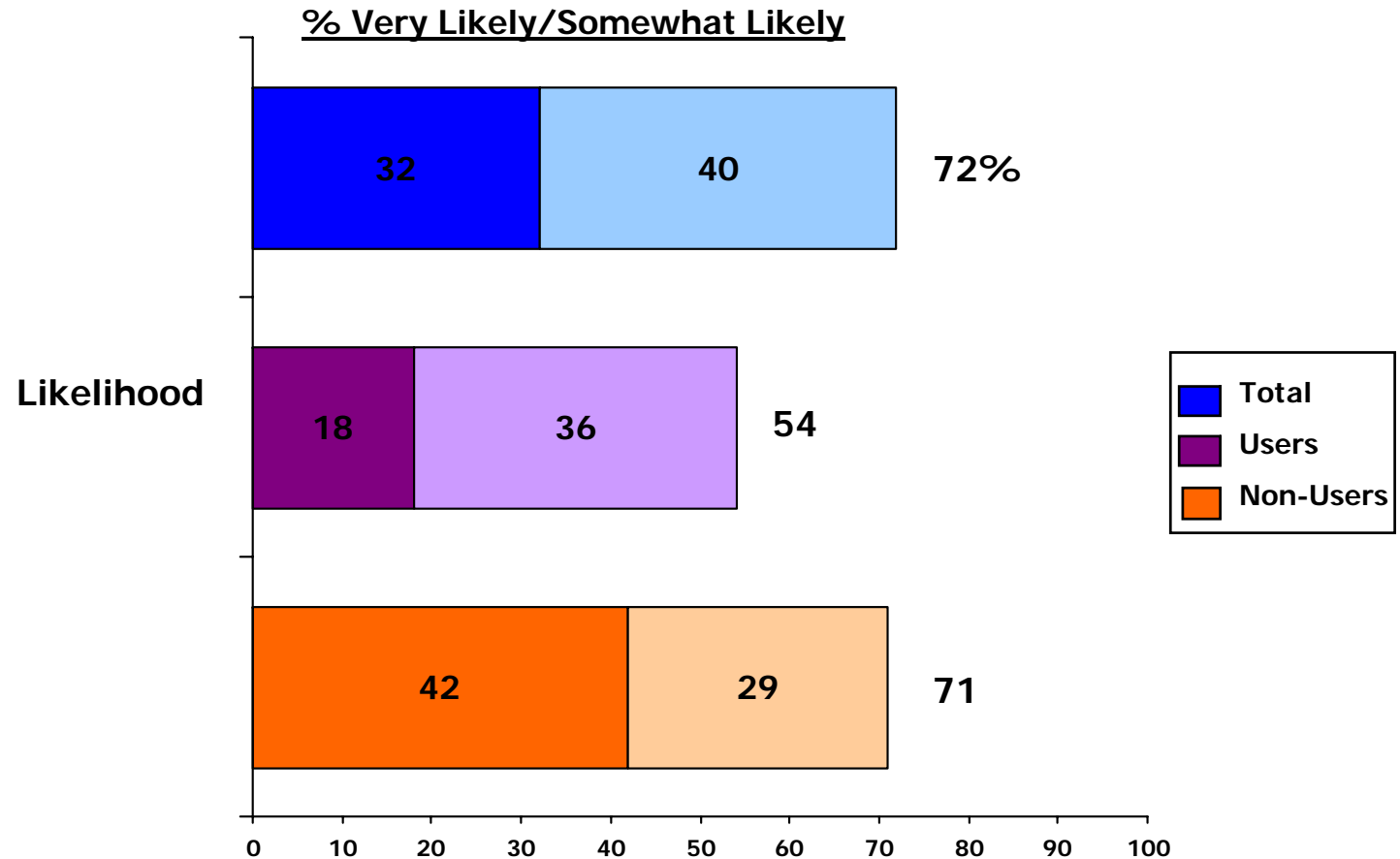
Q.11: If you knew that a retailer offered gift cards from a variety of merchants, rather than just one, how likely would you be to go to that specific retailer for gift cards? Would you say...



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Likelihood of Visiting One Merchant for Multiple Cards

- Non-users express slightly more interest in being able to purchase gift cards from multiple merchants at one retail location.



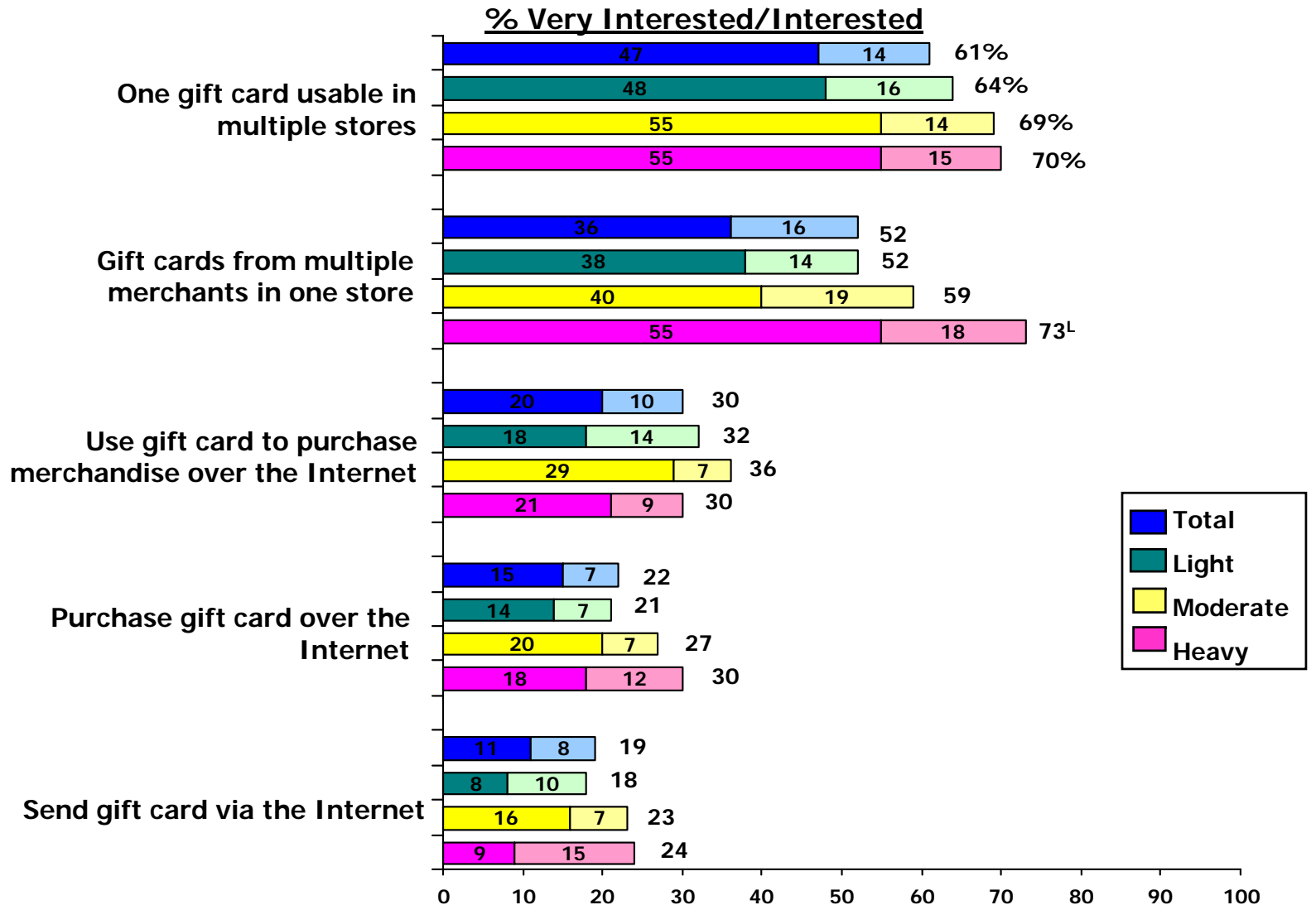
Q.11: If you knew that a retailer offered gift cards from a variety of merchants, rather than just one, how likely would you be to go to that specific retailer for gift cards? Would you say...



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Interest in Gift Card/Merchant Features

- Six respondents in ten would be interested in purchasing one gift card that could be used in multiple stores, one-half would be interested in purchasing gift cards from multiple merchants in one store. There is less interest in purchasing and using gift cards over the Internet.



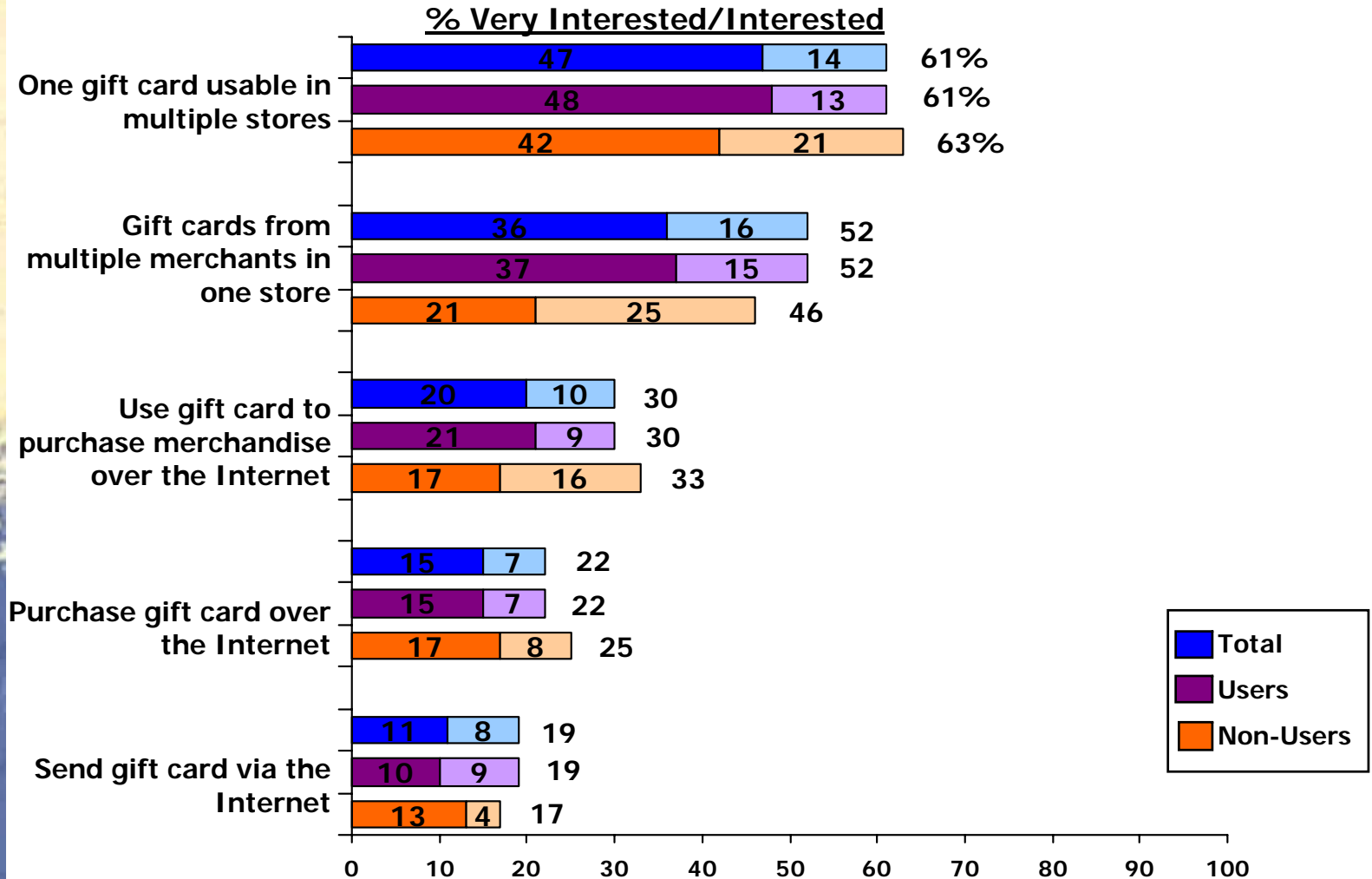
Q.21: Using a scale of one to five, where "5" means you would be very interested, and "1" means you would not be interested at all, how interested would you be in the following options?



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Interest in Gift Card/Merchant Features

- Previous non-users of gift cards are equally interested in proposed features as are experienced users.



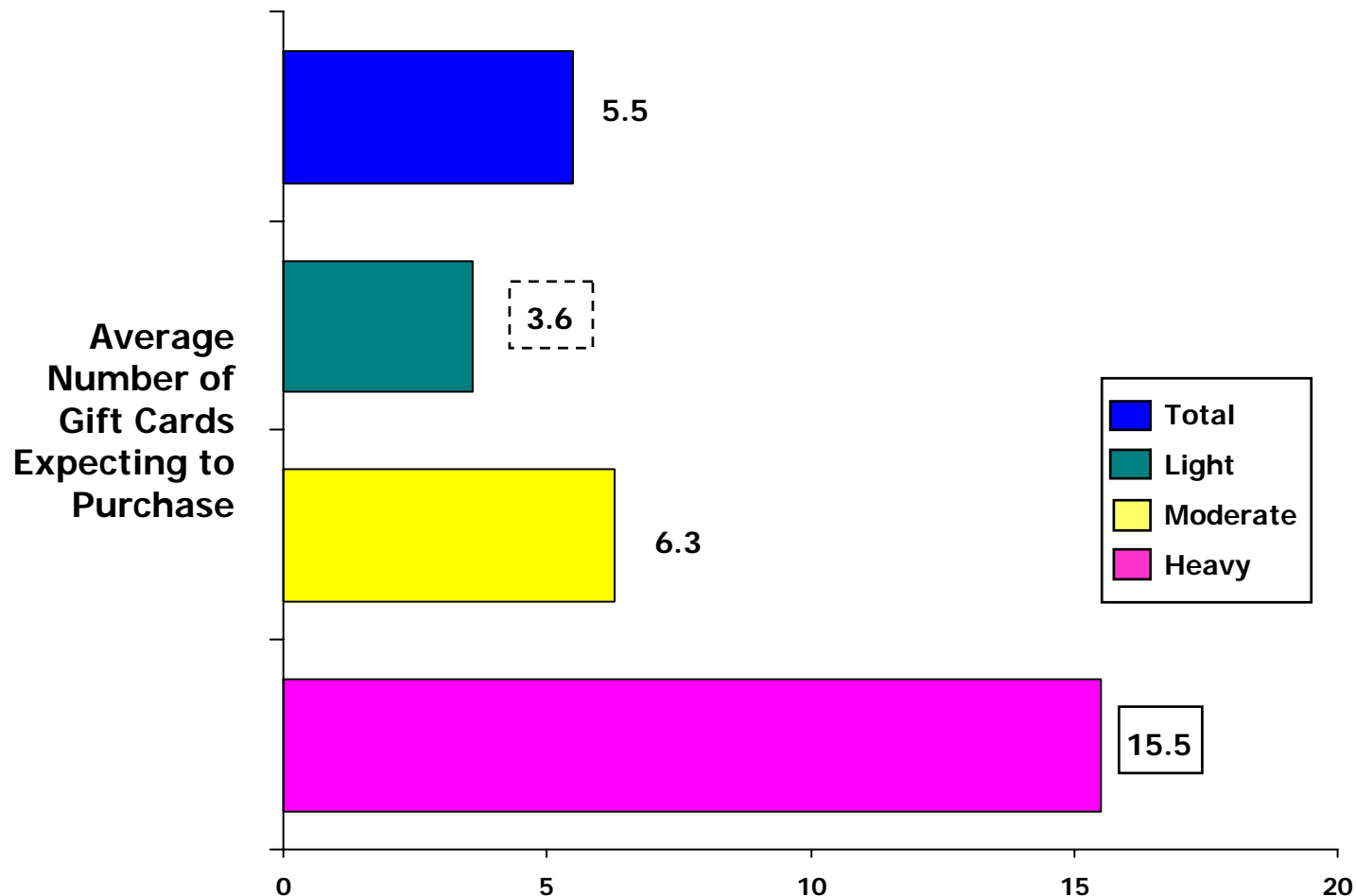
Q.21: Using a scale of one to five, where "5" means you would be very interested, and "1" means you would not be interested at all, how interested would you be in the following options?



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Expected Card Purchases

- Respondents expect to purchase an average of five gift cards during the coming holiday season. Heavy purchasers will buy the most cards, light purchasers the fewest.

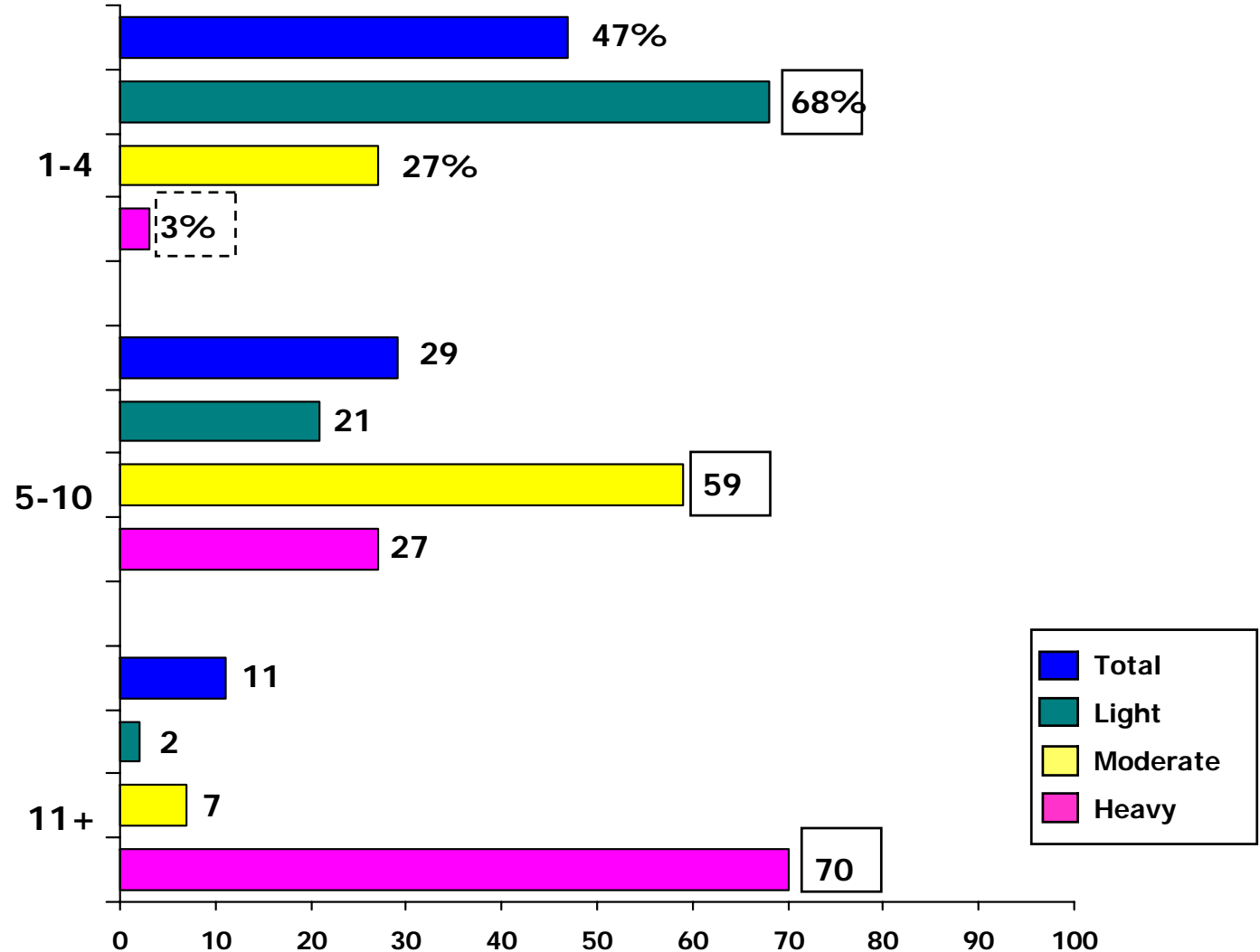




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Expected Card Purchases

- One-half of respondents intend to purchase between one and four gift cards in the coming holiday season. One-third will purchase five to ten, and one in ten will purchase more than 10 gift cards this season. Gift card purchasers are likely to continue purchasing at their previous levels.

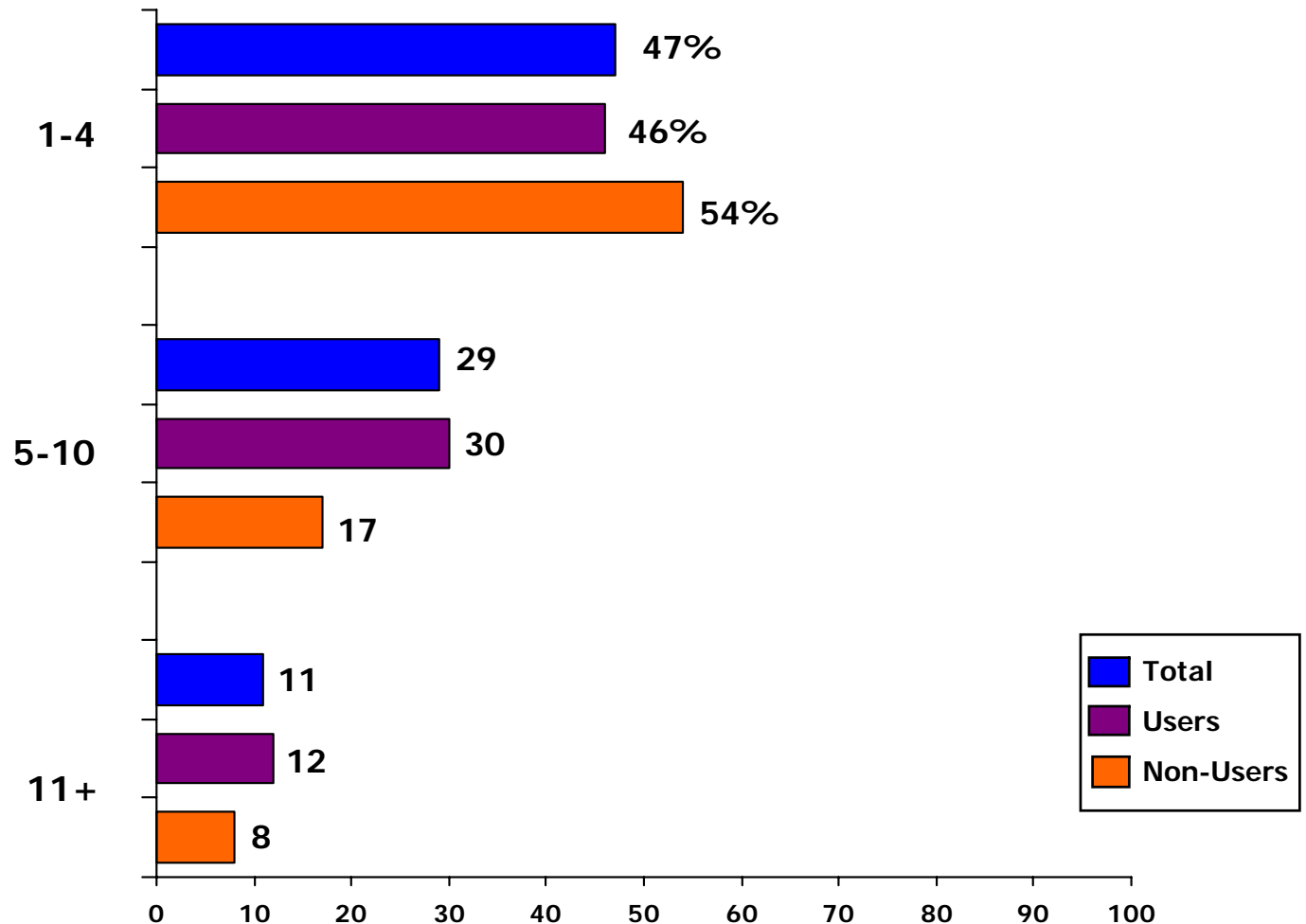


Q.19: Approximately how many gift cards do you think you might buy over the coming holiday season?



Expected Card Purchases

- Non-users who think that they will purchase gift cards in the coming months expect to purchase approximately the same number of gift cards as previous gift card users.



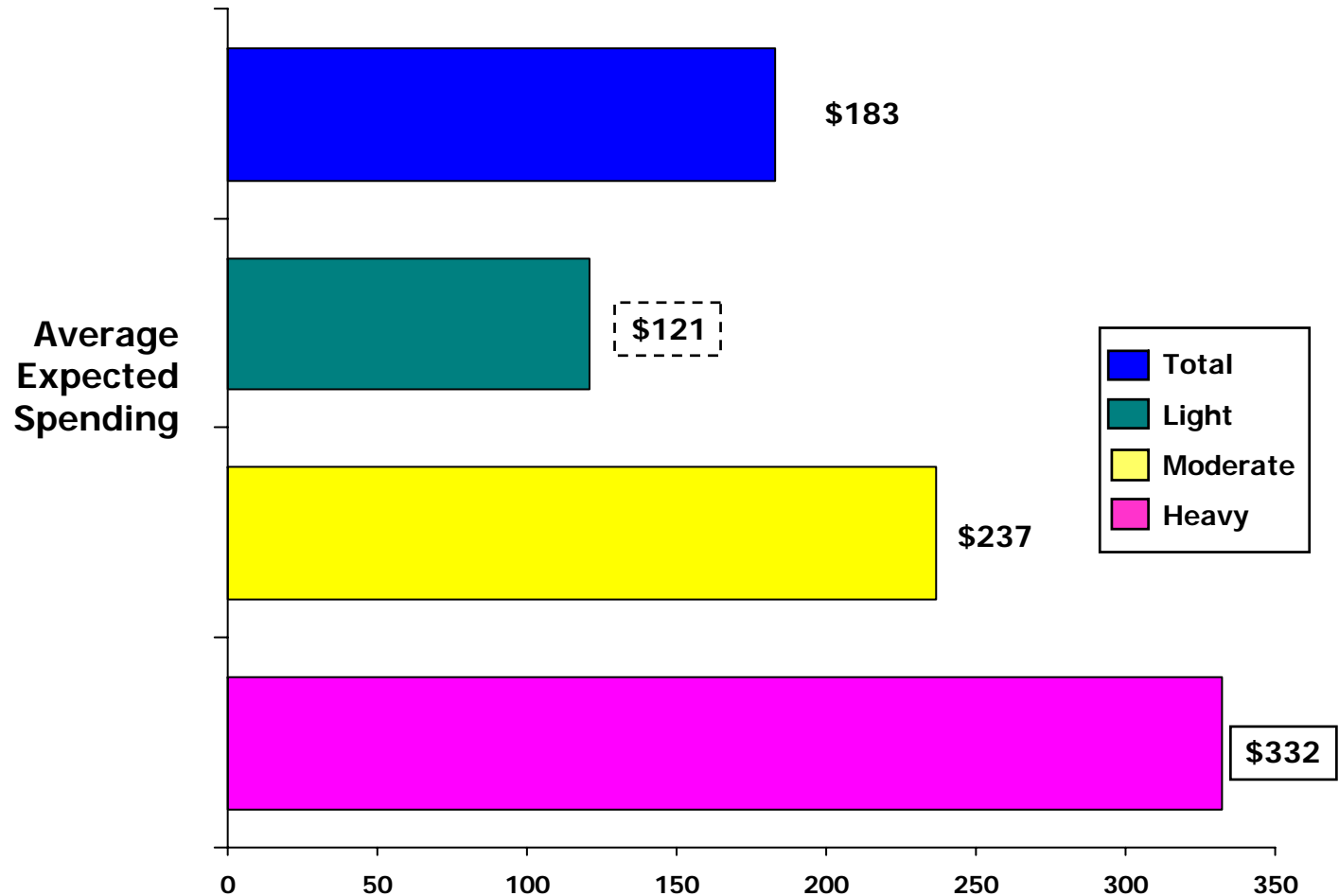
Q.19: Approximately how many gift cards do you think you might buy over the coming holiday season?



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Expected Spending on Gift Cards

- Respondents overall expect to spend an average of \$183 on gift cards this holiday season.



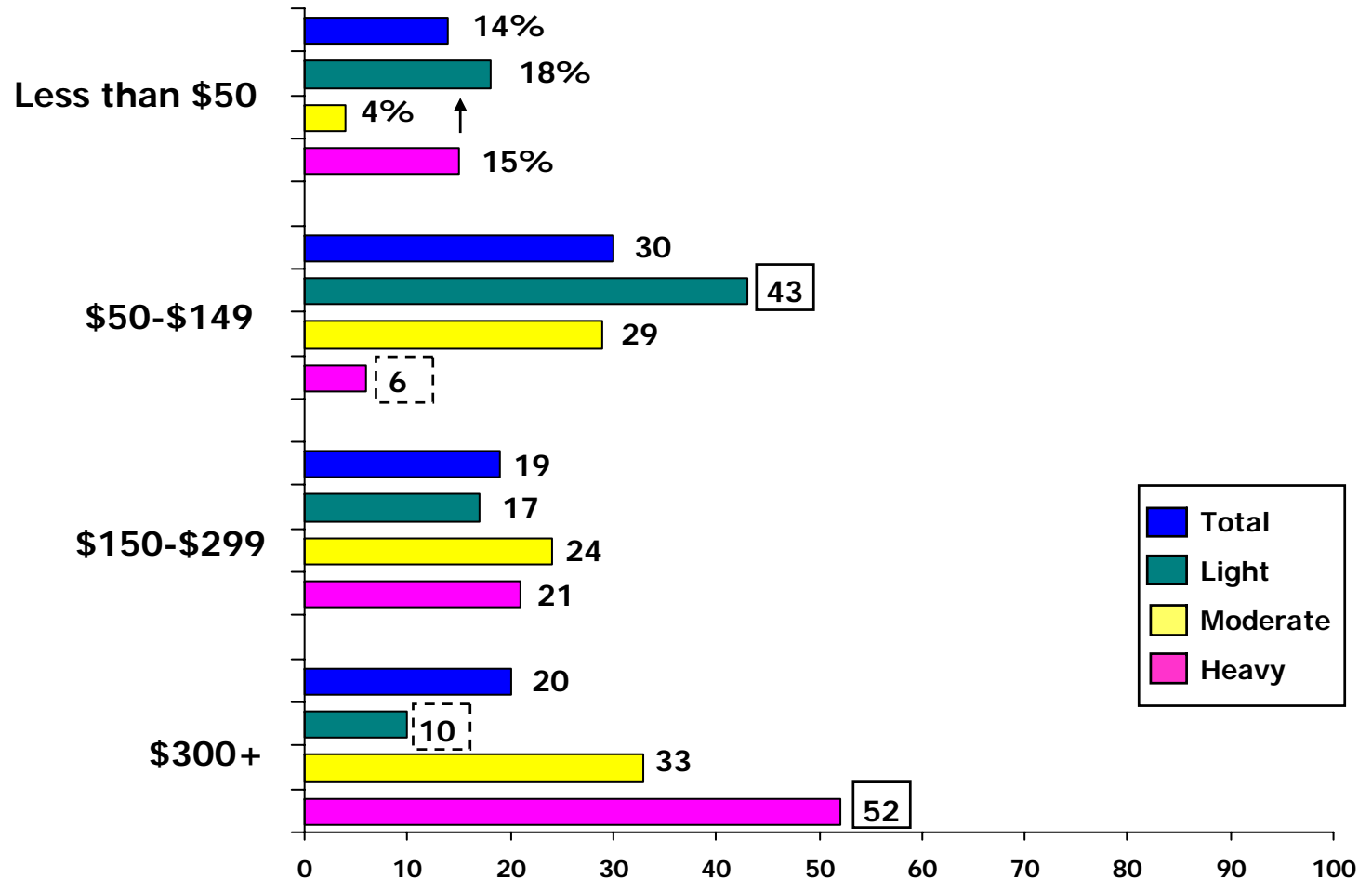
Q.20: In total, how much do you think you will spend on these gift cards?



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Expected Spending on Card Purchases

- Light gift card purchasers are most likely to spend \$50 - \$149 on gift cards this holiday season; heavy purchasers expect to spend \$300 or more.



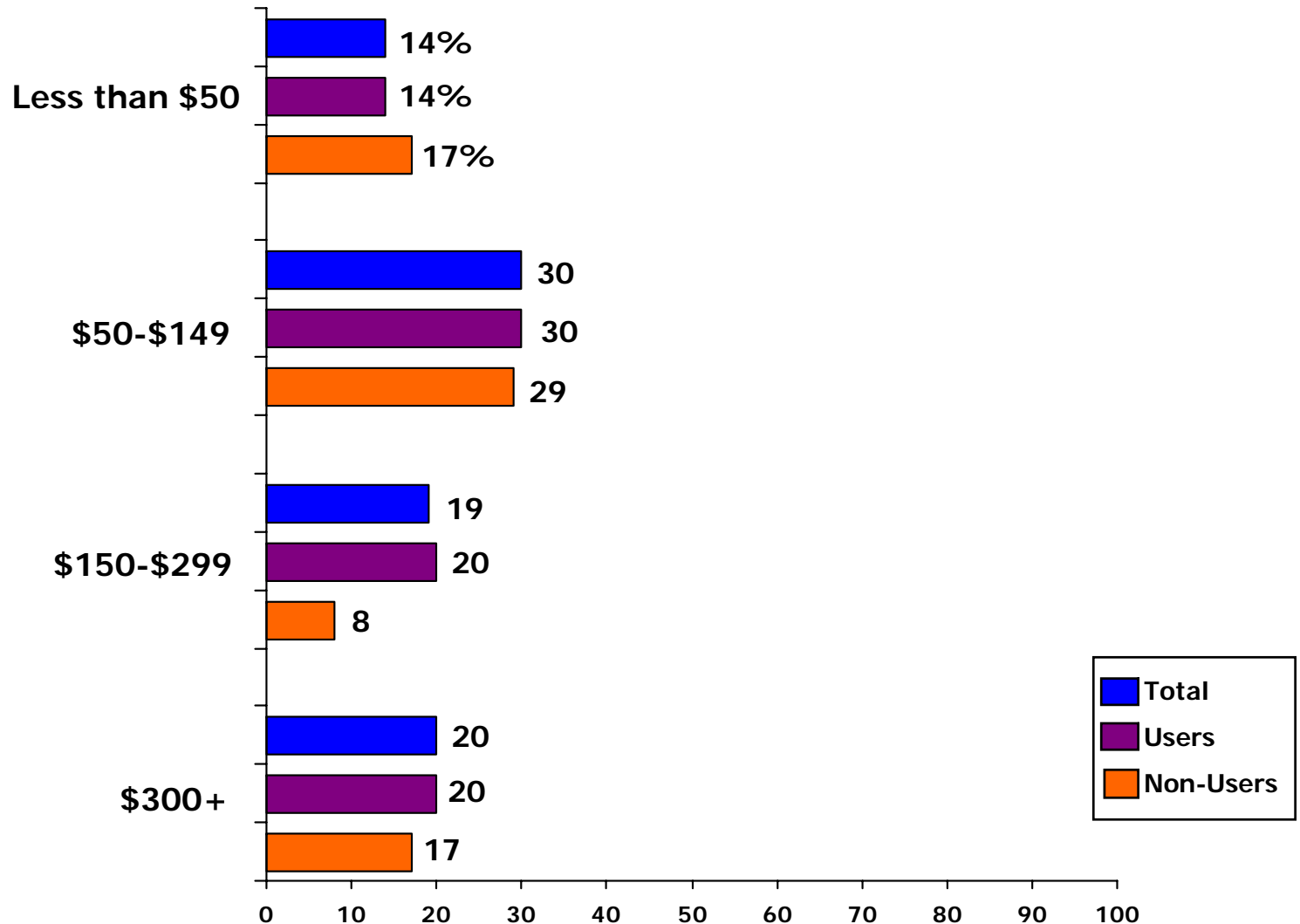
Q.20: In total, how much do you think you will spend on these gift cards?



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Expected Spending on Card Purchases

- Non-users who expect to purchase gift cards this holiday season expect to spend similar amounts as those who have previously received or purchased gift cards.



Q. 20: In total, how much do you think you will spend on these gift cards?



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Dislikes About Gift Cards

- Only one-third of respondents overall can think of something about gift cards that they dislike, primarily that they find them to be impersonal. Those who have purchased gift cards on impulse are slightly more likely to mention dislikes, and significantly more likely to dislike that there are limited places a gift card can be used, and that gift cards can expire.

	Total	Pre-Made Decision	Impulse Decision
(Base)	(300)	(180)	(78)
	<u>%</u>	<u>%</u>	<u>%</u>
<u>Net One or More</u>	<u>34</u>	<u>29</u>	<u>41</u>
Impersonal	14	13	10
Use at limited locations/stores	4	2	→ 9
Cards expire	2	1	→ 6
Easy to lose	2	2	3
Unable to redeem for cash	2	2	4
Uncertain of balance on card	2	3	1
Unable to re-use	2	1	5
Nothing	66	71	59

Q.22: What, if anything, do you dislike about gift cards?

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Respondent Characteristics



Respondent Characteristics

- Respondents 18-29 are most likely to be gift card purchasers.
- Moderate gift card purchasers are significantly more likely than light purchasers to earn \$50,000 to \$75,000.
- Heavy users are significantly more likely than other purchasing groups to identify themselves as Hispanic/Latino.
- Men and women purchase gift cards at similar rates.



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Demographics

	Purchase			
	Total	Light	Moderate	Heavy
(Base)	(300)	(130)	(70)	(33)
	%	%	%	%
<u>Age</u>				
18-29	27	27	26	36
30-39	18	16	23	21
40-49	18	18	21	18
50-59	18	18	20	12
60+	17	18	10	12
<u>Income</u>				
Less than \$30,000	24	24	14	27
\$30,000 - \$50,000	21	26	20	12
\$50,000 - \$75,000	15	12	→ 23	24
\$75,000 - \$100,000	11	13	16	12
\$100,000 +	10	6	13	21
<u>Ethnicity</u>				
White/Caucasian	80	^H 85	84	70
African America/Black	6	5	4	6
Hispanic/Latino	6	3	4	18
Asian	2	1	1	3
Other/Refused	6	5	6	3
<u>Gender</u>				
Male	28	31	23	27
Female	72	69	77	73

H = Significantly higher than Heavy.

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Appendix



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Certification Statement

Job Number: 03-7632

Job Name: Gift Card Study

Standards

We hereby certify that the research reported herein was designed, conducted, analyzed, and reported following "*generally accepted research procedures*" as defined by The CASRO (Council of American Survey Research Organizations) Code of Standards and Code of Business Practices with regard to confidentiality, privacy, disclosure, data collection, data processing, reporting, data ownership, and storage.

CASRO's Data Collection Guidelines and Data Processing Guidelines are an integral part of our quality control process. We follow these guidelines on all MWI projects.

Objectivity

This report fairly, accurately, and objectively reflects the complete results of our research. Nothing has been omitted from the methodology, tabulations, or analytical report which would change the analysis or interpretation of the reported findings.

Use of This Research

MWI offers this research, including its Conclusions and Recommendations, as our professional judgment in understanding the marketing environment facing the client, and what we conclude and recommend based on our knowledge of the situation at hand in relation to our experience and judgment. Acceptance of this research, and action or results of actions based thereon, are the sole responsibility of the client.

This research is for the sole and exclusive proprietary use of our clients and its agents. Any use of this research in advertising, promotion, or publicity should be reviewed by The Marketing Workshop, Inc. prior to such use.

Additional Information

Additional information on any aspect of this research, in accordance with CASRO guidelines, will be provided upon request.

Submitted by:

Carolyn H. Garfein, Sr. Vice President
THE MARKETING WORKSHOP, INC.
October 2003



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THE MARKETING WORKSHOP, INC.
Norcross, GA 30092
#03-7632
Final 09/19/03

**Comdata
Gift Card Survey**

Hello, this is _____ with Compass Research, an independent market research firm. We're conducting a survey about gift purchasing habits, and would like to include your opinion.

DO NOT PAUSE

1a. Have you ever received a gift card? When I say "gift card," I'm referring to the cards you can purchase at retailers instead of a paper gift certificate.

- | | |
|---------------------------------|---|
| Yes | 1 |
| No | 2 |
| (DO NOT READ) Don't Know | 3 |

1b. Have you ever purchased a gift card, either for yourself or someone else? When I say "gift card," I'm referring to the cards you can purchase at retailers instead of a paper gift certificate. **(MULTIPLE ANSWERS ALLOWED)**

- | | | | |
|---------------------------------|---|---|---------------------|
| Yes, for myself | 1 | → | ASK Q.3a |
| Yes, for someone else | 2 | → | SKIP TO Q.3b |
| No | 3 | | |
| (DO NOT READ) Don't Know | 4 | | |

IF "NO/DK" AT Q.1A AND "DK" AT Q.1B, THANK AND TERMINATE.

2a. Is there a specific reason that you do not purchase gift cards? **(MULTIPLE ANSWERS ALLOWED, IF "OTHER," PROBE AND CLARIFY)**

- | | |
|---|---|
| Never occurred to me | 1 |
| Unfamiliar with them/how they work | 2 |
| Too impersonal | 3 |
| Never saw them on display/can't find them | 4 |
| Worried about them being stolen | 5 |
| Other (SPECIFY) _____ | 6 |
| (DO NOT READ) Don't Know | 7 |



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2b. What, if anything, would make you more interested in purchasing a gift card? **(PROBE & CLARIFY)**

2c. How likely are you to make a gift card purchase during the holiday season this year? Would you say...

Very Likely	5	→	IF "NO/DK" AT Q.1A, SKIP TO Q.9
Somewhat Likely	4	→	IF "NO/DK" AT Q.1A, SKIP TO Q.9
Neither likely nor Unlikely	3	→	IF "NO/DK" AT Q.1A, SKIP TO Q.9
Somewhat Unlikely	2	→	IF "NO/DK" AT Q.1A, TERMINATE
Very Unlikely	1	→	IF "NO/DK" AT Q.1A, TERMINATE
(DO NOT READ) Don't Know	6	→	IF "NO/DK" AT Q.1A, TERMINATE

GIFT CARD PURCHASERS (PUNCH 1 AND/OR 2 AT Q.1b)

3a. **(ASK IF Q.1b=1)** You mentioned that you have purchased a gift card for yourself. What are the main reasons you purchase gift cards for yourself? **(PROBE & CLARIFY)**

3b. **(ASK IF Q.1b=2)** What are the main reasons you purchase gift cards for others? **(DO NOT READ LIST. MULTIPLE ANSWERS ALLOWED)**

Can't decide what else to get them	1
I want them to be able to get what they want	2
I don't want to have to worry about the right size, color, etc.	3
It's faster to get a card than to shop for an item	4
It's easier to mail a gift card than a package	5
It's cheaper to mail a gift card than a package	6
Other (SPECIFY)	7
(DO NOT READ) Don't Know	8



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4. How many gift cards have you purchased in the past year, that is, since last fall?

- | | |
|---------------------------------|---|
| None | 1 |
| 1 | 2 |
| 2 | 3 |
| 3 | 4 |
| 4 | 5 |
| 5-10 | 6 |
| 11-20 | 7 |
| 21+ | 8 |
| (DO NOT READ) Don't Know | 9 |

5. For whom do you usually purchase gift cards? **(DO NOT READ LIST. MULTIPLE ANSWERS ALLOWED)**

- | | |
|---------------------------------|----|
| Parent | 1 |
| Spouse | 2 |
| Sibling | 3 |
| Child | 4 |
| Other relative | 5 |
| Boyfriend/Girlfriend | 6 |
| Friend | 7 |
| Co-worker | 8 |
| Other (SPECIFY)_____ | 9 |
| (DO NOT READ) Don't Know | 10 |

6. For what occasions do you usually purchase gift cards? **(DO NOT READ LIST. MULTIPLE ANSWERS ALLOWED)**

- | | |
|---------------------------------|----|
| Christmas/Hanukah/Kwanzaa | 1 |
| Birthday | 2 |
| Graduation | 3 |
| Mother's Day | 4 |
| Father's Day | 5 |
| Valentine's Day | 6 |
| Anniversary | 7 |
| Baby/Wedding Shower/Gift | 8 |
| Other (Specify) | 9 |
| (DO NOT READ) Don't Know | 10 |



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7. What is the average value of the gift cards you purchase?
- \$ _____
- (DO NOT READ)** Don't Know 1
8. Overall, when you purchase gift cards for others do you intend from the beginning to get a gift card, or is it an impulse decision?
- | | |
|-------------------------------------|---|
| Plan to purchase from the beginning | 1 |
| Impulse decision | 2 |
| (DO NOT READ) Don't Know | 3 |
9. How important would the appearance of a card be in your decision to purchase it? Would you say . . .
- READ CHOICES**
- | | |
|-----------------------------------|---|
| Very important | 5 |
| Somewhat important | 4 |
| Neither important nor unimportant | 3 |
| Somewhat unimportant | 2 |
| Very unimportant | 1 |
| (DO NOT READ) Don't Know | 6 |
10. How important would it be that a merchant offers you a choice of designs, for instance, cards that have the words "Happy Birthday" or "Congratulations," when you purchase a gift card? Would you say . . .
- READ CHOICES**
- | | |
|-----------------------------------|---|
| Very important | 5 |
| Somewhat important | 4 |
| Neither important nor unimportant | 3 |
| Somewhat unimportant | 2 |
| Very unimportant | 1 |
| (DO NOT READ) Don't Know | 6 |



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11. If you knew that a retailer offered gift cards from a variety of merchants, rather than just one, how likely would you be to go to that specific retailer for gift cards? Would you say...

Very Likely	5
Somewhat Likely	4
Neither Likely nor Unlikely	3
Somewhat Unlikely	2
Very Unlikely	1
(DO NOT READ) Don't Know	6

GIFT CARD RECEIVERS (PUNCH 1 AT Q.1a) ASK Q.12-Q.18

12. How many gift cards have you received in the past year, that is, since last fall?

None	1
1	2
2	3
3	4
4	5
5-10	6
11-20	7
21+	8
(DO NOT READ) Don't Know	9

13. When you use a gift card, do you ever dispose of the card with a few pennies still left on it, or do you always make sure that it is completely used up?

Leave a few pennies sometimes	1
Always use it up	2
(DO NOT READ) Don't Know	3



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14. Have you ever used a gift card's value up and then paid the retailer to put more on it for future use?
- | | |
|---------------------------------|---|
| Yes | 1 |
| No | 2 |
| (DO NOT READ) Don't Know | 3 |
15. When you make purchases with a gift card, how often do you spend more than the value of the card, using your own money to make up the difference?
- | | |
|---------------------------------|---|
| Always | 1 |
| Often | 2 |
| Sometimes | 3 |
| Rarely | 4 |
| Never | 5 |
| (DO NOT READ) Don't Know | 6 |
16. The last time you received a gift card as a gift, how was it packaged? **(MULTIPLE ANSWERS POSSIBLE, READ CHOICES IF NECESSARY)**
- | | |
|--|---|
| Just by itself, no envelope | 1 |
| Envelope provided by retailer | 2 |
| Envelope provided by person who gave you the card | 3 |
| Cardboard backer provided by retailer | 4 |
| Special package provided by retailer | 5 |
| Special package provided by person who gave you the card | 6 |
| (DO NOT READ) Don't Know | 7 |
17. What is the most creative, fun way you have ever been given a gift card? **(PROBE & CLARIFY)**
-
-
18. Have you ever received a gift card from a store that you did not normally frequent, and then begun shopping there on a more regular basis as a result?
- | | |
|---------------------------------|---|
| Yes | 1 |
| No | 2 |
| (DO NOT READ) Don't Know | 3 |



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ASK ALL

19. Approximately how many gift cards do you think you might buy over the coming holiday season? (0-99)

_____ **IF "0," SKIP TO Q.22**

20. In total, how much do you think you will spend on these gift cards? (1-999)

21. Using a scale of one to five, where "5" means you would be very interested, and "1" means you would not be interested at all, how interested would you be in the following options?

(RANDOMIZE LIST)

The ability to purchase gift cards over the Internet _____

The ability to send a gift card to someone via the Internet _____

The ability to use a gift card you have received to purchase merchandise over the Internet _____

The ability to purchase a single gift card that could be used in more than one type of store _____

The ability to purchase gift cards from multiple merchants at one store _____

22. What, if anything, do you dislike about gift cards? **(PROBE & CLARIFY)**



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I just have a few more questions that will help us group your answers with others.

23. Which of the following ranges includes your age?

- | | |
|---------------------------------|---|
| 18-24 | 1 |
| 25-29 | 2 |
| 30-34 | 3 |
| 35-39 | 4 |
| 40-44 | 5 |
| 45-49 | 6 |
| 50-59 | 7 |
| 60+ | 8 |
| (DO NOT READ) Don't Know | 9 |

24. Which of the following categories most closely represents your annual household income? **(READ LIST.)**

- | | |
|---|---|
| Under \$20,000 | 1 |
| \$20,000 to less than \$30,000 | 2 |
| \$30,000 to less than \$40,000 | 3 |
| \$40,000 to less than \$50,000 | 4 |
| \$50,000 to less than \$75,000 | 5 |
| \$75,000 to less than \$100,000 | 6 |
| \$100,000 and over | 7 |
| (DO NOT READ) Don't know/Refused | 8 |

25. To be sure we're representing all groups in this survey, please tell me with which of the following ethnicities you most closely identify. **(READ LIST)?**

- | | |
|------------------------|---|
| African American/Black | 1 |
| White/Caucasian | 2 |
| Hispanic/Latino | 3 |
| Asian | 4 |
| Other (SPECIFY) | 5 |

(DO NOT READ) Don't know x



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30. Gender **(DO NOT ASK)**

Male	1
Female	2

Thank you for your time and cooperation. Your opinions **DO** count!

Before I hang up, I would like to verify that I reached you at **(READ THE PHONE NUMBER YOU DIALED)**. And, may I please have your name in case my supervisor needs to validate this interview?

Respondent's Name: _____ Phone: (____)_____

Interviewer's Name: _____ Date: _____