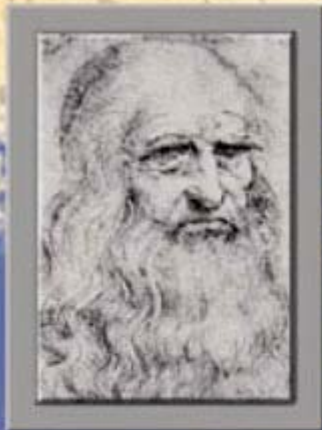


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3725 Da Vinci Court Suite 200
Norcross, Georgia 30092

(Voice) 770-449-6767

(Fax) 770-449-6739

(Web) www.mwshop.com

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.*

Teens Gift Card Study 2006

Conducted for



Payment Innovation

July 2006

06-9383



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Introduction

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Objectives

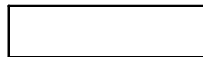
- Comdata is interested in understanding the usage of and opinions about gift cards among college-bound teens aged 14-19 including:
 - Purchase habits
 - Usage habits
 - Intent to purchase
 - Importance of gift card attributes
 - Interest in gift card enhancements or add-ons



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Method

- A total of 603 web interviews were conducted with a national sample of teenagers between June 27 and July 4, 2006.
- Respondents were screened to be:
 - Teens aged 14 to 19
 - In the 10th grade through 12th grade
 - Planning to attend college,
 - Have previously purchased a gift card, or have received a gift card.



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>100</u>	<u>150</u>	<u>200</u>	<u>250</u>	<u>300</u>	<u>600</u>
5/95	± 4 pts.	± 3 pts.	± 3 pts.	± 3 pts.	± 2 pts.	± 2 pts.
10/90	6	5	4	4	3	2
20/80	8	6	6	5	5	3
30/70	9	7	6	6	5	4
40/60	10	8	7	6	6	4
50/50	10	8	7	6	6	4

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Management Highlights



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Management Highlights

- Exposure to gift cards among teens is extremely high; nine out of ten have ever received a gift card, and more than three-quarters have ever purchased a gift card, either as a gift for someone else or for personal use. Young men report purchasing cards for personal use more often than young women.
- Teens have purchased an average of 4 gift cards as gifts for others over the past 12 months, loading an average of \$28 onto each card. Teens who purchase cards for personal use load an average of \$35 onto each card.
- Teens say that they choose the amount to load in six out of every ten card purchases. Male teens are more likely than females to purchase cards with preset amounts.



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Summary of Purchase Behavior

	<u>Total</u>
Ever purchased	78%
Average number of cards purchased in the past year for others	4.3
Average value of cards purchased in the past year for others	\$28



Management Highlights

- As might be expected, the most popular occasions for purchasing gift cards for others are birthdays and winter holidays. Graduation gifts, Mother's Day, Father's Day, congratulations and thank-you gifts are next most popular.
- Teens buy gift cards for others because they want the recipient to get what they want, or because they can't decide what else to get.
- Teens say that four gift purchases in ten are gift cards. Young women are more likely than young men to give items rather than gift cards.
- Almost nine teens in ten say that they have purchased gift cards at a specific retailer's location, and two-thirds say that this is where they prefer to purchase gift cards. Four in ten say that they have purchased a gift card over the Internet, and two in ten say that they prefer to do so. Young women are more likely to have purchased cards at the retailer's location, and less likely to have purchased cards over the Internet.
- Among those purchasing gift cards at gift card malls, slightly more than one-half say that the purchase was pre-planned. Young women are more likely than young men to say that they made the decision to buy a card through a gift card mall on the spot.



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Management Highlights

- When purchasing gift cards to give to others, teens are most likely to buy from clothing, book, department, or electronics stores, and least likely to purchase from online media/music outlets. Young women are more likely than young men to make purchases at clothing, book, and music stores as well as restaurants, while young men are more likely to favor electronics stores.
- One-third of teens rate being usable at multiple locations as extremely important to their decision to buy a particular gift card, and a similar number indicate that appropriate holiday/occasion designs are important. Having an unusual shape or design is least likely to impact the decision to purchase.



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Summary of Importance of Gift Card Attributes

	<u>Total</u>
<u>Top 2 Box Importance</u>	<u>%</u>
Usable at multiple retailers/restaurants	35
Appropriate design for the holiday or occasion	30
Reloadable	28
Attractive design or picture	27
Unusual shape or design	16



Management Highlights

- **Teens report receiving an average of 5.9 gift cards in the past 12 months, with an average value of \$26 on each.**
- **Teens report that four out of every ten gifts they receive is a gift card. Young men report receiving gift cards as a larger proportion of their gifts than young women.**
- **When asked to rank the types of gift they prefer out of three choices, teens first choose cash, then gift cards, with actual items falling a distant third. By far, teens say that the thing that they like best about gift cards is that they can get what they want, when they want it.**
- **Overall, one-half of teens report that they did not specifically request any of the last 10 gift cards they received. Teens in the 10th grade are most likely to have specifically requested any percentage of the cards they received, possibly because they have less cash of their own than those in higher grades.**
- **Clothing stores are the most preferred type of gift card to receive among young women, and electronics stores are most popular among young men. Department, book, and music stores are also popular. Teens are least likely to mention gift cards from grocery stores or toy stores as their preferred type of card.**



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Management Highlights

- Two-thirds of teens who receive a gift card as a gift use it within one month of receiving it, and one-half will use up a gift card in one visit to a retailer. Overall, two-thirds of teens say that they use up the entire value of a gift card within one month. Young women report using up their gift cards slightly faster than young men.
- About one-half of teens say that they have left some amount of money on a gift card, primarily because it wasn't enough to bother with, or because they couldn't find anything else they wanted. In most cases, the amount left was less than one dollar.
- One teen in six has reloaded a gift card after depleting the original value, and the majority are aware that one can do so. The average reload amount is \$24, loaded in order to make future purchases. When asked what kinds of gift cards they would reload, teens generally mention the same types of cards that they like to receive.
- One-half of teens say that they always or often spend additional money when making a purchase with a gift card, and on average, they add \$15 per purchase.



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Summary of Usage Habits

	<u>Total</u>
Ever received gift card	95%
Number of gift cards received in past year	5.9
Average value of gift cards received	\$26
First use within one month	61%
Use entire value within one month	63%
Have reloaded gift card	16%



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Management Highlights

- Teens most often receive gift cards in envelopes, either provided by the retailer or by the gift giver. Only one in ten reports receiving a gift card in a special package from the giver.
- Most teens (76%) have not ever received a gift card from their parents as a tool to manage their spending. However, those in the 10th grade are most likely to say that their parents have given them a gift card for such a purpose.

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Conclusions and Recommendations



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Conclusions and Recommendations

- **Teens have embraced gift cards at a high level; virtually all teens have received a gift card, and the majority have purchased a gift card at some time. Teens appear to need little education about gift cards and their usage.**
- **Almost one-third of teens report purchasing gift cards for personal use, indicating that they may see gift cards as convenience items and budgeting tools. This type of usage may be further encouraged by educating parents on the benefits of gift cards as budgeting tools for their children, which is a clear area of opportunity.**
- **While most gift cards are purchased at retail locations, it appears that teens are more web savvy, and more interested in purchasing gift cards over the Internet, than we have seen with other user groups. Young men, in particular, are good targets for this type of gift card shopping.**
- **No more than one-third of teens express strong interest in special gift card attributes, with the most popular being the ability to use a gift card at multiple locations. This may imply that they feel that the most important thing about gift cards is the location at which you can use them, rather than any additional features.**

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Detailed Findings

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Gift Card Purchase Behavior

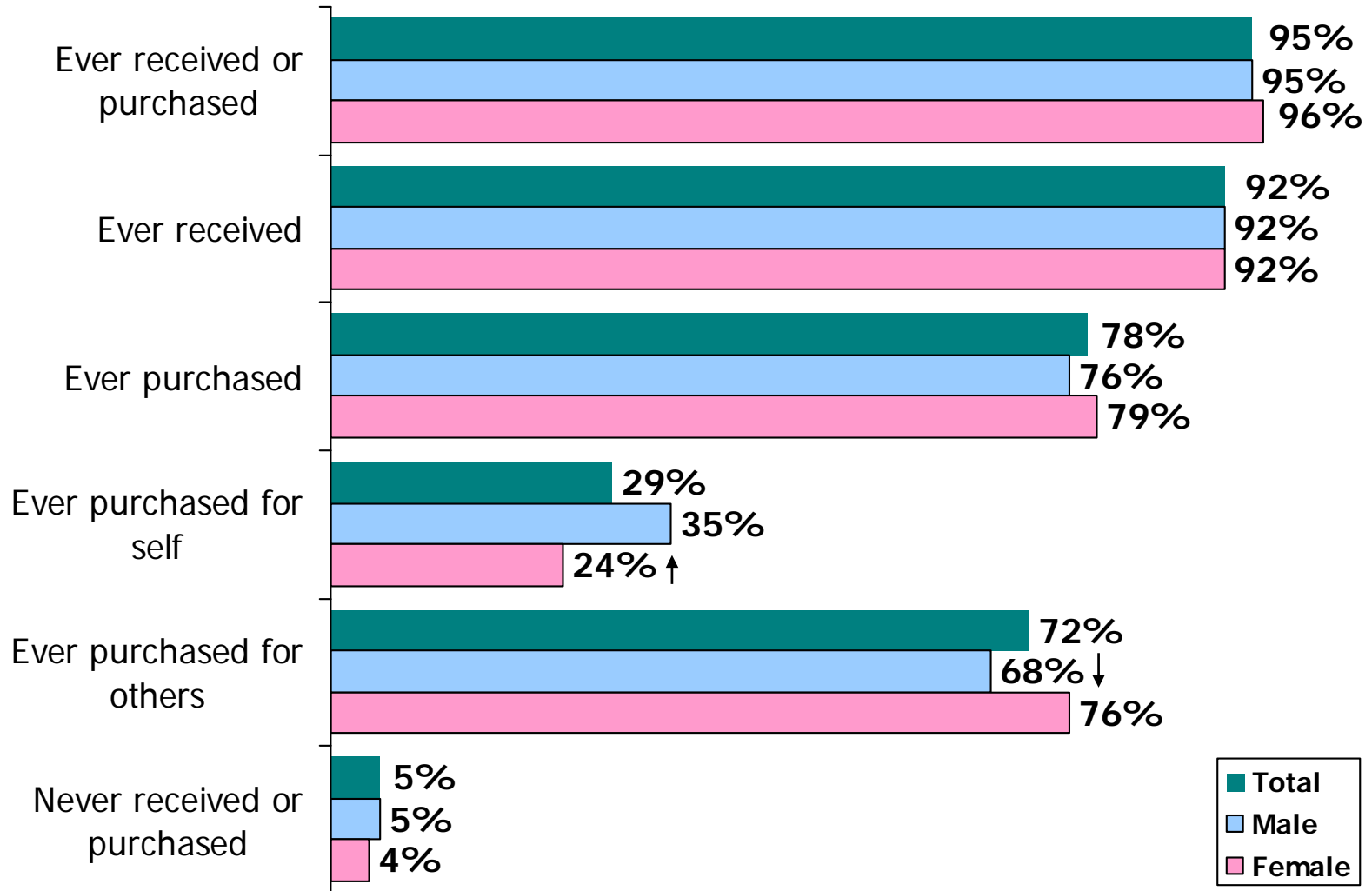


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Incidence of Gift Card Usage

(among 634 contacts answering)

- **Virtually all teens interviewed have either received or purchased a gift card, and more than 9 in 10 say that they have ever received a gift card. Young men are more likely than young women to report purchasing a gift card for themselves, while young women more often report purchasing gift cards for others.**



Q.3: Have you ever received a gift card?

Q.4: Have you ever purchased a gift card, either for yourself or to give to someone else?

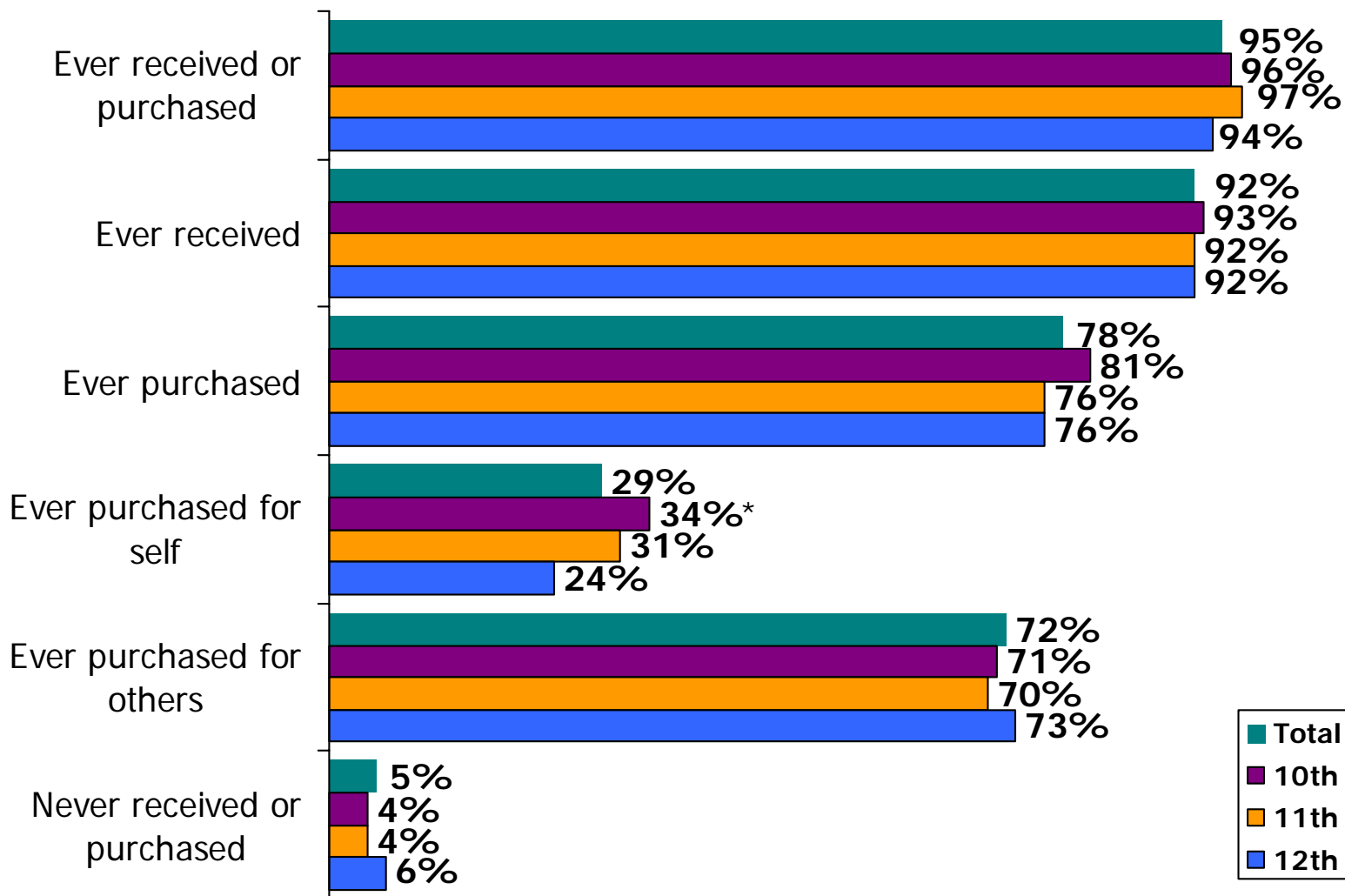


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Incidence of Gift Card Usage

(among 634 contacts answering)

- Teens in various grades have purchased and received gift cards at similar rates, though 10th graders report making more purchases for personal use than do 12th graders.



* Significantly higher than 12th graders.

Q.3: Have you ever received a gift card?

Q.4: Have you ever purchased a gift card, either for yourself or to give to someone else?

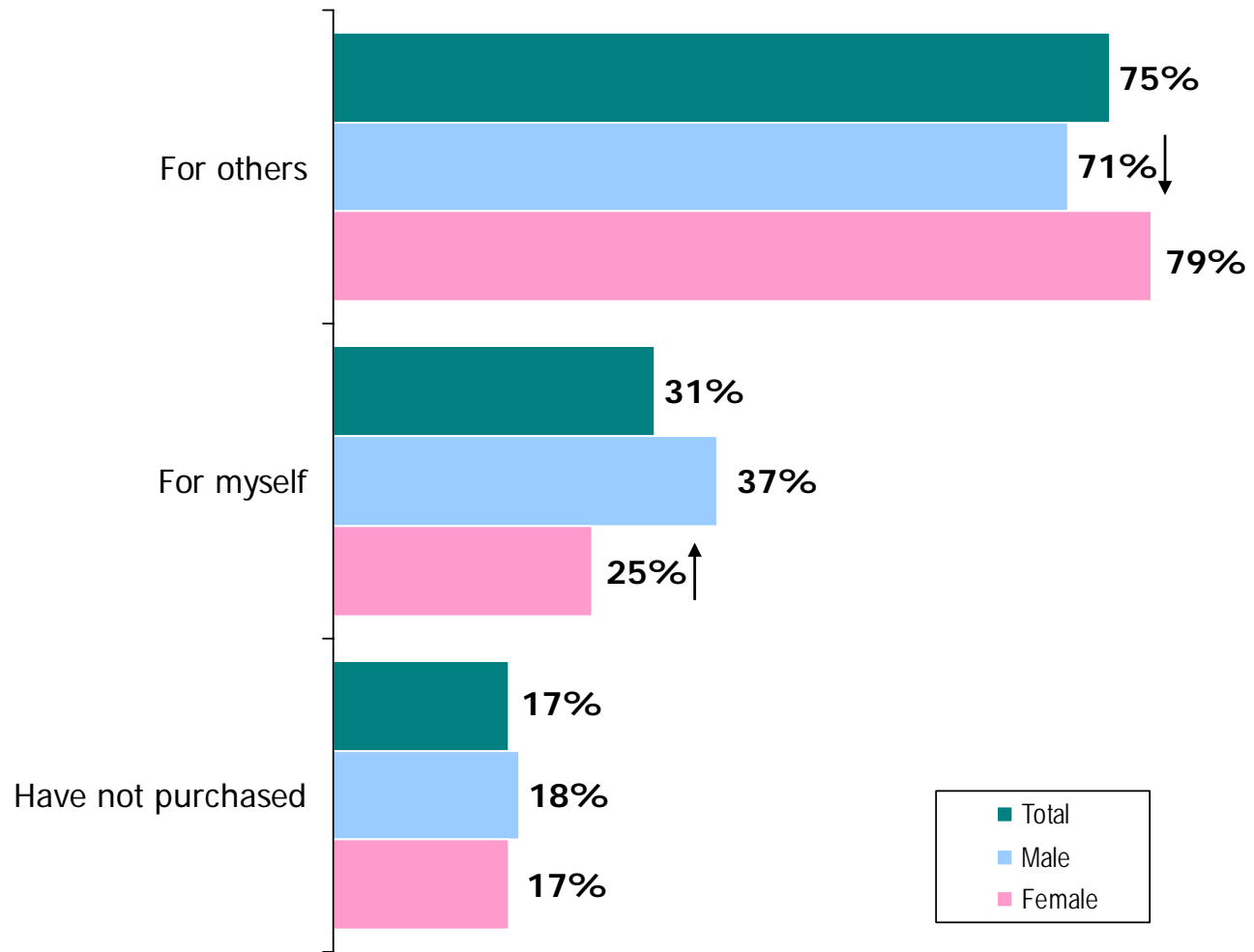


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Gift Card Purchases

(among 603 respondents)

- Among those who have purchased gift cards, three-quarters have purchased gift cards for others, and one-third have purchased cards for themselves.



Q.4: Have you ever purchased a gift card, either for yourself or to give to someone else?



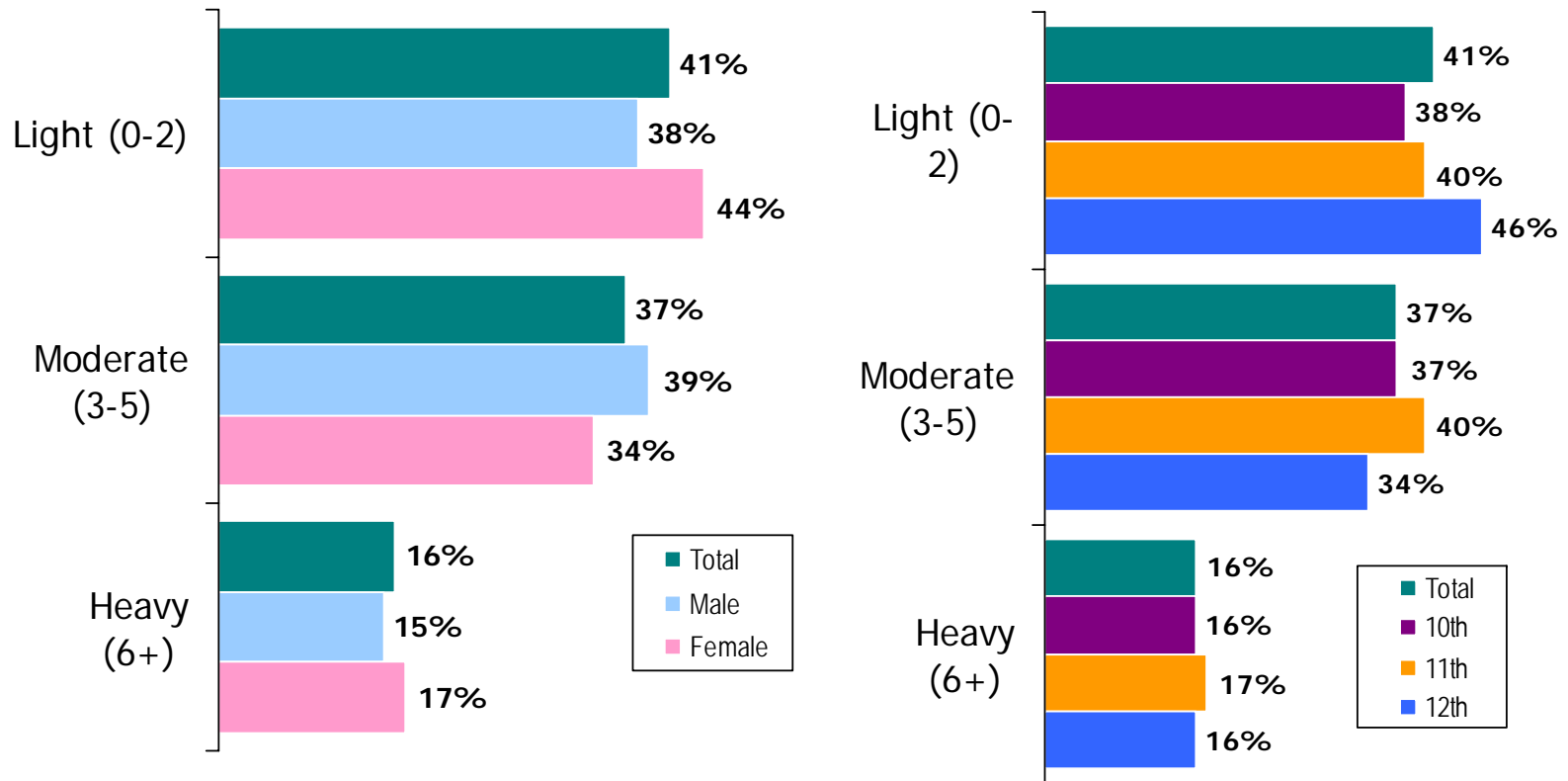
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Past Year Purchases of Gift Cards

(among 491 gift card purchasers)

- Teens who have ever purchased gift cards purchased 4 cards as gifts for friends and family in the past 12 months. Males and females and those in different grades purchase gift cards at similar rates.

Average Number of Gift Cards Purchased: 4.3



Q.5: As best you can remember, over the last twelve months, approximately how many gift cards did you purchase as gifts for family or friends?



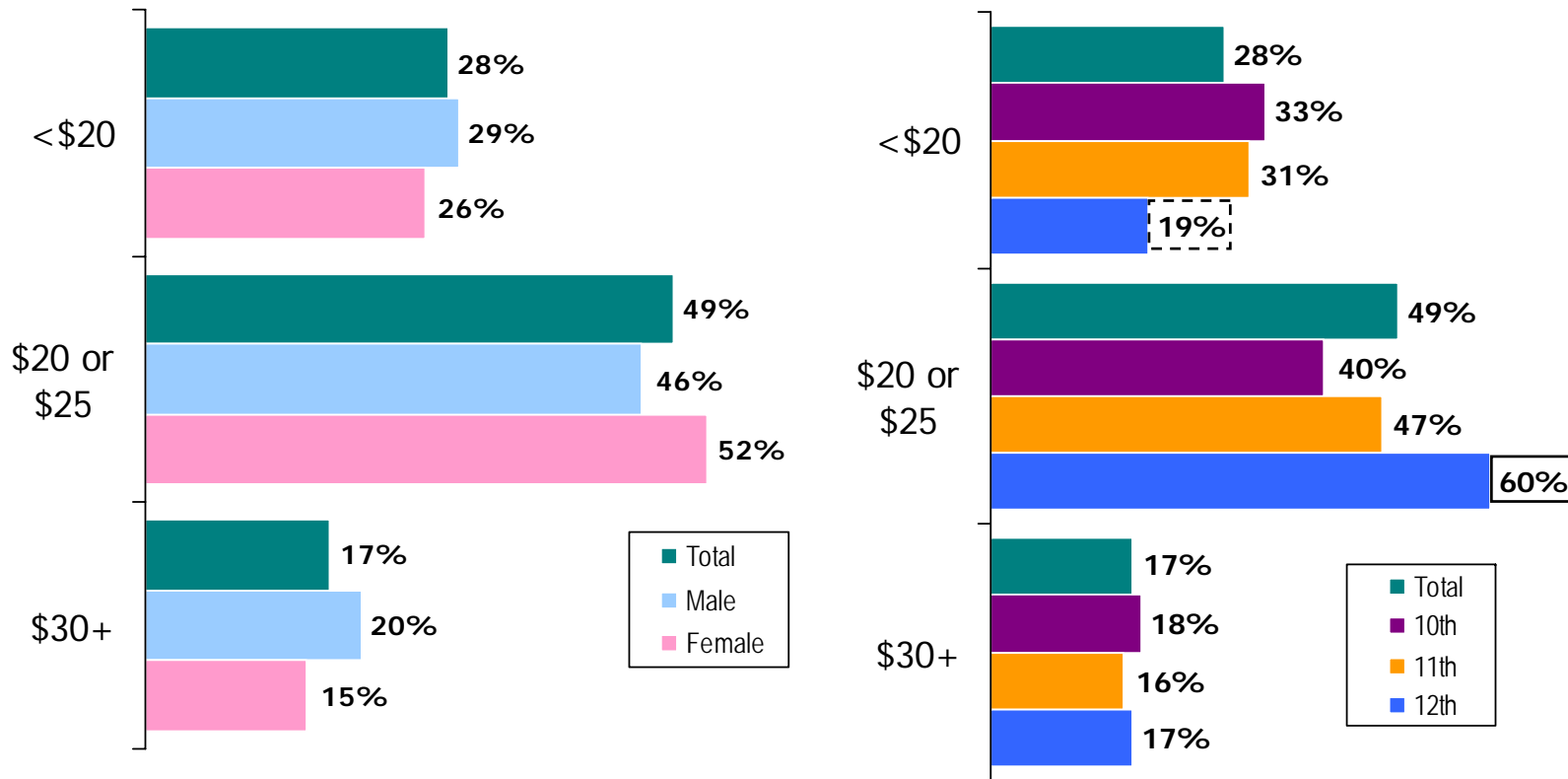
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Average Value of Gift Cards Purchased for Others

(among 491 gift card purchasers)

- Teens load an average of \$28 onto gift cards they purchase for others; the most popular amounts are \$20 and \$25. Those in the 12th grade are least likely to load a card with less than \$20.

Average Value of Gift Cards Purchased: \$28



Q.6: As best you can remember, what is the average amount of money you loaded or purchased on each of the gift cards you purchased as gifts for others over the last twelve months?

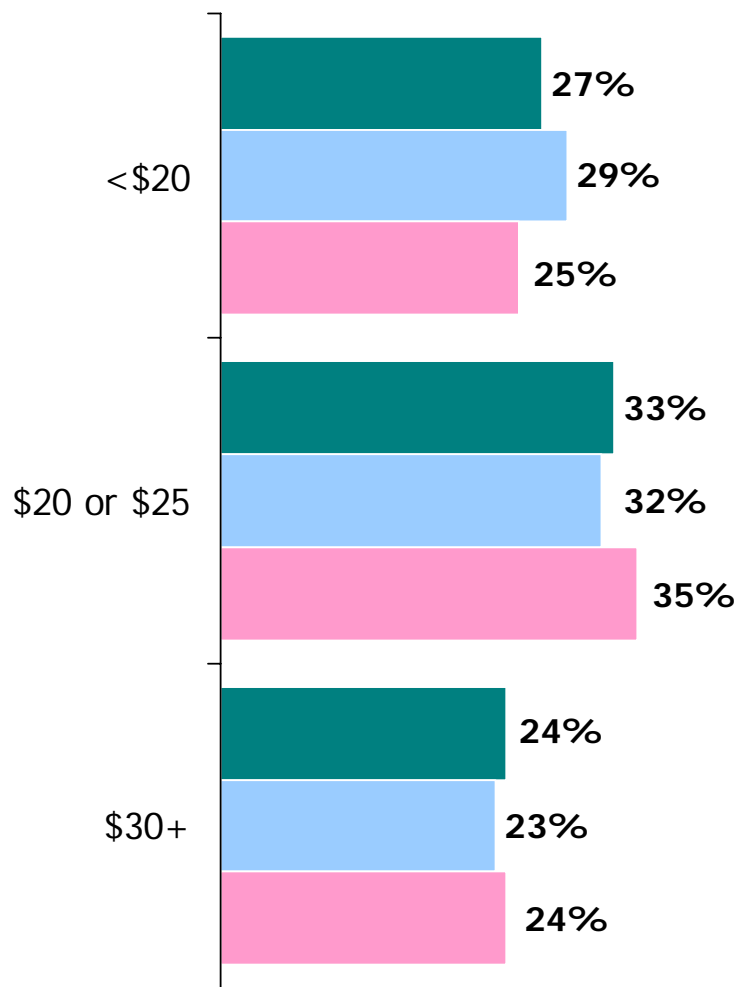


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Average Value of Gift Cards Purchased For Self

(among 186 purchasers)

- Teens load more cash onto gift cards they purchase for themselves than they do on cards that they give to others.

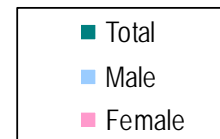


Average Value of Gift Cards Purchased for Self

Total: \$35

Male: \$37

Female: \$33



Q.16: As best you can remember, what is the average amount of money you loaded or purchased on each of the gift cards you purchased for yourself over the last twelve months?

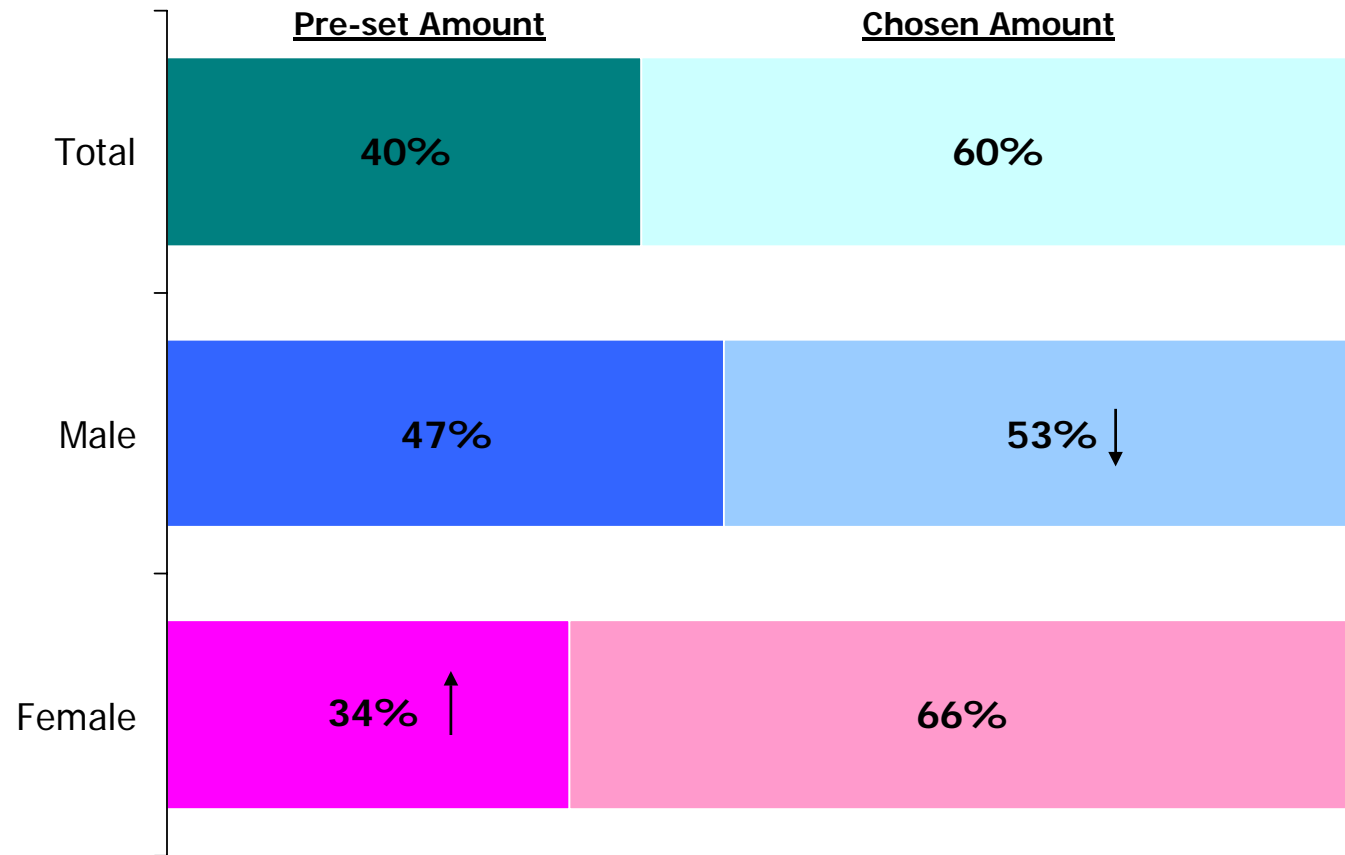


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Preset vs. Chosen Amounts

(among 483 gift card purchasers)

- Teens say that four cards in ten that they purchase have the amount preset. Male teens are more likely to purchase preset cards than female teens.



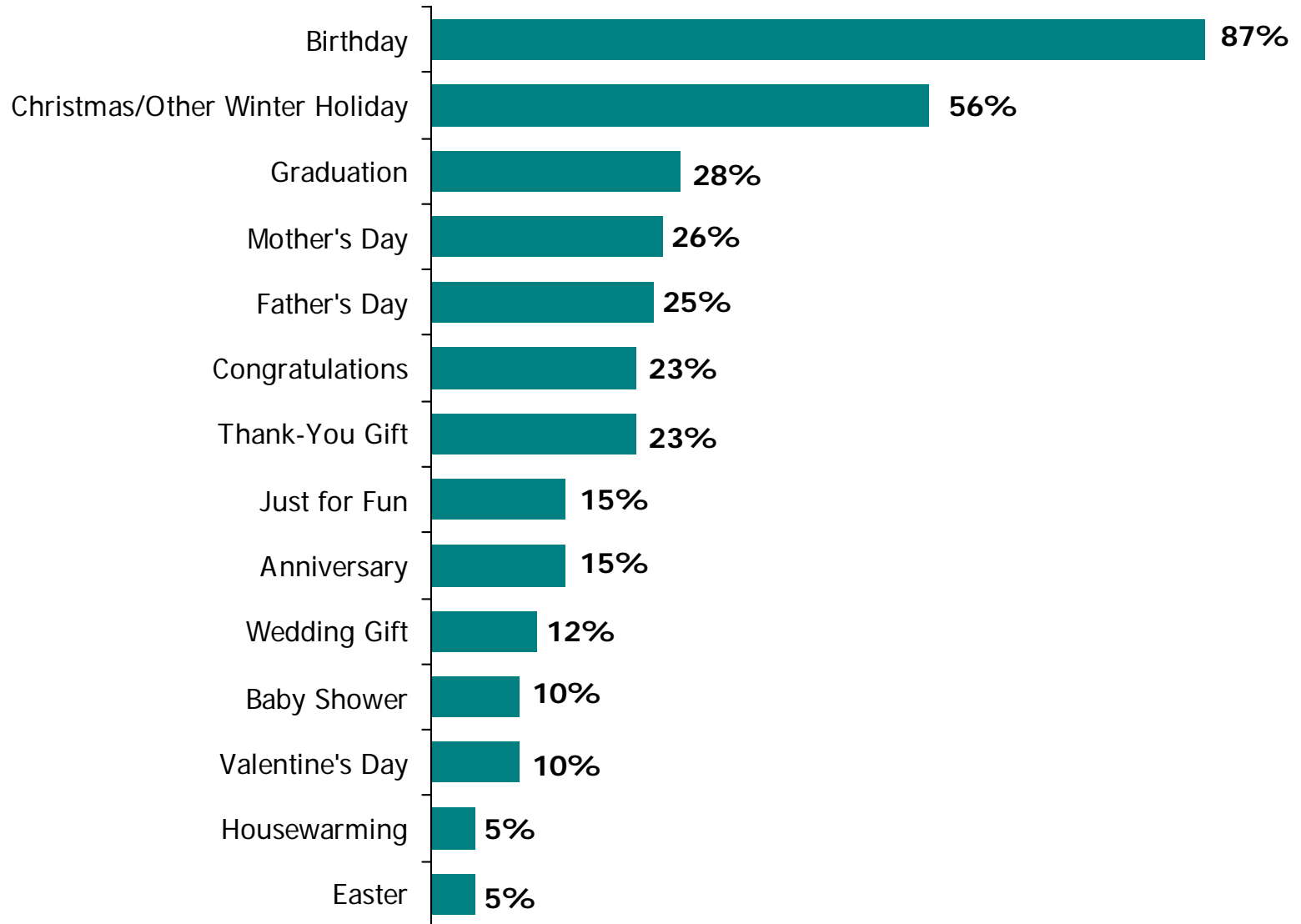
Q.7: For the cards you purchased, please indicate what percentage of the cards were ones where you chose the amount, and what percentage were ones where the amount was already set.



Occasions Gift Cards Purchased For:

(among 491 purchasers)

- Birthdays and winter holidays are the most popular occasions for giving gift cards.



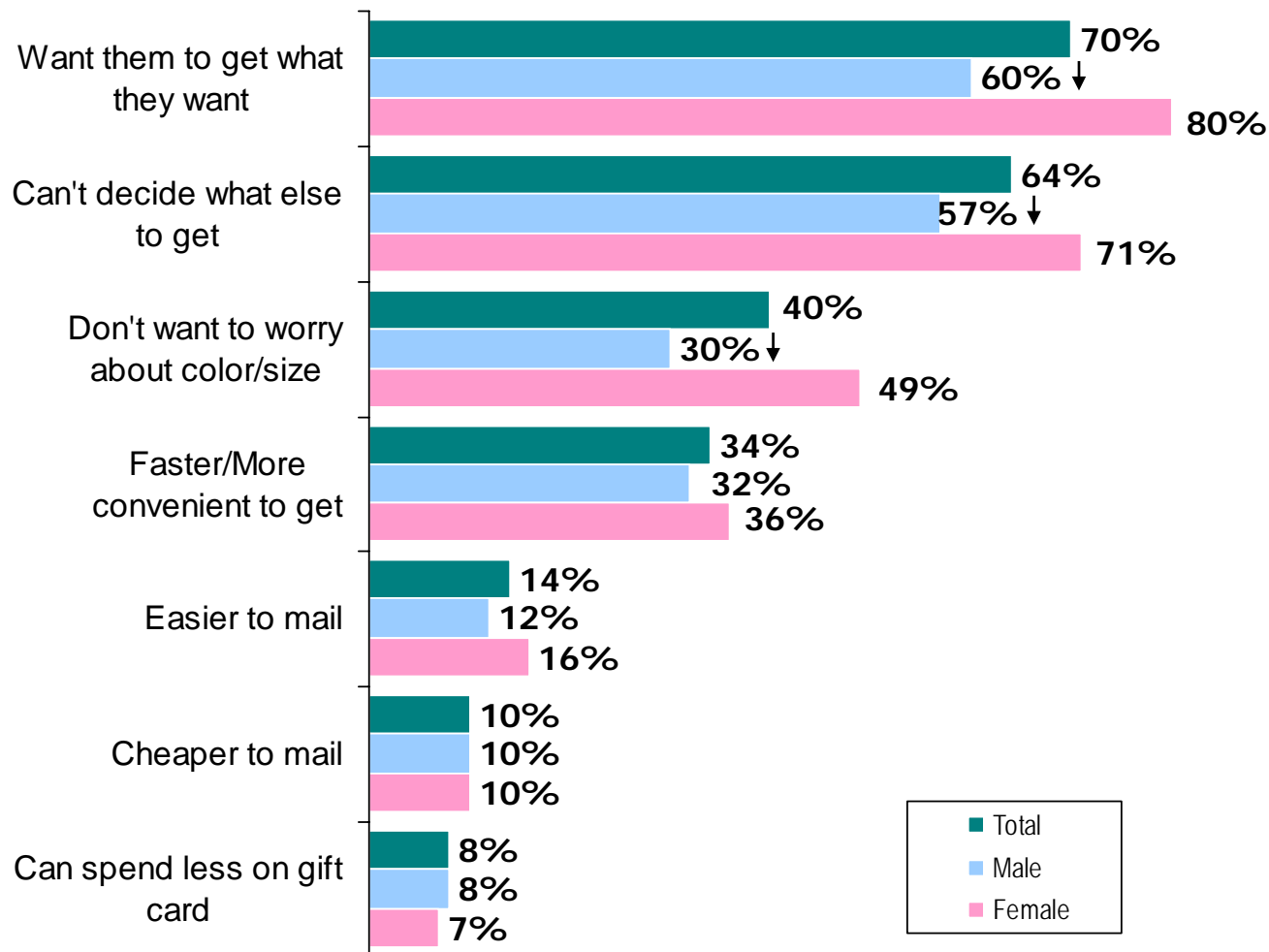


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Reasons for Purchasing Gift Cards for Others

(among 491 gift card purchasers)

- Teens primarily purchase gift cards for others because they want the recipient to get what they want or because they can't decide what else to get. Female teens mention any reason more often than males.



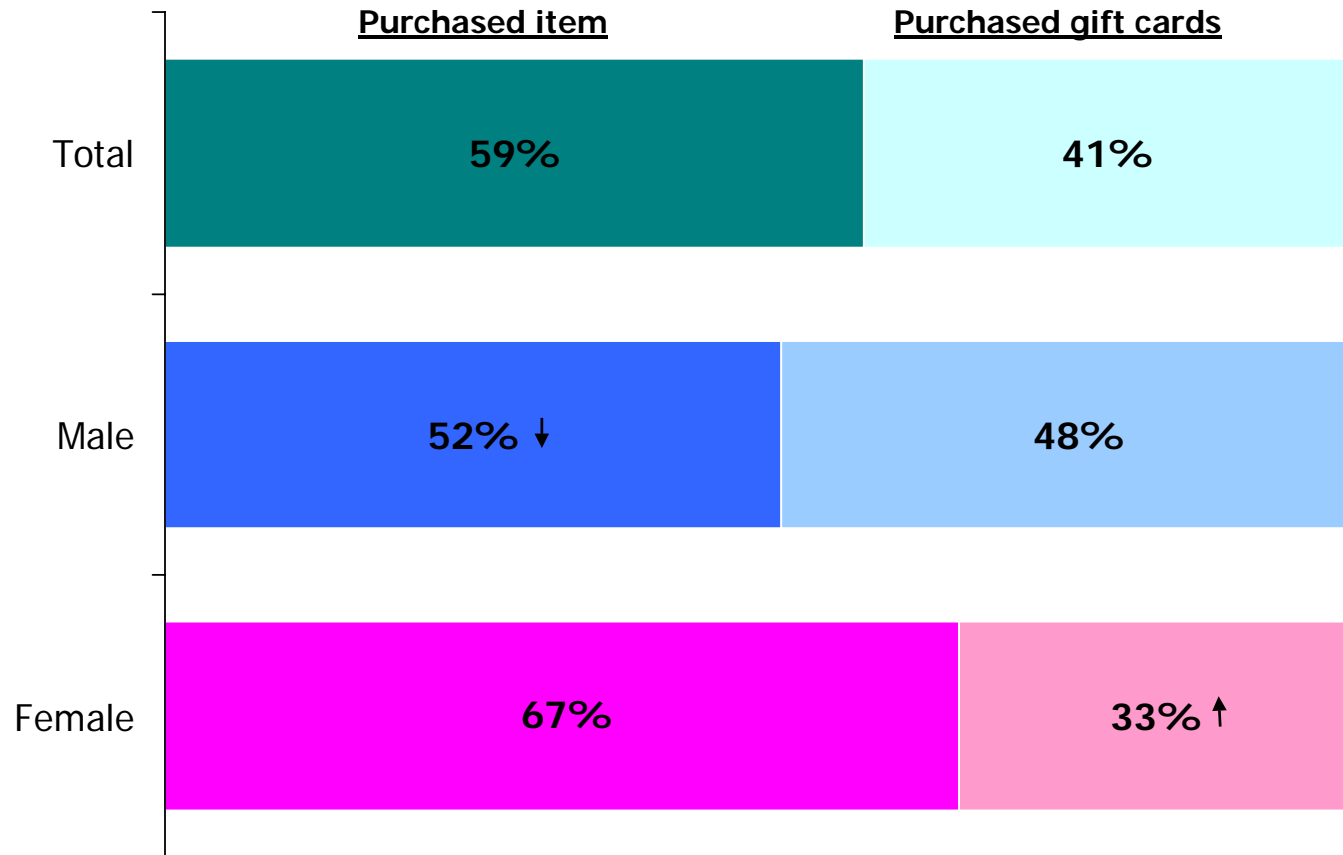


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Gift Cards vs. Items

(among 483 purchasers)

- Respondents report that 4 out of 10 gifts they give are gift cards. Female teens are more likely to give items.



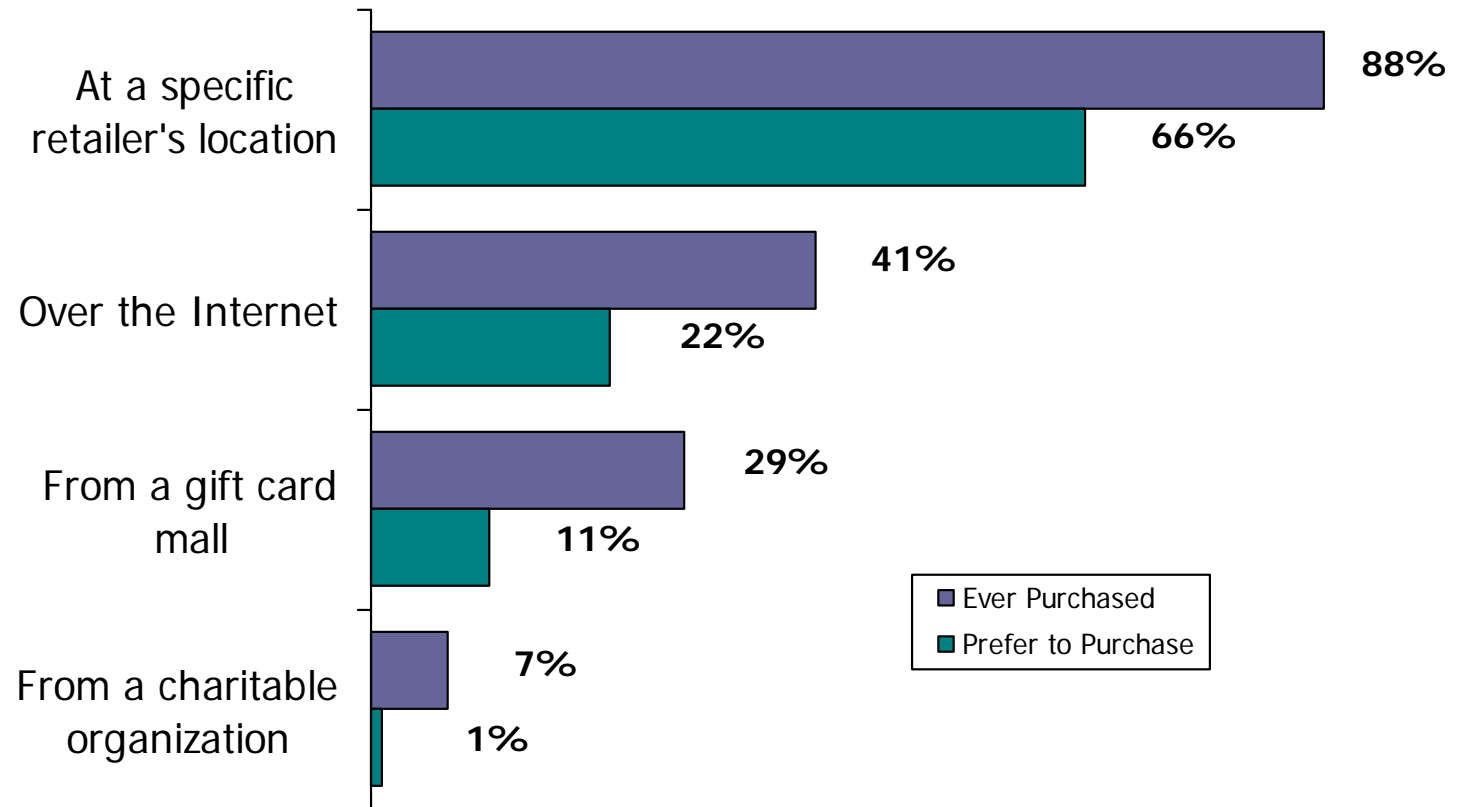
Q.8: Thinking of all the gift cards and gift items you give to friends and family though out the year, what percentage would you estimate are items, and what percentage are gift cards.



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Places Gift Cards Purchased

- **Nine teens in ten have purchase gift cards at a specific retailer's location, and two-thirds say that they prefer to do so. Four in ten say that they have purchased gift cards over the Internet, and one-third have purchased gift cards from a gift card mall (a variety of cards available at a central location like a drug store).**



Q.9a: At which of the following places have you ever purchased gift cards?

Q.9c: At which of these locations do you prefer to purchase gift cards?

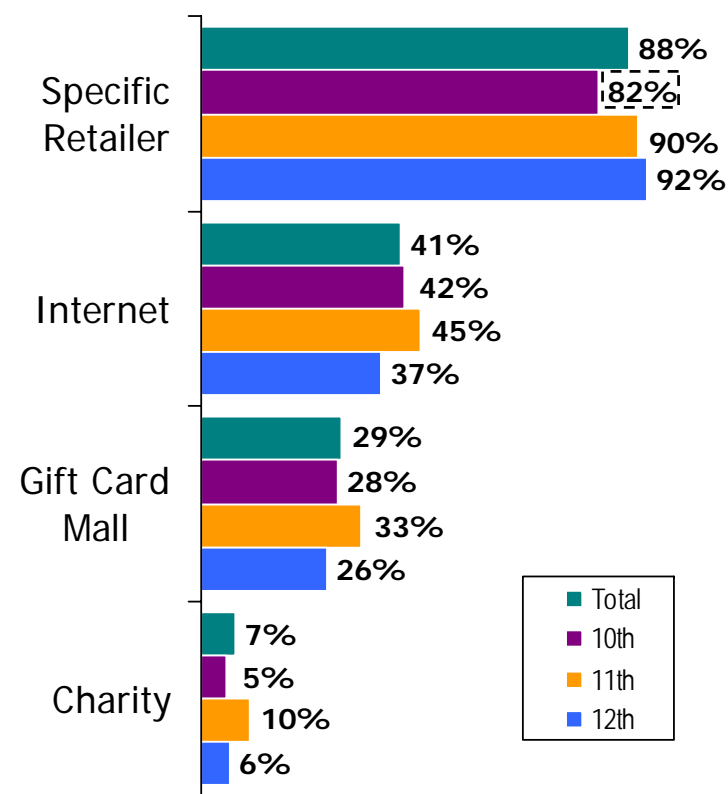
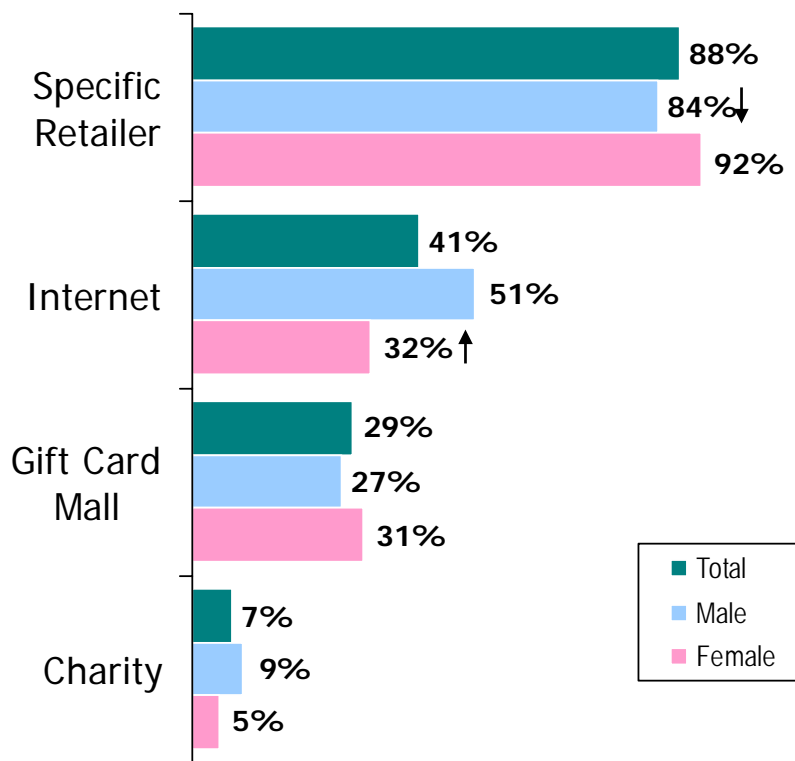


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Places Gift Cards Purchased

(among 491 gift card purchasers)

- Young women are more likely than young men to have purchased gift cards at retailer locations, and young men are more likely to have purchase cards over the Internet. 10th graders are least likely to say that they have purchased cards through a specific retailer.



Q.9a: At which of the following places have you ever purchased gift cards?

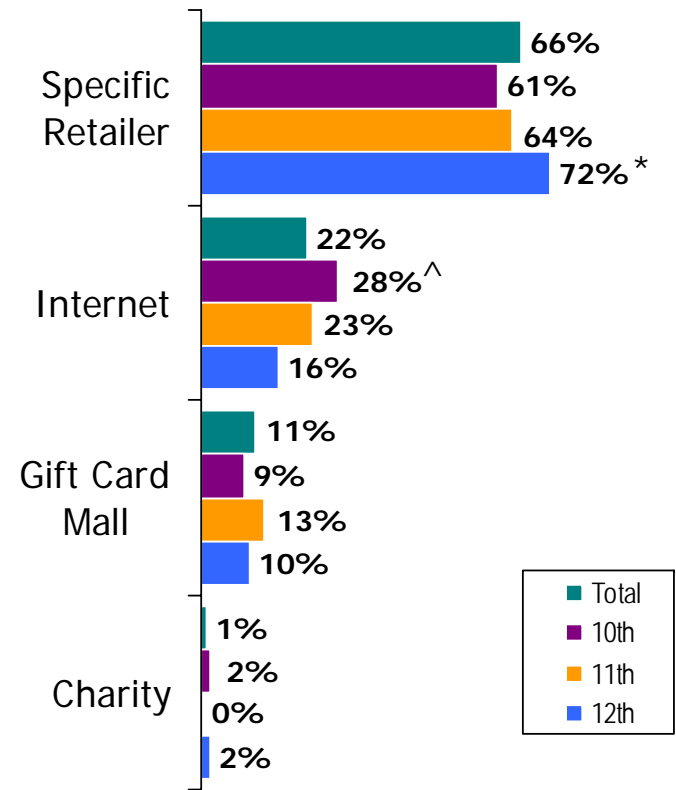
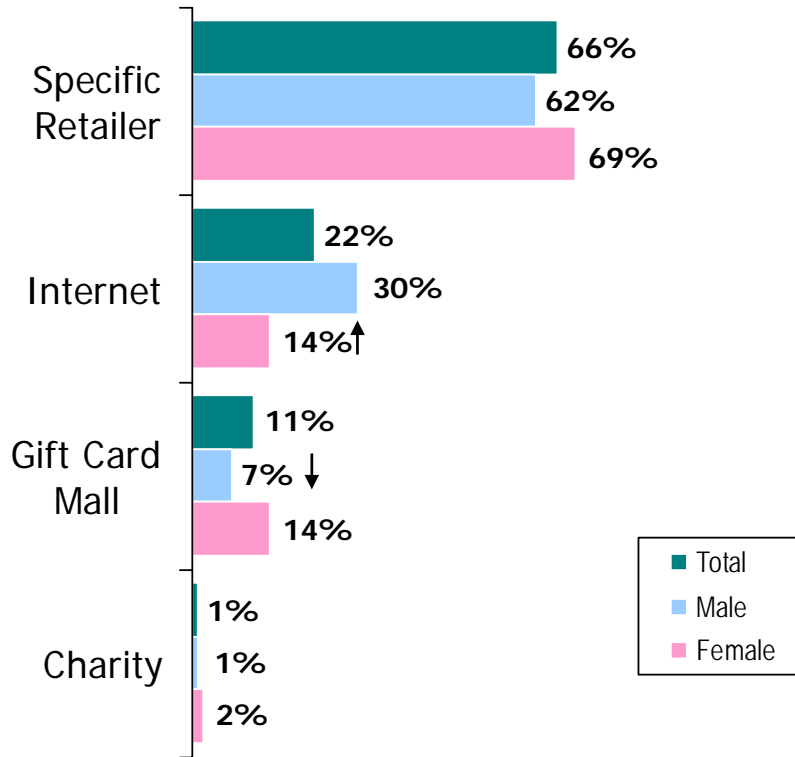


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Places Prefer to Purchase Gift Cards

(among 491 gift card purchasers)

- Young men are more likely than young women to say that they would prefer to purchase gift cards over the Internet, while young women express a preference for gift cards malls more often than young men.



* Significantly higher than 10th grade.

^ Significantly higher than 12th grade.

Q.9c: At which of these locations do you prefer to purchase gift cards?

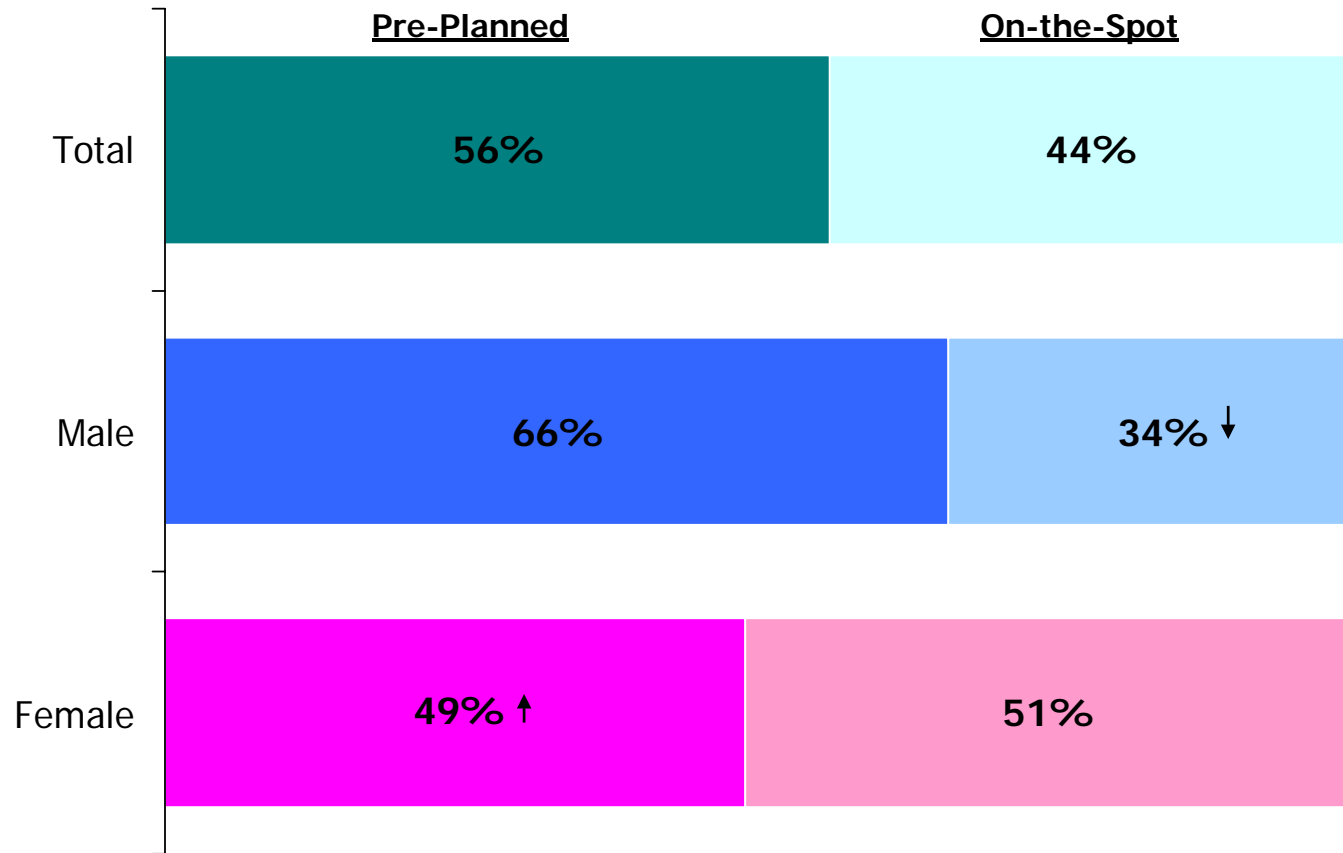


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Gift Card Mall Purchases

(among 142 gift card mall purchasers)

- Among those who have purchased gift cards at a gift card mall, slightly more than one-half say that the purchase was pre-planned. Male teens say the purchase was pre-planned more often than females.



Q. 10: Thinking of gift cards you have purchased at a gift mall, would you say that in most cases you planned all along to purchase a gift card this way instead of going to the merchant's location or you saw them and decided on the spot that one would make a good gift or a good addition to a gift?

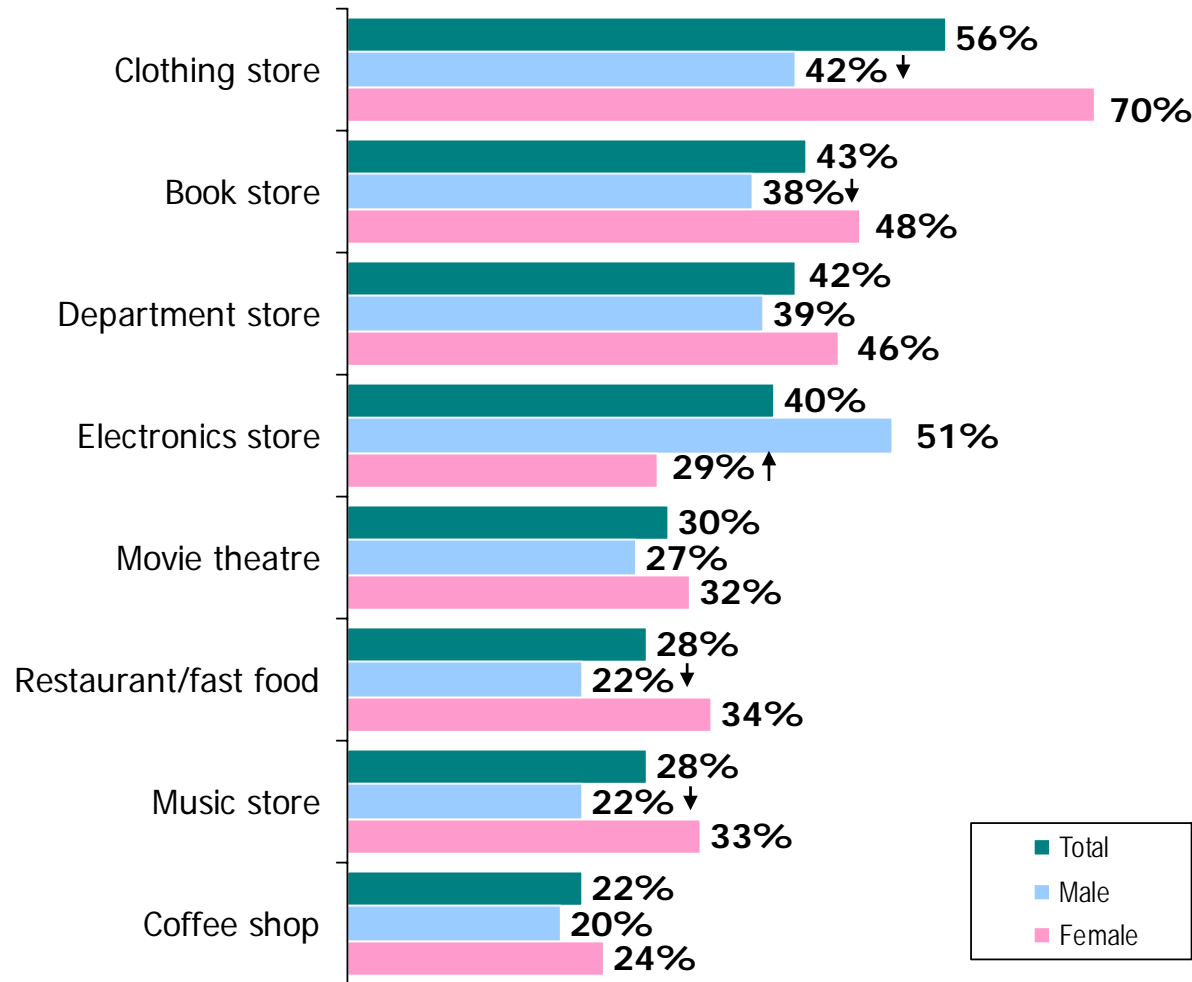


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Retailers Gift Cards Purchased From

(among 491 gift card purchasers)

- Teens most often purchase gift cards for giving as gifts at clothing stores, followed by book stores, department stores, and electronics stores. Young men purchase gift cards more often at electronics stores, while young women more often purchase at clothing, book, and music stores, or restaurants.



Q.12: In general, what types of merchants do you purchase gift cards from most often when purchasing gift cards for others?

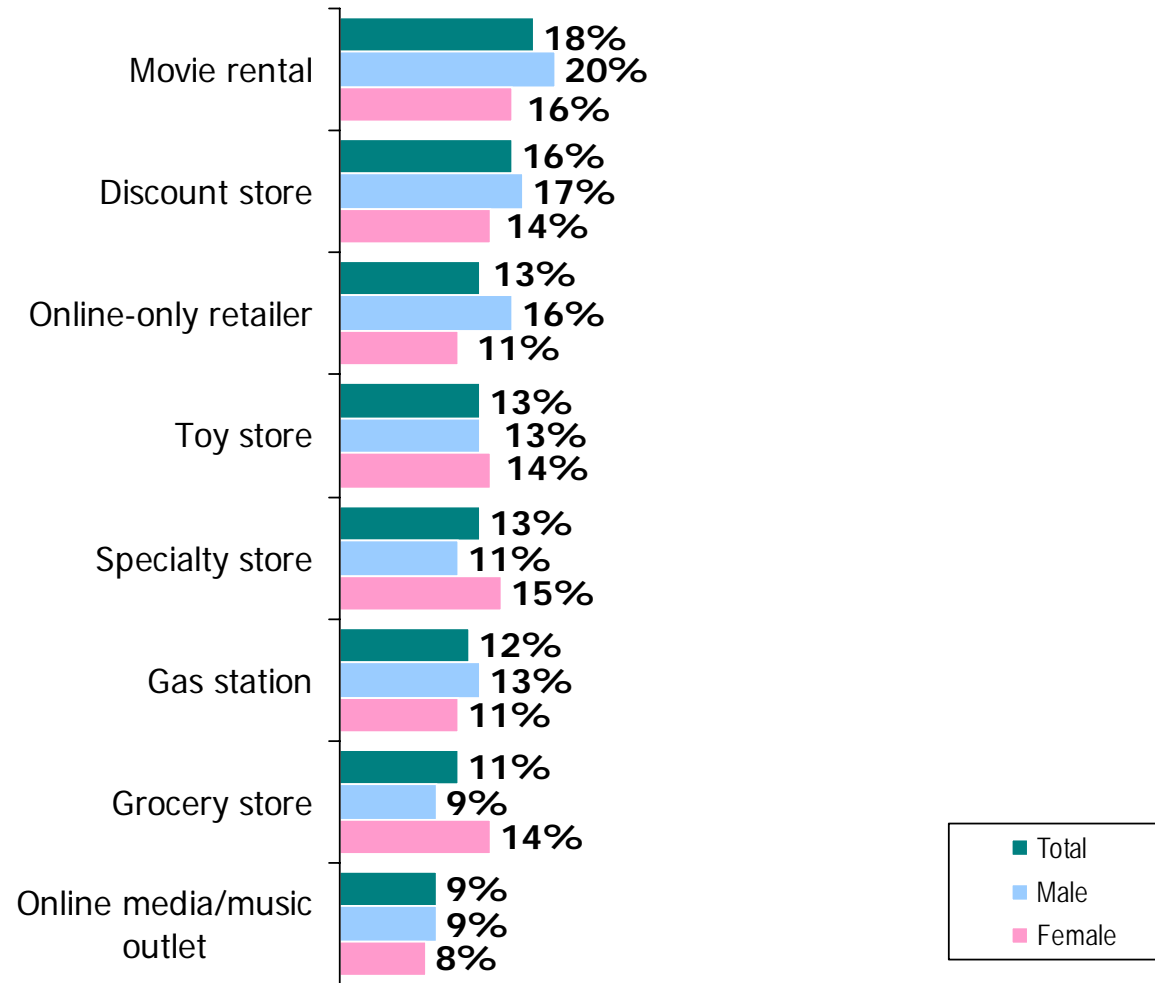


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Retailers Gift Cards Purchased From

(among 491 gift card purchasers)

- **Online media/music outlets are least popular when teens purchase gift cards for others.**



Q.12: *In general, what types of merchants do you purchase gift cards from most often when purchasing gift cards for others?*

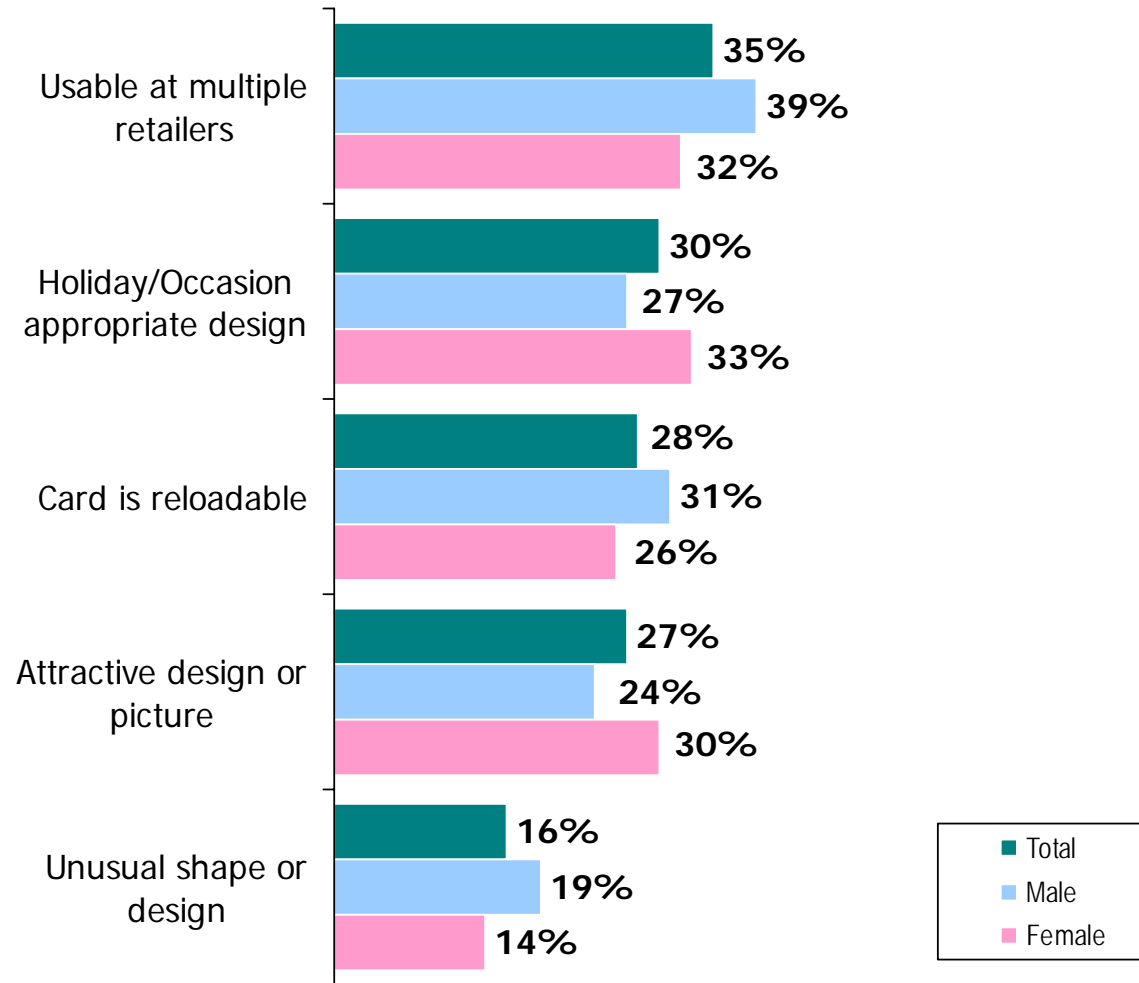


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Importance Ratings: Top 2 Box

(among gift card purchasers)

- The ability to use a card at multiple retailers is most important to teens, followed by appropriate designs for the holiday/occasion, being reloadable, and having an attractive design.



Q.14: Now I would like you to think of your experiences purchasing gift cards. Using a scale from 1 to 10, where 10 is extremely important and 1 is not at all important, how would you rate the importance of each of the following in your decision to buy a particular gift card to give as a gift?

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Gift Card Usage Habits

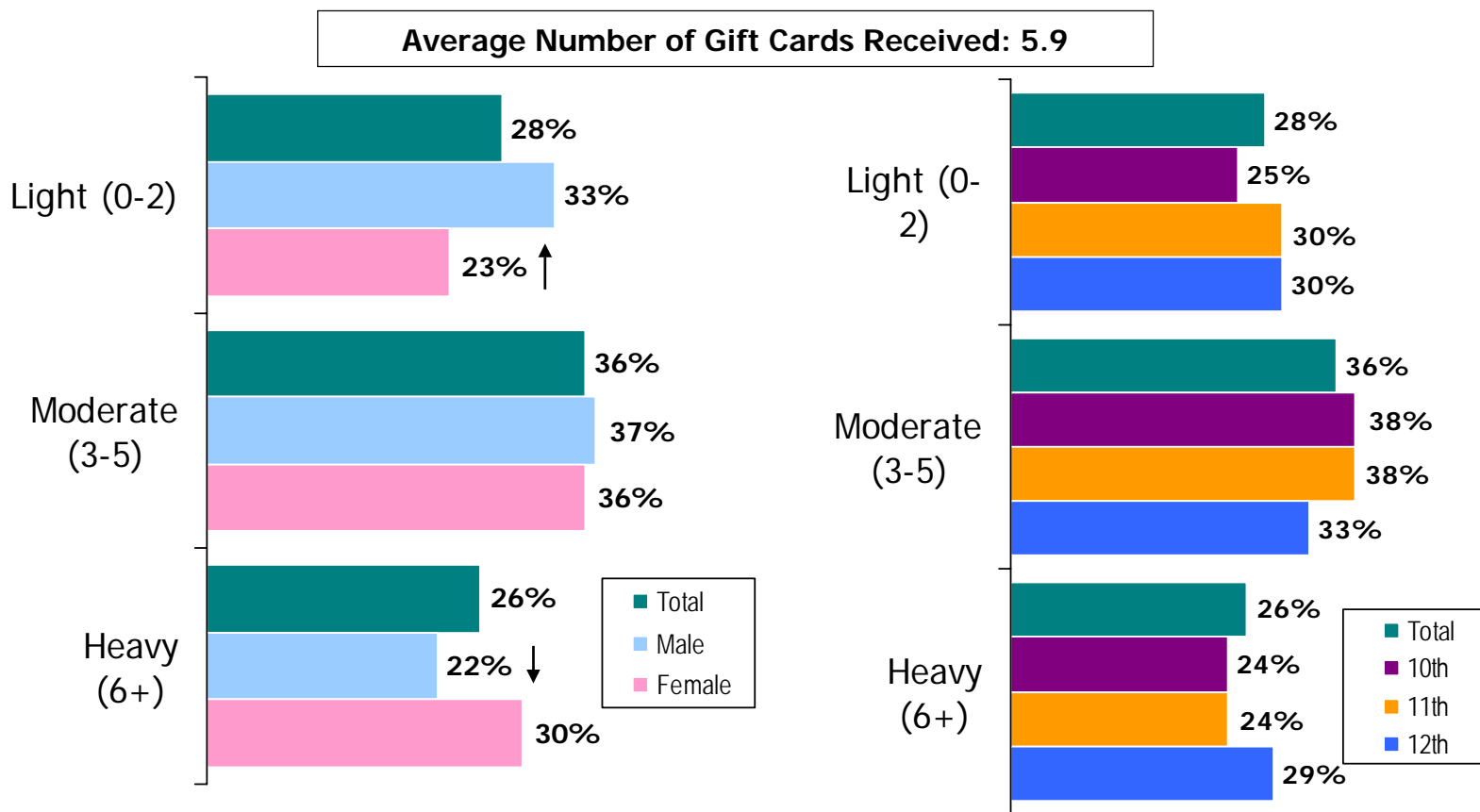


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Past Year Receipt of Gift Cards

(among 584 gift card receivers)

- Teens report receiving 5.9 gift cards over the past 12 months. Young men more often report receiving between 0 and 2 cards, while young women more often report receiving 6 or more cards.



Q.19: As best you can remember, over the last twelve months, approximately how many gift cards did you receive from family or friends?

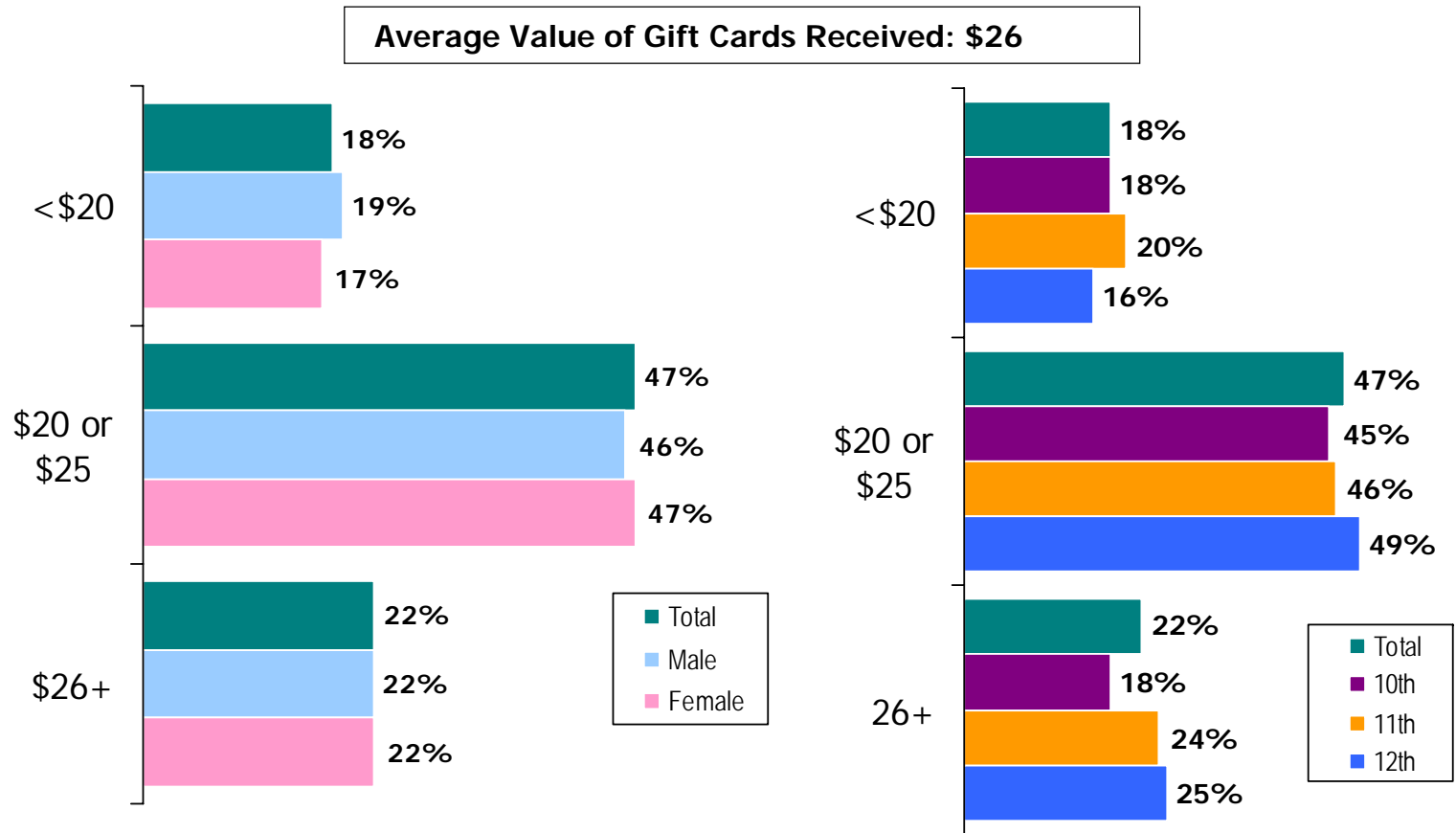


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Average Value of Gift Cards Received

(among 560 gift card receivers)

- Teens report that the gift cards they receive are loaded with an average of \$26 per card. There are no significant differences among subgroups in terms of how much they receive on gift cards, on average.



Q.6: As best you can remember, what is the average amount of money you loaded or purchased on each of the gift cards you purchased as gifts for others over the last twelve months?

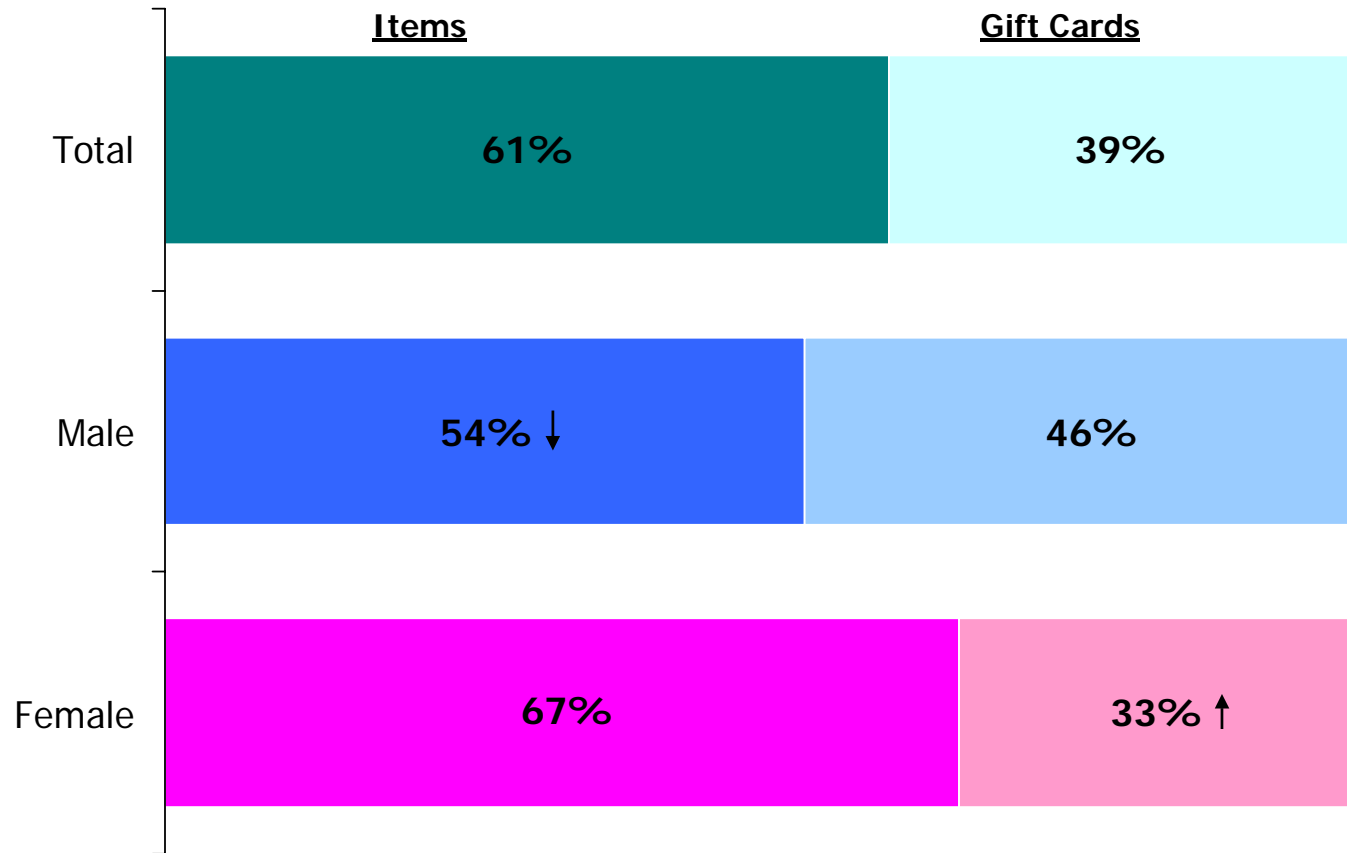


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Gift Cards vs. Items Received

(among 560 gift card receivers)

- Respondents report that 4 in 10 gifts that they receive are gift cards. Male teens report receiving gift cards more often than females.



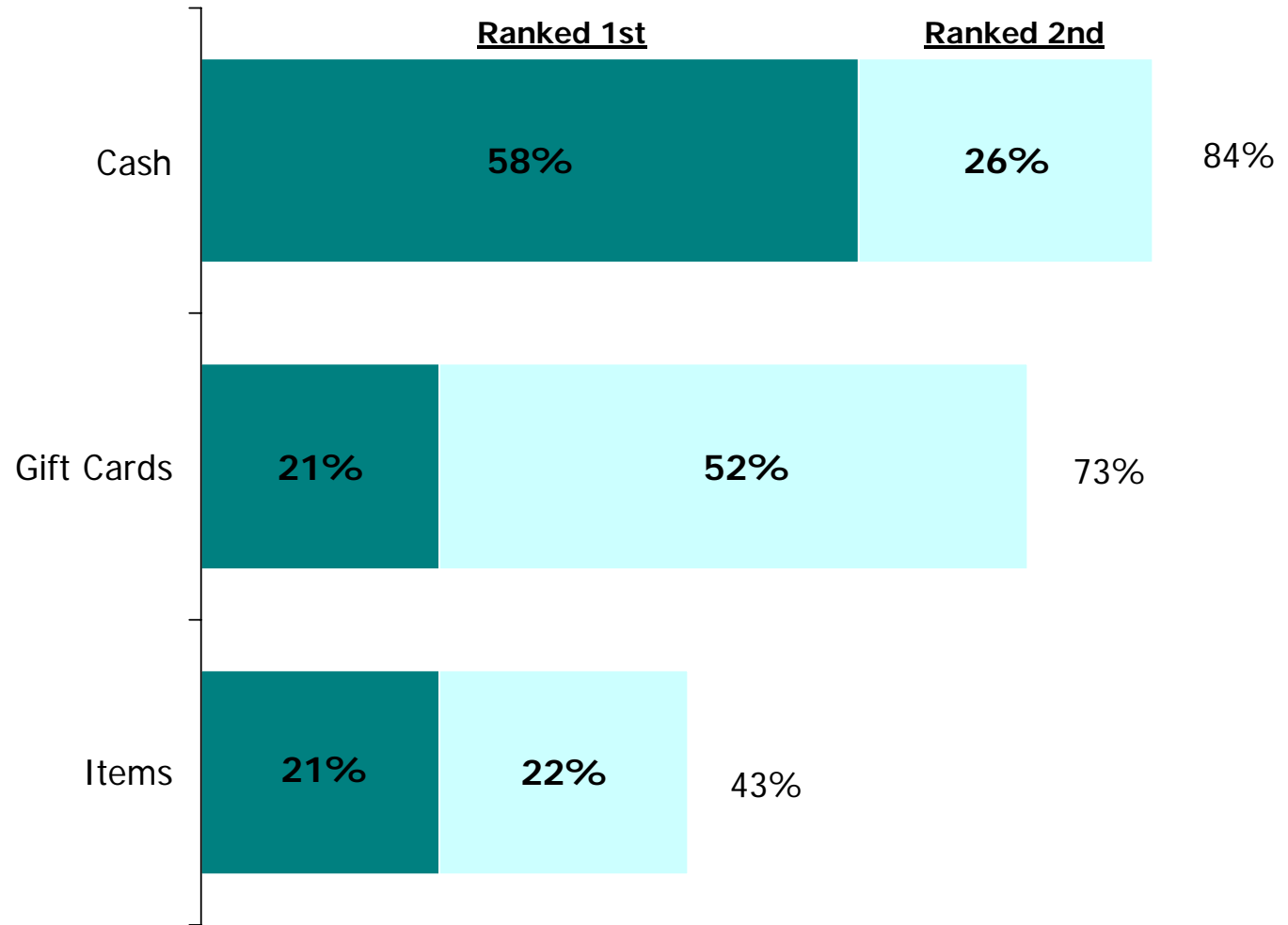
Q.21: Thinking of all the gift cards and gift items you have received from friends and family though out the year, what percentage would you estimate are items, and what percentage are gift cards?



Preferred Type of Gift

(percent ranking each 1st/2nd among 584 respondents)

- While cash is mentioned most often as the most preferred type of gift, three-quarters of teens rank gift cards first or second, compared to 2 in 5 who prefer items.



Q.22a: Please rank your preference for the following three types of gifts, where "1" indicates that this is the type of gift you'd most like to receive, "2" is your second most preferred, etc..

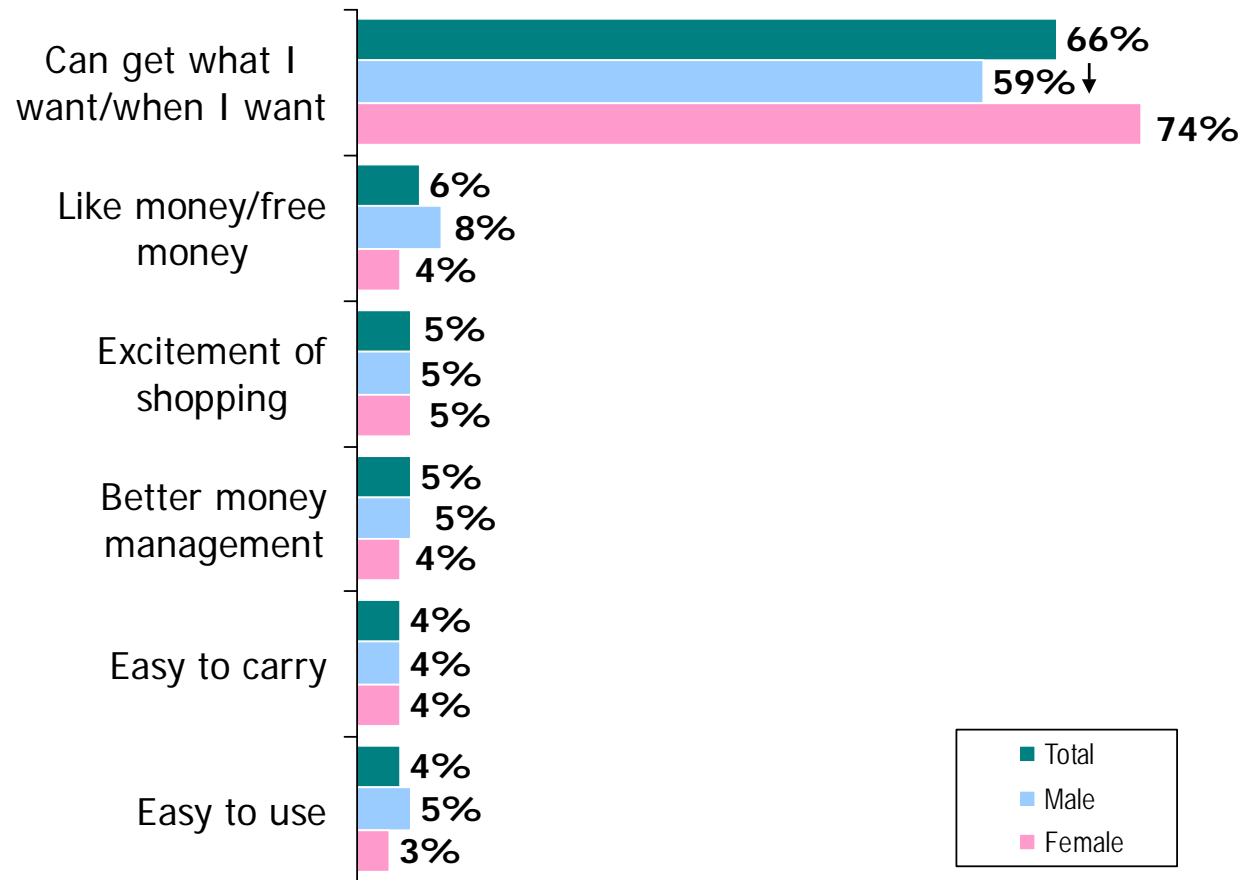


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Like Best About Gift Cards

(among 584 gift card receivers)

- By far, teens say that the best thing about gift cards is that they can get what they want, when they want.



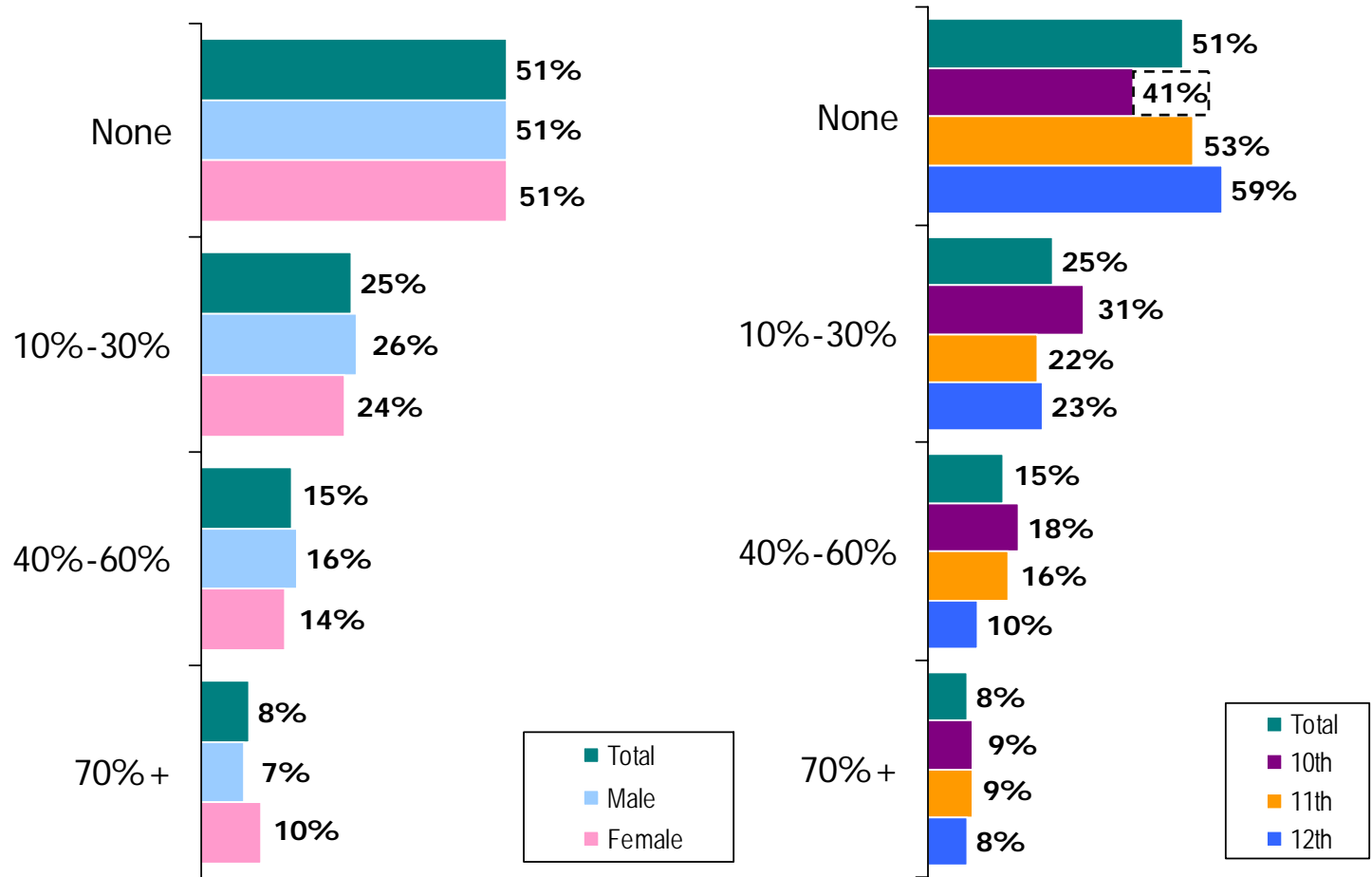


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Gift Cards Requested Out of Last 10 Received

(among 584 gift card receivers)

- One-half of respondents say that they did not request any of the last 10 gift cards they received. Teens in the 10th grade are more likely than other teens to have requested gift cards that they received.



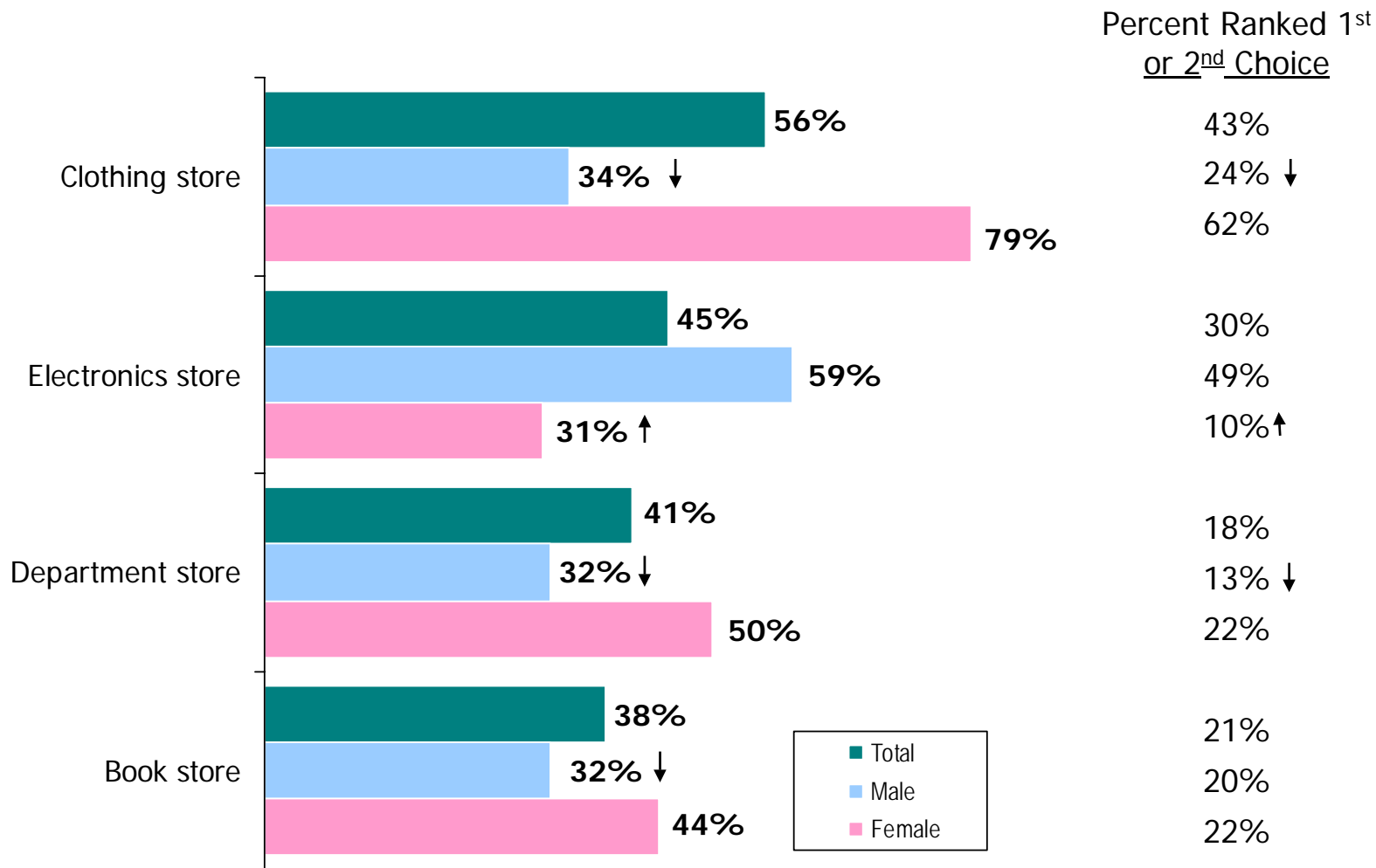


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Preferred Merchants

(among 584 gift card receivers)

- Teens most prefer to receive gift cards from clothing stores, electronics stores, department stores, and book stores.



Q.24: In general, what types of merchants do you prefer to receive gift cards from most?

Q.25: Please rank order your preference for gift cards from these merchants, where "1" indicates that this is your favorite merchant to get gift cards from, "2" is your second favorite, etc. . . .

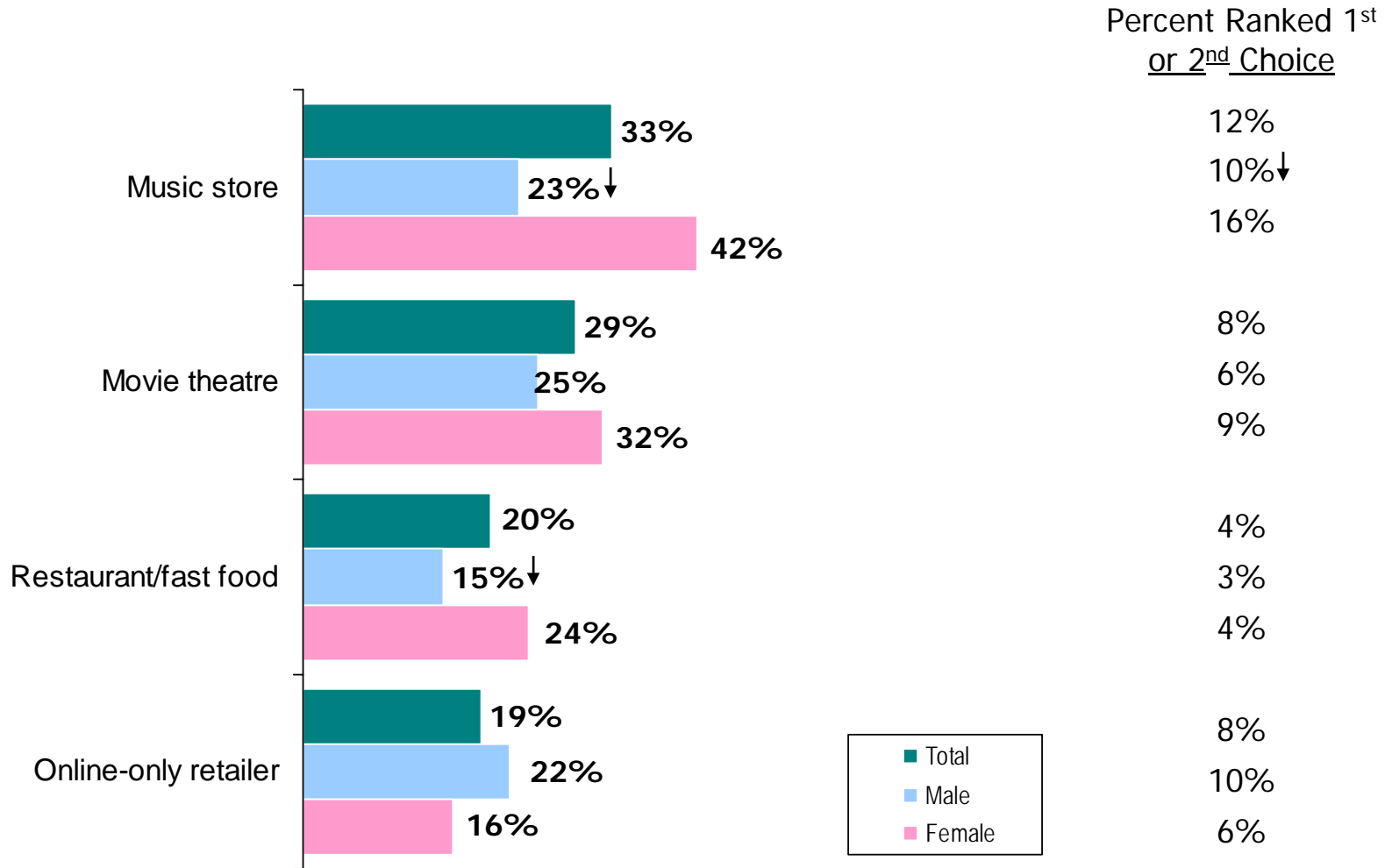


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Preferred Merchants

(among 584 gift card receivers)

- Music stores and movie theatres are the next most popular gift cards to receive.



Q.24: In general, what types of merchants do you prefer to receive gift cards from most?

Q.25: Please rank order your preference for gift cards from these merchants, where "1" indicates that this is your favorite merchant to get gift cards from, "2" is your second favorite, etc. . . .

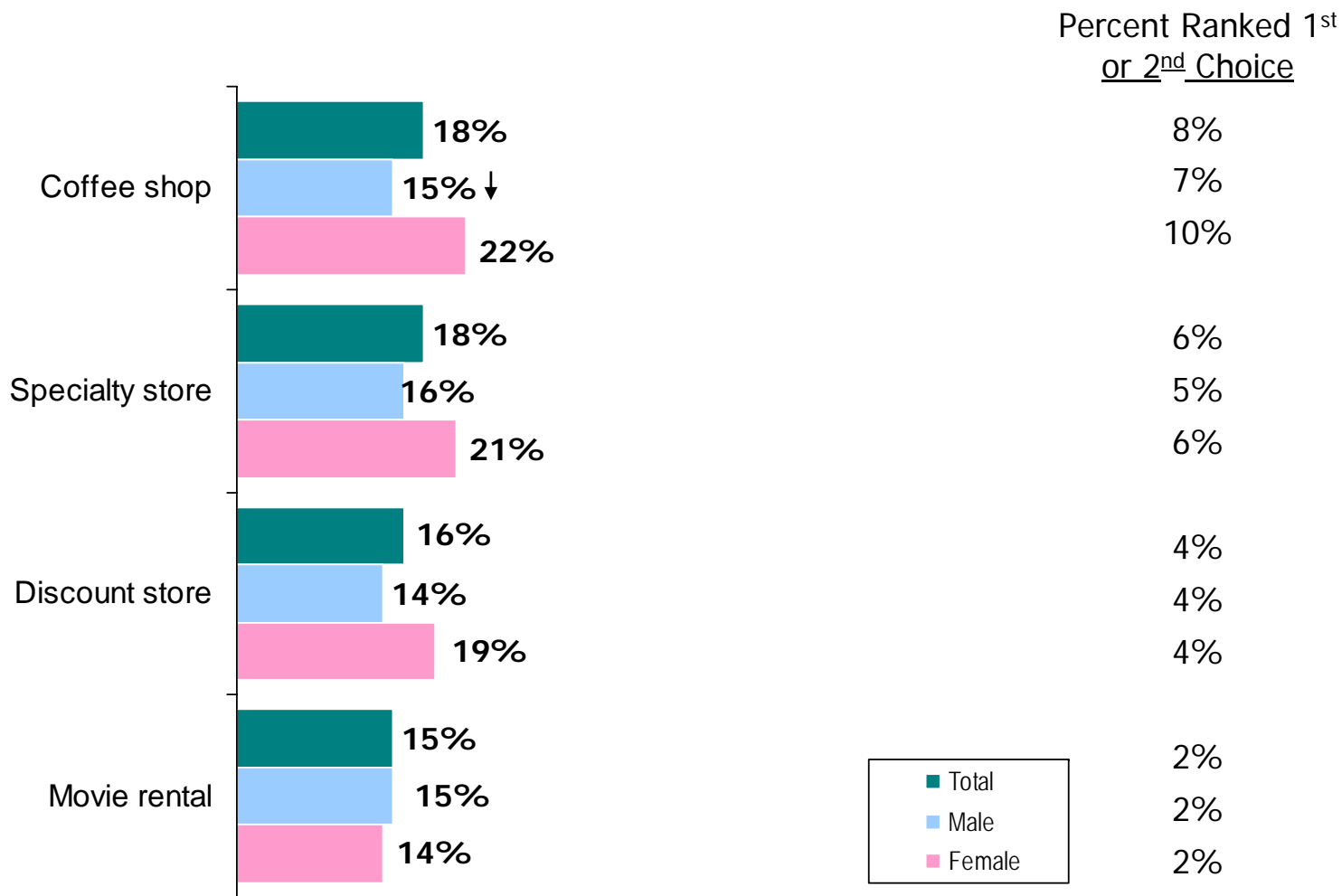


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Preferred Merchants

(among 584 gift card receivers)

- Fewer than two teens in ten prefer to receive gift cards from the types of merchants shown below.



Q.24: In general, what types of merchants do you prefer to receive gift cards from most?

Q.25: Please rank order your preference for gift cards from these merchants, where "1" indicates that this is your favorite merchant to get gift cards from, "2" is your second favorite, etc. . . .

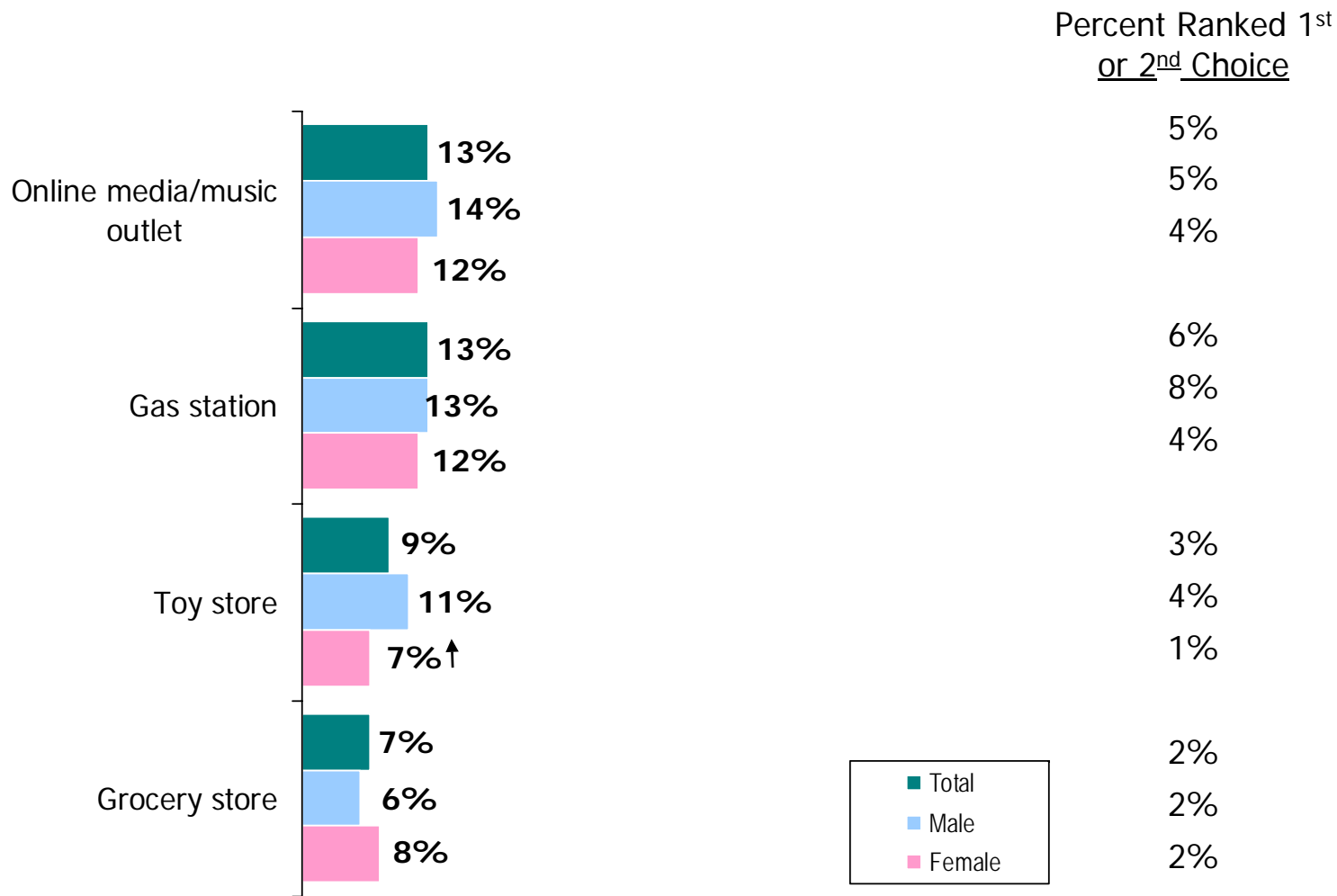


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Preferred Merchants

(among 584 gift card receivers)

- Grocery stores and toy stores are the least likely preferred gift cards to receive.



Q.24: In general, what types of merchants do you prefer to receive gift cards from most?

Q.25: Please rank order your preference for gift cards from these merchants, where "1" indicates that this is your favorite merchant to get gift cards from, "2" is your second favorite, etc. . . .

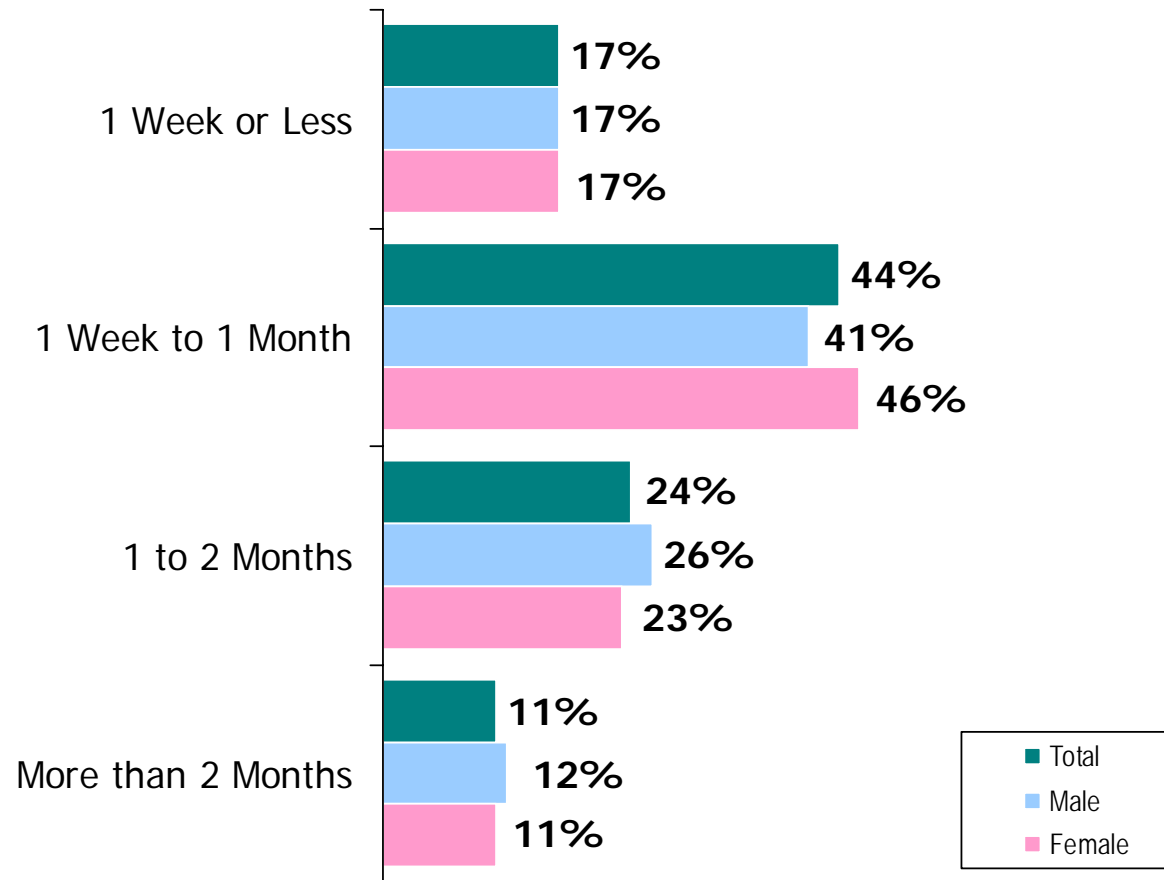


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Length of Time Cards Held Before First Use

(among 584 gift card receivers)

- More than one-half of teens say that they hold onto their gift cards for one month or less before using them. Only one in ten says that they hold onto a gift card for more than two months before using it for the first time.

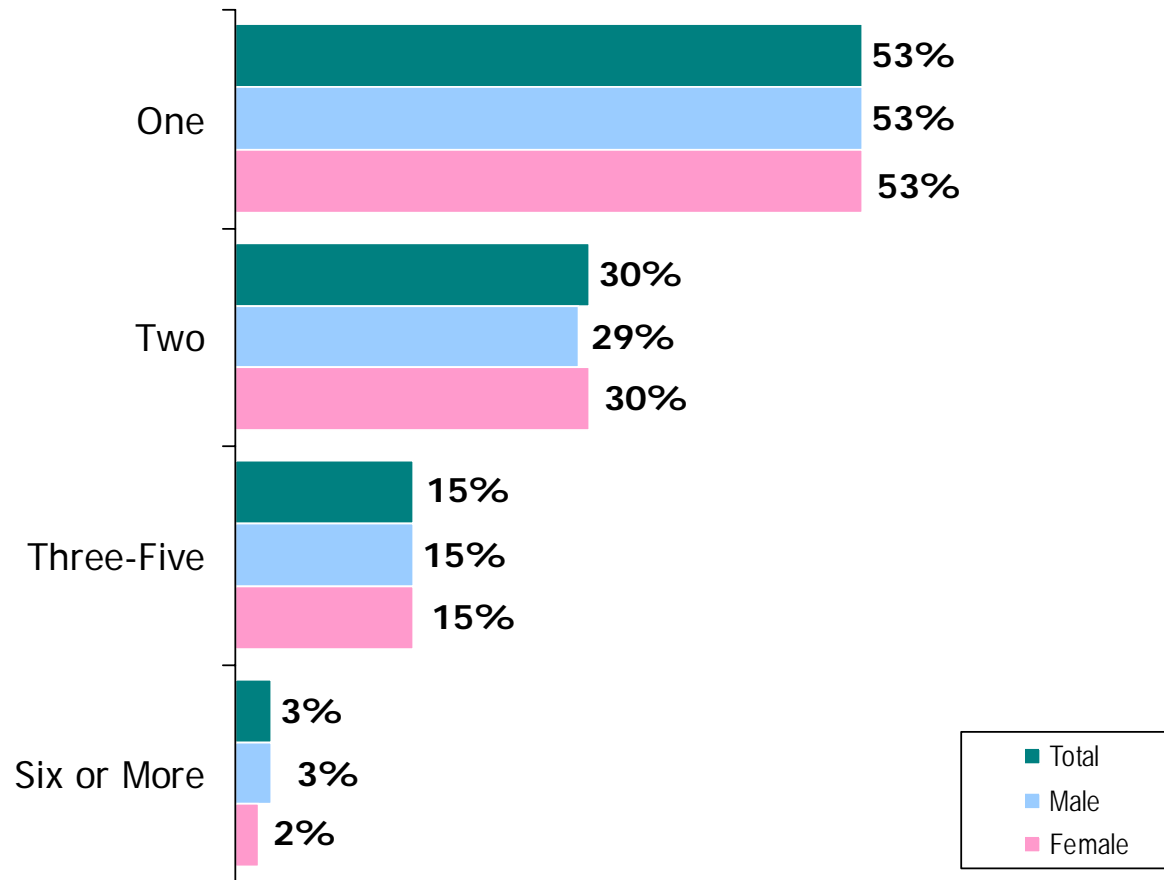


Q.26: Among the gift card(s) you receive, how long on average would you say you keep the card(s) before you use it for the first time?

Average Number of Visits to Use Entire Value

(among 584 gift card receivers)

- One-half of teens say that they use the entire value of a card in one visit. One-third visit a store twice, on average, to spend the entire value of the card.



Q.28: When you use a gift card over multiple visits, how many visits, on average, does it take to use the entire value?



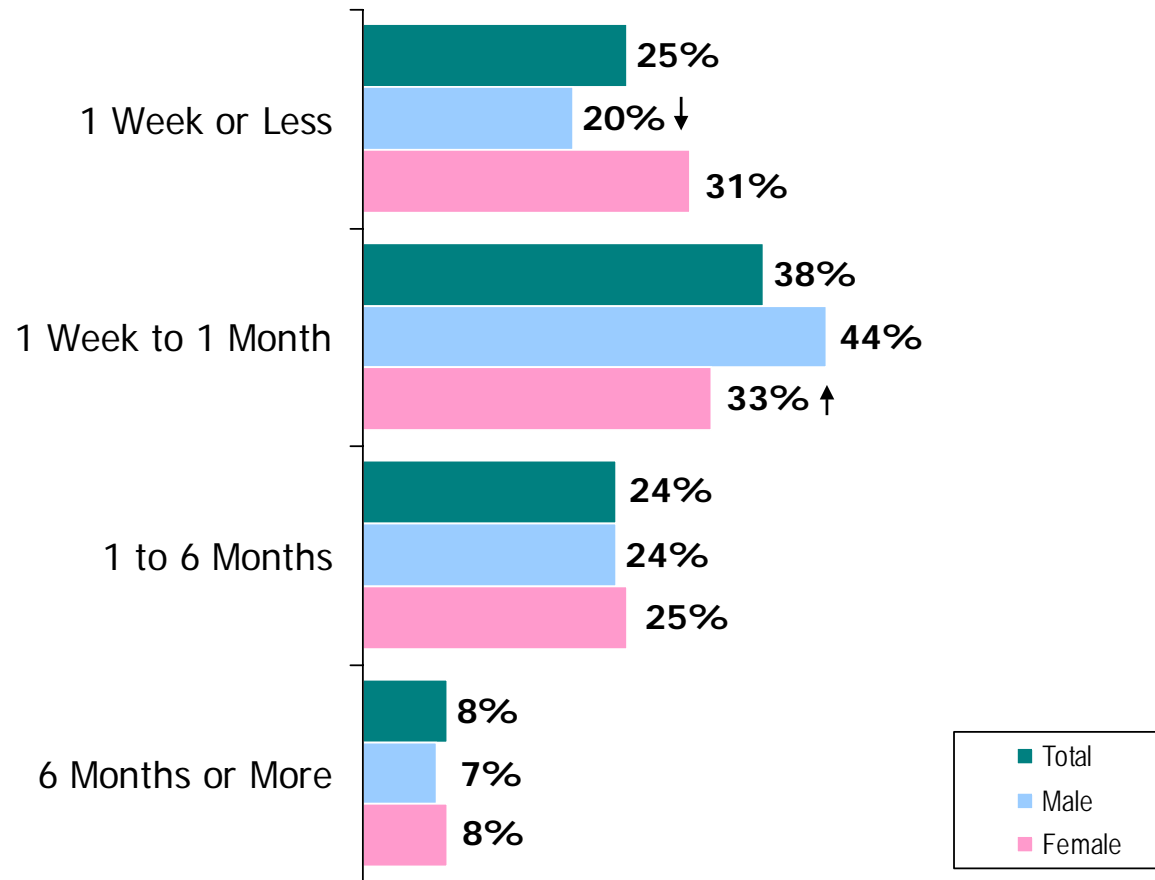


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Length of Time to Use Entire Value

(among 584 gift card receivers)

- More than one-half of teens say that they use the entire value of gift cards they receive within one month.



Q.32: How long does it take you to use up the total amount on the card?

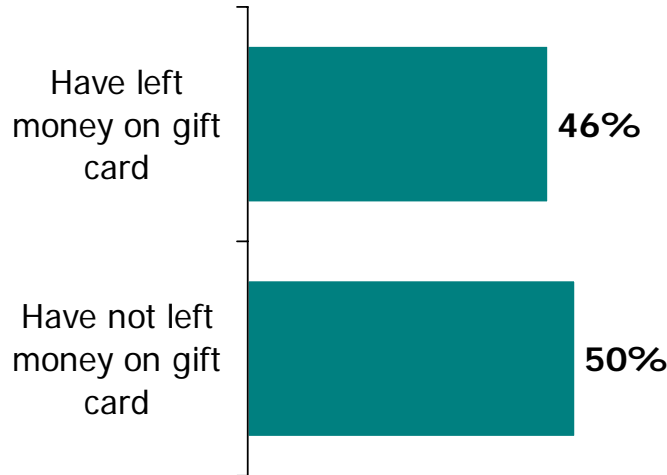


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Value Left on Gift Cards

(among 584 gift card receivers)

- One-half of teens have left some cash on a gift card, though the amount is usually less than one dollar. Funds are primarily left on gift cards because what is left is not enough to bother with or because the recipient can't find anything else that they want.



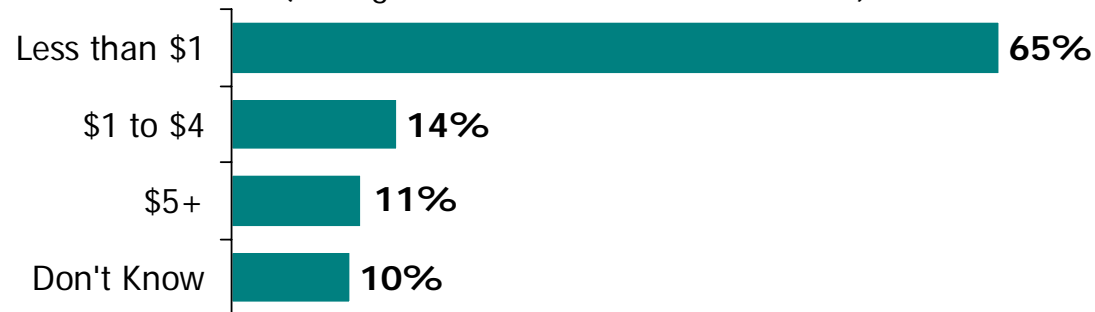
Reasons for Leaving Unused Funds on Card

(among 268 who have left funds on card)

- Wasn't enough to bother with or to buy anything (59%)
- Couldn't find anything/anything else I wanted (37%)
- I forgot about it (31%)

Average Amount Left on Card

(among 268 who have left funds on card)



Q.29: Have you ever left any money on a card unused?

Q.30: Why have you left any money on a card unused?

Q.31: What is the average amount you usually leave on a card unused?

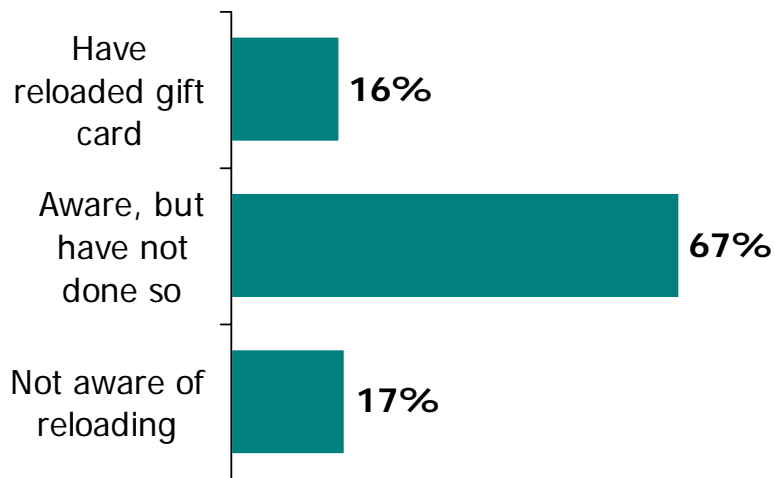


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Reloading Gift Cards

(among 584 gift card receivers)

- One teen in six has reloaded a gift card, though most are aware that you can do so. Cards are reloaded for future use and convenience, and the average reload amount is \$24.



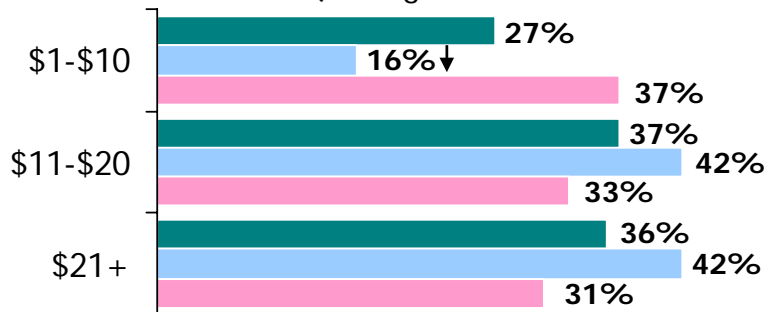
Reasons for Reloading Card

(among 94 who have reloaded card)

- Use later/future purchase (26%)
- Convenience (14%)
- Money management (10%)
- Add more value (10%)
- Don't have to carry cash (8%)
- Give as gift (8%)

Average Reload Amount

(among 94 who have reloaded card)



Q.33: Have you paid any retailer to put more value on (reload) a card for future use?

Q.34: When you reload a gift card, what is the average dollar value you add to the gift card?

Q.36: For what reasons do you reload gift cards?

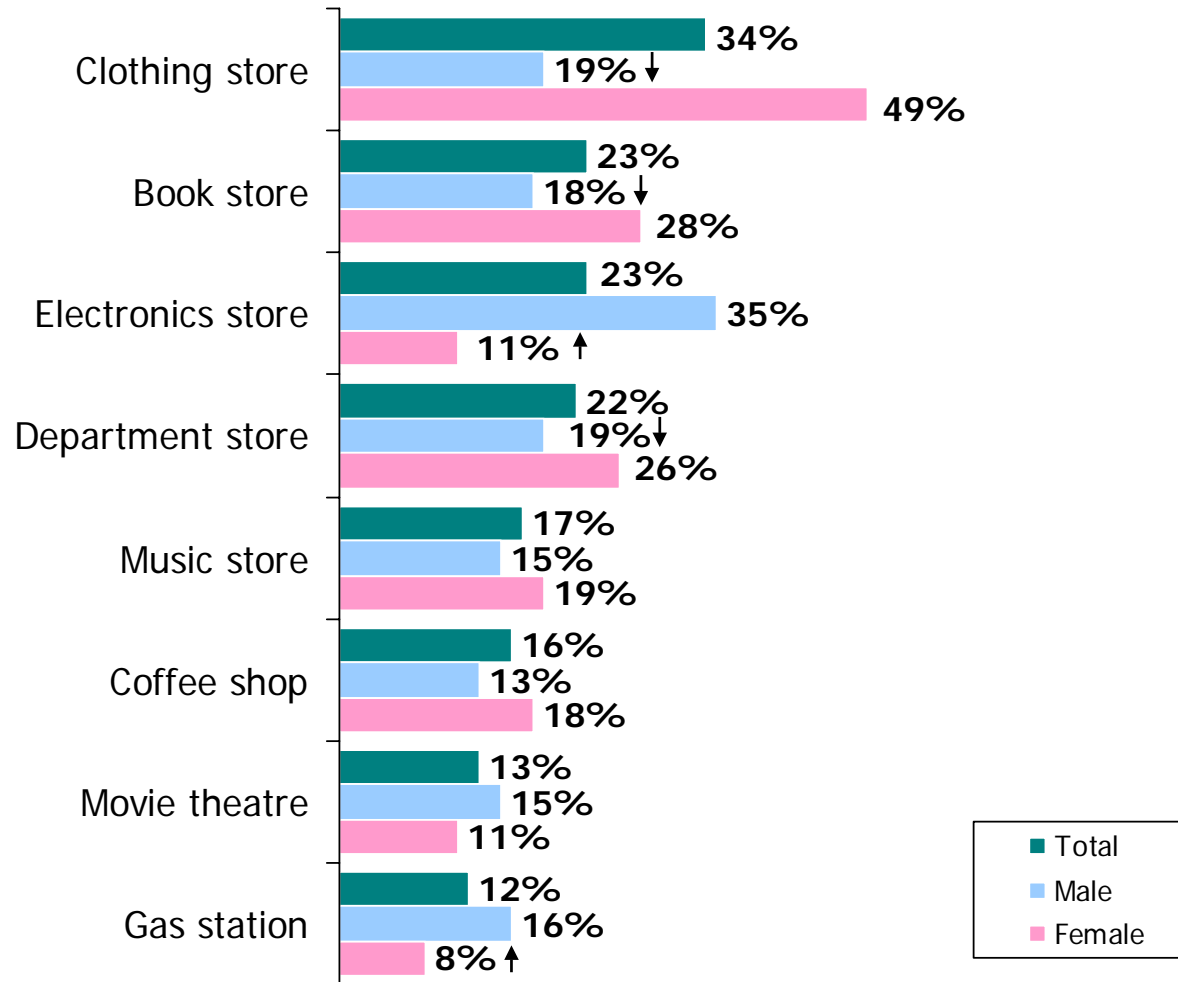


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Types of Gift Cards Teens Would Reload

(among 584 gift card receivers)

- Teens say that they are most likely to reload cards from clothing, book, electronics, and department stores.



Q.37 What types of cards are you likely to reload with additional value?

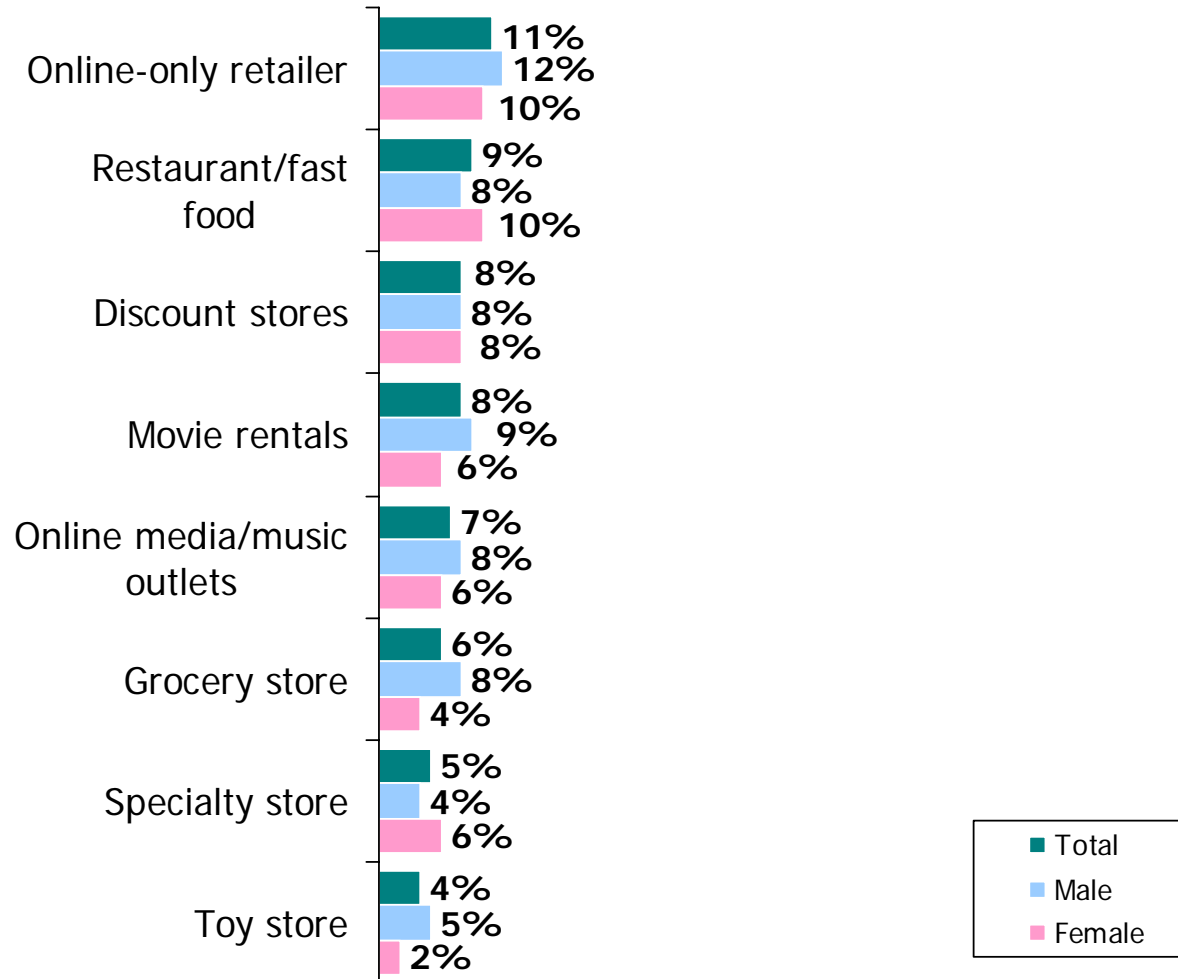


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Types of Gift Cards Teens Would Reload

(among 584 gift card receivers)

- Teens say that they are least likely to reload cards from toy or specialty stores.



Q.37 What types of cards are you likely to reload with additional value?



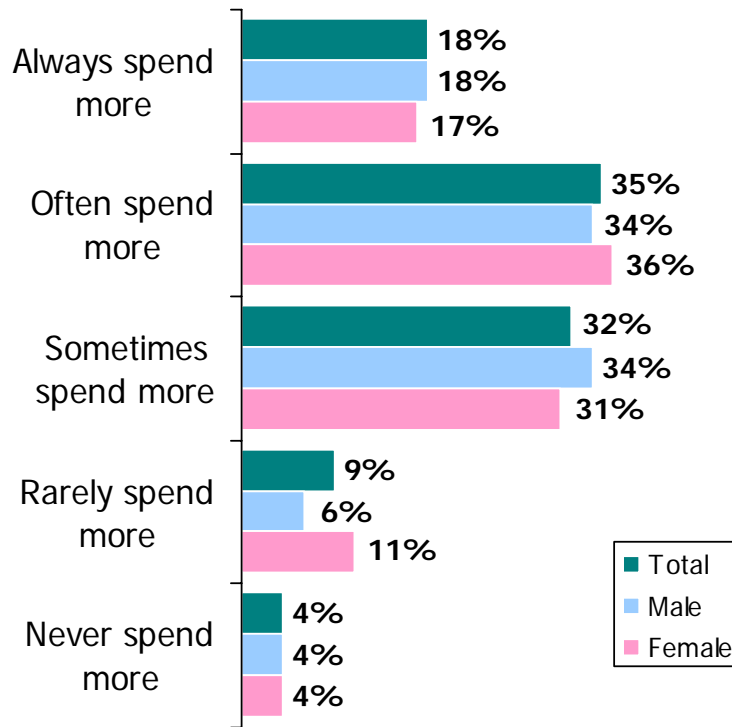
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Additional Spending with Gift Cards

(among 584 gift card receivers)

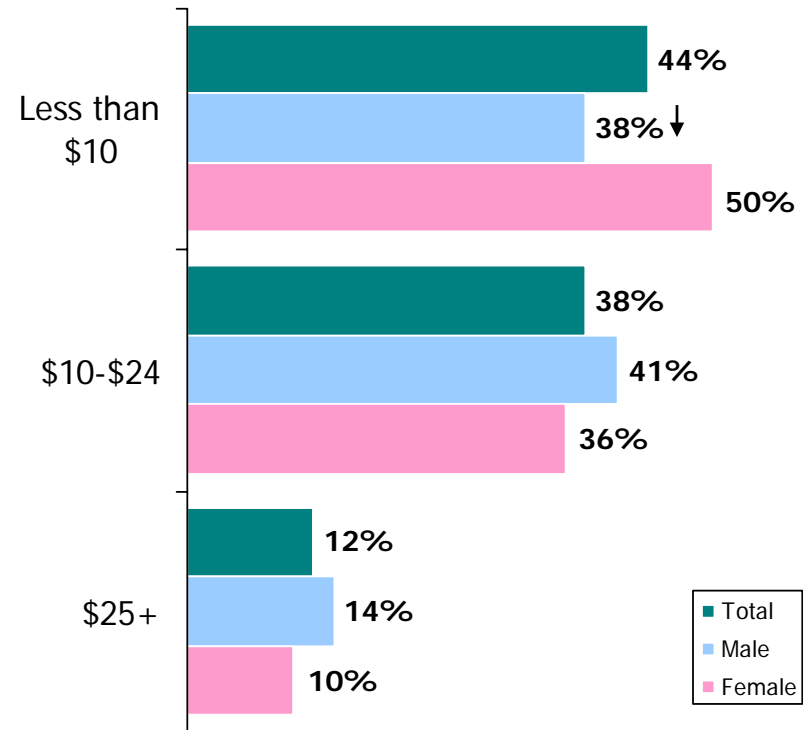
- One-half of teens say that they always or often add some of their own money when making a purchase with a gift card, averaging an additional \$15 per purchase.

Frequency of Adding Money



Average Amount Added

(among 559 who have added money)



Q.38: How often do you spend more than the amount on the card, making up the difference with your own money?

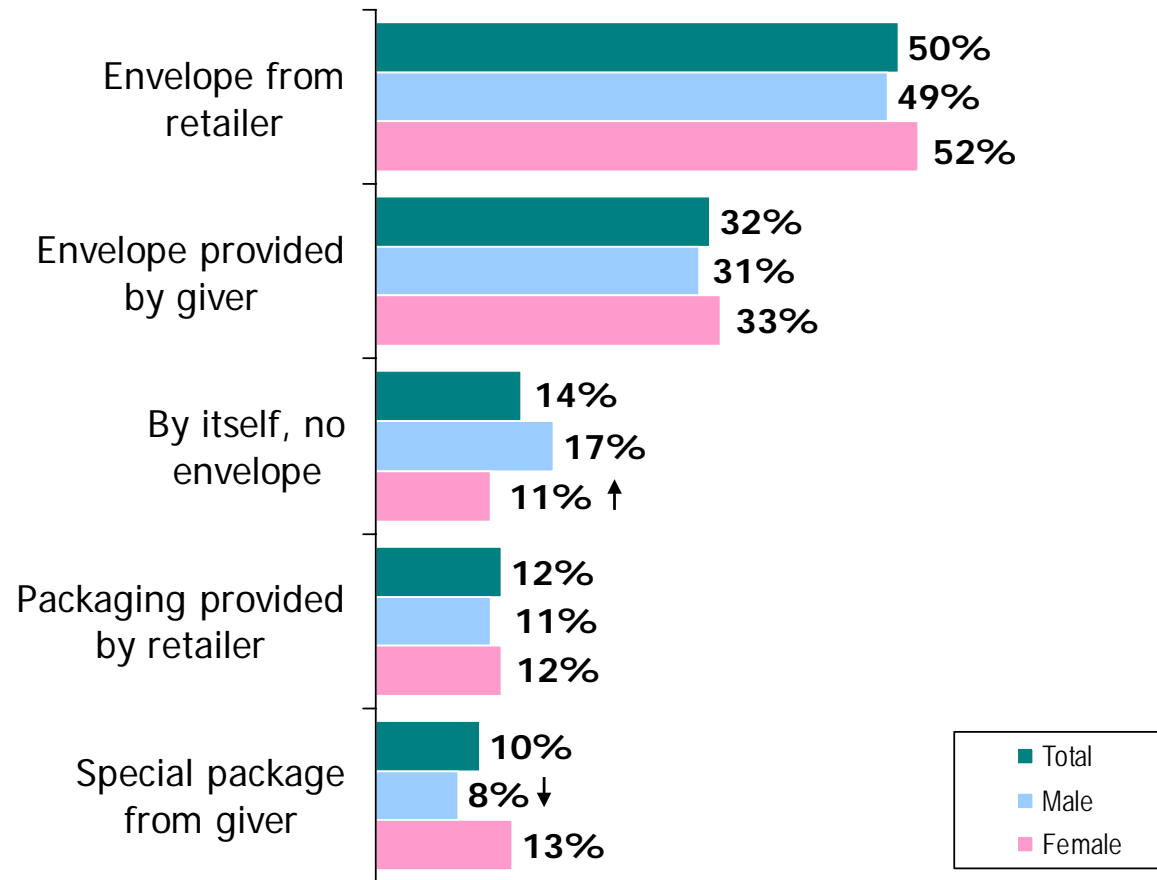
Q.39: On average, how much of your own money do you add?



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Gift Card Presentation

- Teens most often receive gift cards in envelopes provided by the retailer or in envelopes provided by the gift giver.

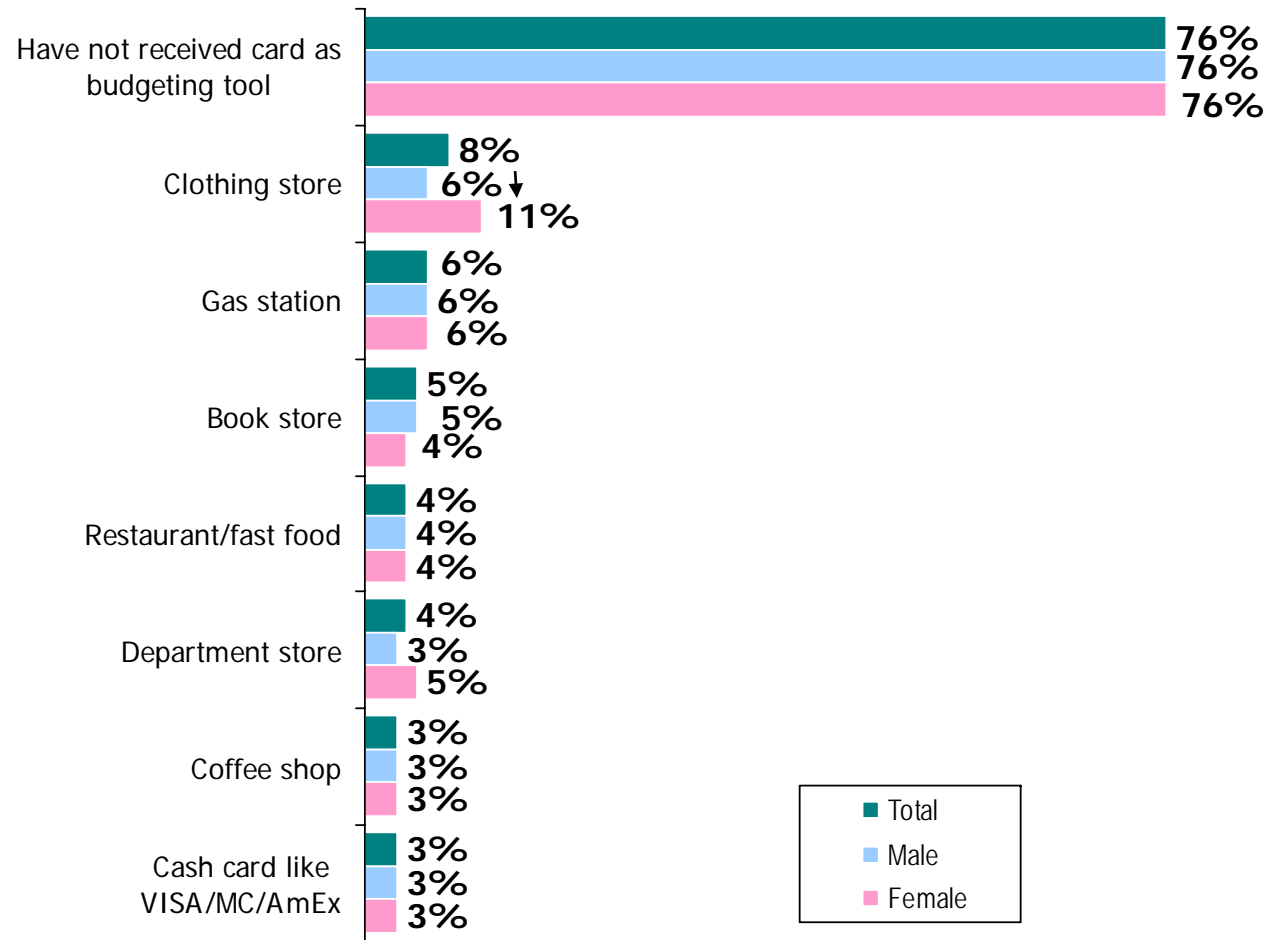




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Gift Cards as Budgeting Tools

- Most teens have not been given gift cards as budgeting tools by their parents.



Q.41: Have your parents ever given you a gift card, not as a gift, but as a tool to manage your spending for meals clothing, gas or other purchases?

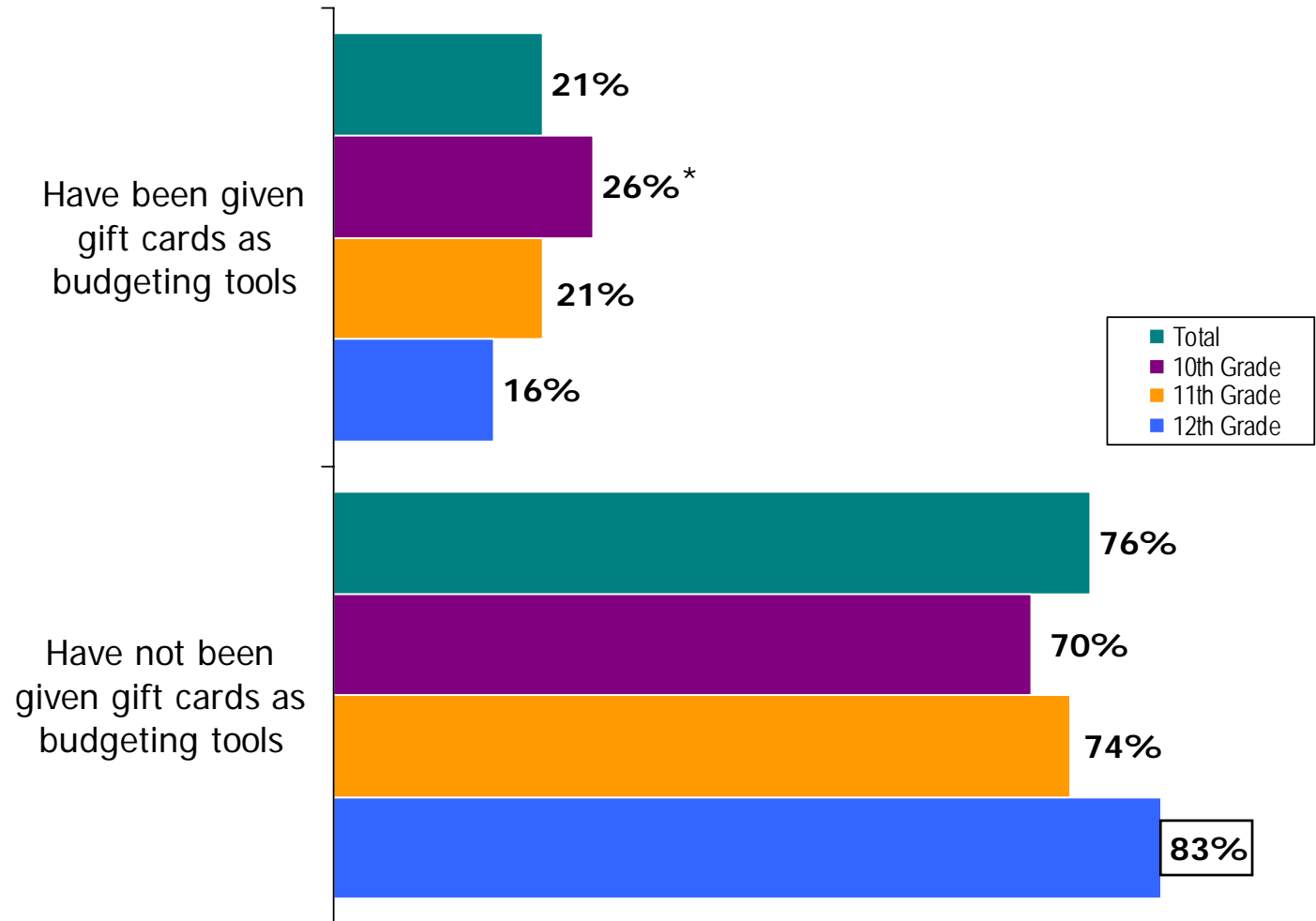
Q.42: What types of cards have your parents given you as budgeting tools?



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Gift Cards as Budgeting Tools

- Those in the 12th grade are least likely to have received a gift card as a budgeting tool from their parents. The lower a grade a teen is in, the more likely they are to have gotten a gift card as a way to manage their spending.



* Significantly higher than 12th grade

Q.41: Have your parents ever given you a gift card, not as a gift, but as a tool to manage your spending for meals clothing, gas or other purchases?

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Respondent Characteristics



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Demographics

	(Base)	Total (603) %
<u>Age</u>		
14		11
15		27
16		31
17		21
18		10
19		*
	<u>Average Age</u>	<u>16</u>
<u>Grade</u>		
10 th grade		34
11 th grade		33
12 th grade		33
<u>Area</u>		
Rural		20
Suburban		53
Urban		19
Don't know		8
<u>Gender</u>		
Male		50
Female		50

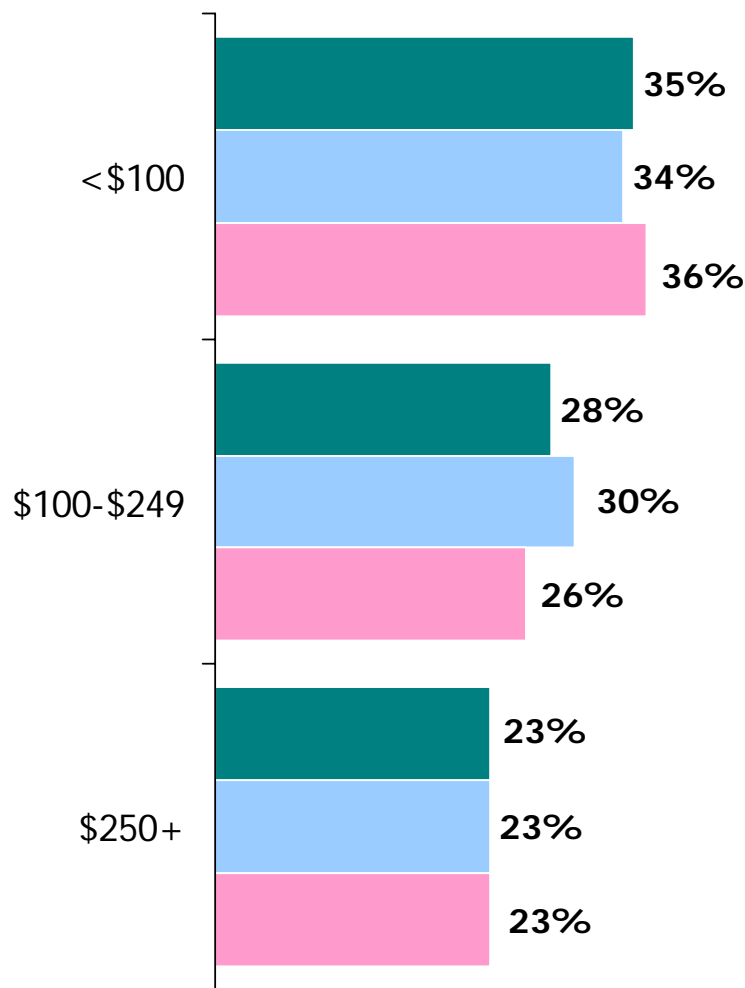


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Monthly Earnings

(among 603 respondents)

- Male teens and females have approximately the same monthly earnings.

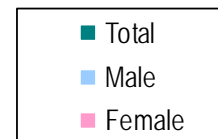


Average Monthly Earnings

Total: \$231

Male: \$219

Female: \$244



Q.1: *On average, how much money do you earn or receive on a monthly basis from all sources (allowance, gifts, part-time / full-time job, etc.) that is yours to do with as you want?*

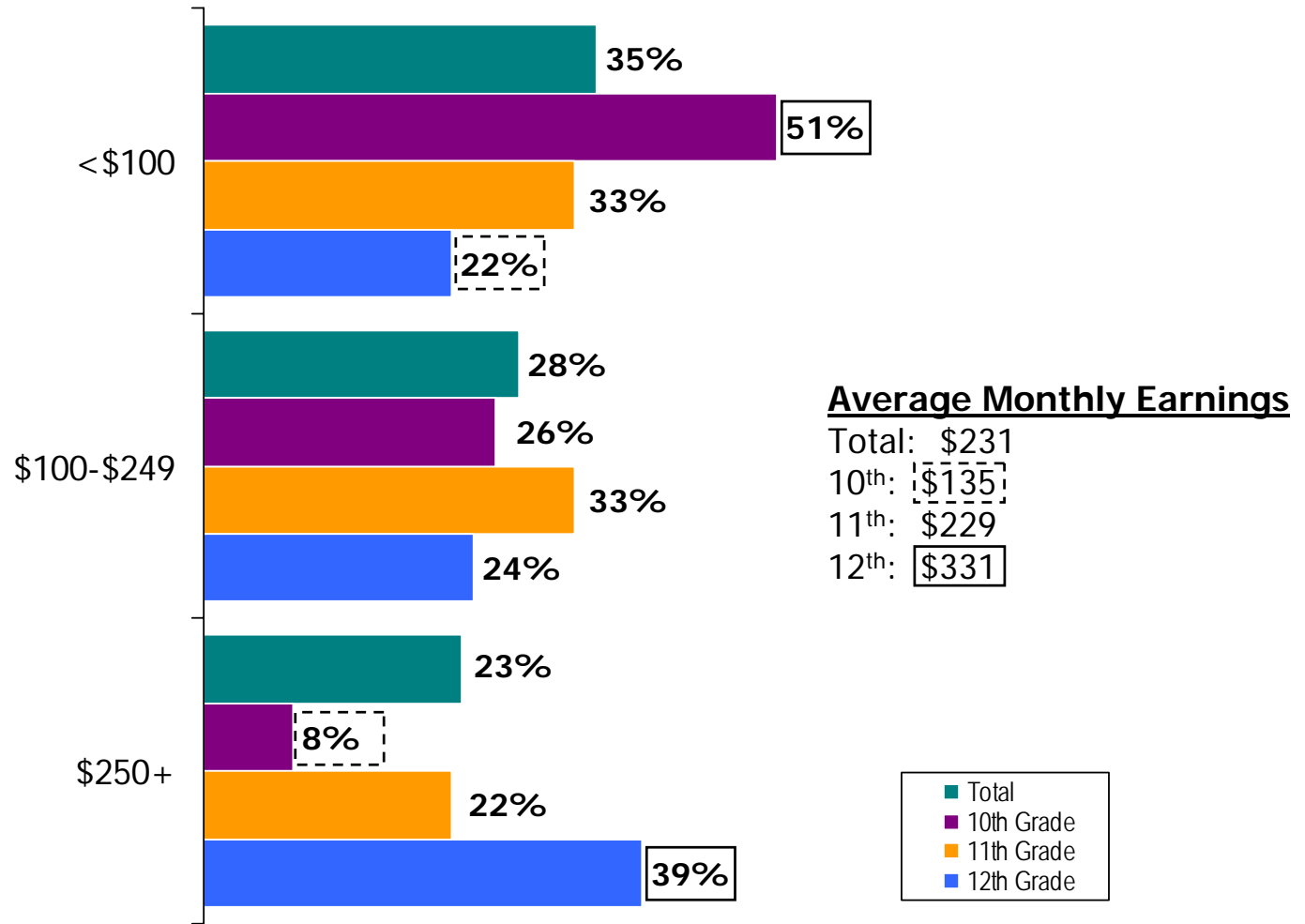


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Monthly Earnings

(among 603 respondents)

- Teens say that they earn an average of \$231 per month; the older the teen, the more money they report earning.



Q.1: On average, how much money do you earn or receive on a monthly basis from all sources (allowance, gifts, part-time / full-time job, etc.) that is yours to do with as you want?

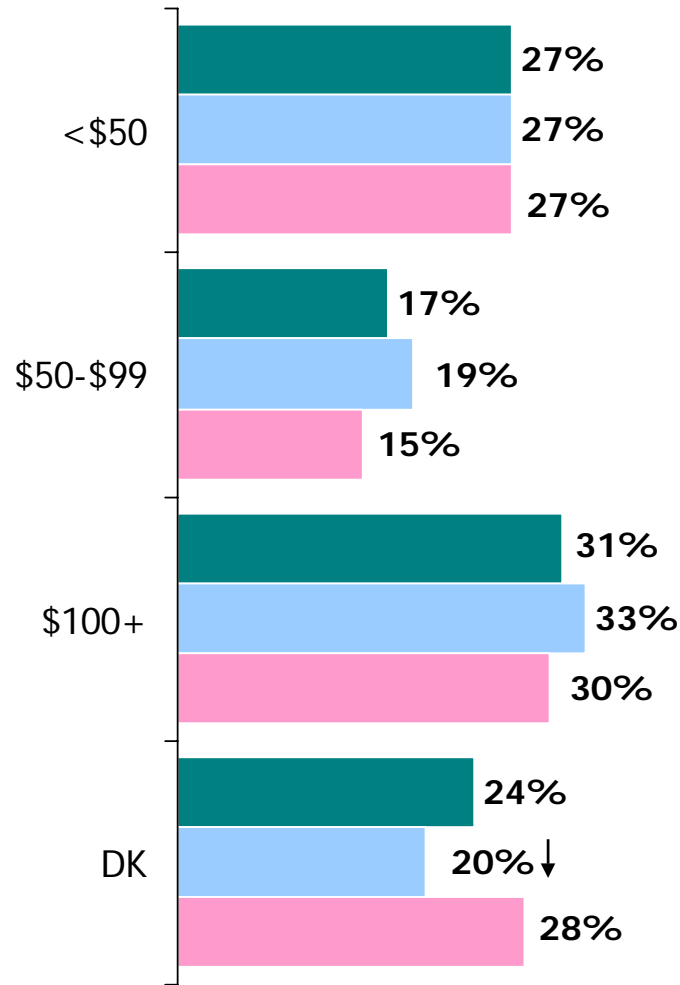


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Yearly Spending on Gifts

(among 603 respondents)

- Female teens spend slightly more than males on gifts for others on a yearly basis.

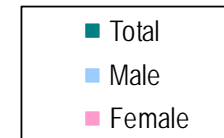


Average Yearly Gift Spending

Total: \$131

Male: \$114

Female: \$149



Q.2: Over the course of a year, how much money would you say you spend on gifts for your family or friends?

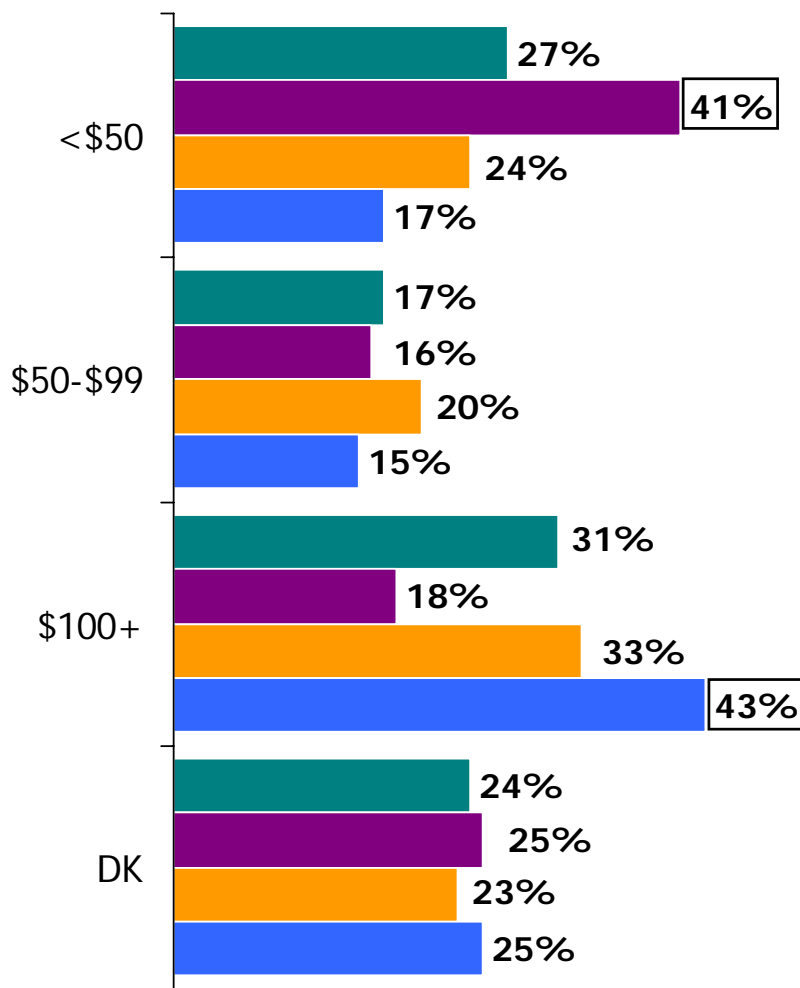


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Yearly Spending on Gifts

(among 603 respondents)

- Teens report that they spend an average of \$131 on gifts for others throughout the year.



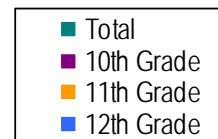
Average Yearly Gift Spending

Total: \$131

10th: \$88

11th: \$124

12th: \$180



Q.2: Over the course of a year, how much money would you say you spend on gifts for your family or friends?

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Appendix



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Certification Statement

Job Number: 06-9383

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.
July 2006

SVS Teen Survey Questionnaire

A. Are you:

Male	1
Female	2

B. What is your age?

Under 14	1	TERMINATE
14	2	
15	3	
16	4	
17	5	
18	6	
19	7	
20 or older	8	TERMINATE

C. What grade will you be entering in the Fall?

Earlier than 10 th grade	1	TERMINATE
10 th grade	2	
11 th grade	3	
12 th grade	4	
First year of college	5	SKIP TO Q. E
Later than first year of college	6	TERMINATE
Not in high school/not planning on attending college	7	TERMINATE

D. Do you plan to attend college?

Yes	1	
No	2	TERMINATE
Don't know	3	TERMINATE

E. Would you consider the area you live to be:

Rural	1
Suburban	2
Urban	3
Don't know	4

1. On average, how much money do you earn or receive on a monthly basis from all sources (allowance, gifts, part-time / full-time job, etc.) that is yours to do with as you want? [RANGE: \$0 – 9999]

_____ Don't know 1

2. Over the course of a year, how much money would you say you spend on gifts for your family or friends? [Range:\$0-9999 – May not exceed total from Q.1]

_____ Don't know 1

3. Have you ever received a gift card? By “gift card,” we mean the plastic cards you can purchase at a specific retailer or restaurant instead of a paper gift certificate, not a greeting card or a frequent shopper card.

Yes	1
No	2
Don't Know	3

4. Have you ever purchased a gift card, either for yourself or to give to someone else? Again, by “gift card,” we mean the cards you can purchase at a specific retailer or restaurant instead of a paper gift certificate, not a greeting card or a frequent shopper card. **(MULTIPLE ANSWERS ALLOWED)**

Yes, for myself	1
Yes, for someone else	2
No	3
Don't Know	4

IF “NO/DK” AT Q.3 AND “NO/DK” AT Q.4, TERMINATE.

IF “YES” AT Q.3 AND “NO/DK” AT Q.4, SKIP TO Q.19

PURCHASERS

5. As best you can remember, over the last twelve months, approximately how many gift cards did you purchase as gifts for family or friends? [RANGE: 0 – 999]

_____ Don't know 1
IF=0 SKIP TO Q.9a

6. As best you can remember, what is the average amount of money you loaded or purchased on each of the gift cards you purchased as gifts for others over the last twelve months? [RANGE: \$1 – \$999]

_____ Don't know 1

7. For the cards you purchased, please indicate what percentage of the cards were ones where you chose the amount, and what percentage were ones where the amount was already set.

Chose the amount _____
Card already had specific amount set _____
100%

8. Thinking of all the gift cards and gift items you give to friends and family though out the year, what percentage would you estimate are items, and what percentage are gift cards.

Items _____
Gift cards _____
100%

9a. At which of the following places have you ever purchased gift cards? (*Check as many as apply.*)
9b. **ASK FOR EACH MENTIONED AT Q.9a** Approximately how many cards have you purchased in the last 12 months at each of these types of locations?
9c. At which of these locations would you prefer to purchase gift cards? (One answer only)

Over the Internet	1	_____	1
At a specific retailer's location	2	_____	2
From a gift card mall (a collection of gift cards from a variety of retailers available at a central location like a grocery, drug or convenience store)	3	_____	3
From a charitable or other organization selling gift cards as a fund-raiser	4	_____	4
Other: Specify _____	5	_____	5

10. **ASK IF GIFT MALL MENTIONED AT Q.9a** Thinking of gift cards you have purchased at a gift mall, would you say that in most cases . . . (CHOOSE ONE)?

You planned all along to purchase a gift card this way instead of going to the merchant's location 1
You saw them and decided on the spot that one would make a good gift or a good addition to a gift 2

11. For what occasions do you usually purchase gift cards as gifts for others?

- | | |
|-----------------------------------|----|
| Anniversary | 1 |
| Baby Shower gift | 2 |
| Birthday | 3 |
| Christmas or other winter holiday | 4 |
| Congratulations | 5 |
| Easter | 6 |
| Father's Day | 7 |
| Graduation | 8 |
| Housewarming | 9 |
| Just for fun | 10 |
| Mother's Day | 11 |
| Other (Specify) _____ | 12 |
| Thank You gift | 13 |
| Valentine's Day | 14 |
| Wedding gift | 15 |
| Wedding Shower gift | 16 |
| (DO NOT READ) Don't Know | 17 |

12. In general, what types of merchants do you purchase gift cards from most often when purchasing gift cards for others? (Choose all that apply)

- | | |
|----------------------------------------------------|----|
| Book store | 1 |
| Clothing store | 2 |
| Coffee shop | 3 |
| Department stores | 4 |
| Discount stores | 5 |
| Electronics store | 6 |
| Gas station | 7 |
| Grocery stores | 8 |
| Movie Theatre | 9 |
| Movie Rentals | 10 |
| Music store | 11 |
| Online-only retailers | 12 |
| Online media/music outlets like I-tunes or Napster | 13 |
| Restaurant/fast food | 14 |
| Specialty stores | 15 |
| Toy store | 16 |
| Others (specify) | 17 |

13. Which of the following are reasons you purchase gift cards for others as gifts? (MAA)

- | | | |
|--------------------------------------------------------------------|---|---|
| Can't decide what else to get them | 1 | 1 |
| I want them to be able to get what they want | 2 | 2 |
| I don't want to have to worry about the right size, color, etc. | 3 | 3 |
| It's faster/more convenient to get a card than to shop for an item | 4 | 4 |
| It's easier to mail a gift card than a package | 5 | 5 |
| It's cheaper to mail a gift card than a package | 6 | 6 |
| I can spend less on a gift card than I would on an item | 7 | 7 |
| Other (SPECIFY) | 8 | 8 |

14. Now please think of your experiences purchasing gift cards. Using a scale from 1 to 10, where 10 is extremely important and 1 is not at all important, how would you rate the importance of each of the following in your decision to buy a particular gift card to give as a gift? (RANDOMIZE)

- | | |
|-----------------------------------------------------------------------------------|-------|
| The gift card is re-loadable once the value originally placed on it has been used | _____ |
| The gift card has an attractive design or picture | _____ |
| The gift card has appropriate wording or design for the occasion or holiday | _____ |
| The gift card is an unusual shape or design | _____ |
| The gift card is usable at multiple retailers or restaurants | _____ |

ASK IF Q.4=1

Q.15 deleted

16. As best you can remember, what is the average amount of money you loaded or purchased on each of the gift cards you purchased for yourself over the last twelve months? [RANGE: \$1 – \$999]

_____ Don't know 1

Q.17 Deleted

Q.18 Deleted

[IF YES TO Q.3, CONTINUE. IF NOT, SKIP TO Q.41]

RECEIVERS

19. As best you can remember, over the last twelve months, approximately how many gift cards did you receive from family or friends? [RANGE: 0 – 999]

_____ Don't know 1

IF=0 SKIP TO Q.22a

20. As best you can remember, what is the average amount of money loaded on each of the gift cards you received from others over the last twelve months? [RANGE: \$1 – \$999]

_____ Don't know 1

21. Thinking of all the gift cards and gift items you have received from friends and family though out the year, what percentage would you estimate are items, and what percentage are gift cards?

Items	_____
Gift cards	_____
	100%

22a. Please rank your preference for the following three types of gifts, where “1” indicates that this is the type of gift you’d most like to receive, “2” is your second most preferred, etc..

Items	_____
Gift cards	_____
Cash	_____

22b. What do you like best about receiving gift cards?

23. Out of the last 10 gift cards you received, how many had you specifically asked for? (0-10)

24. In general, what types of merchants do you prefer to receive gift cards from most? (Choose all that apply)
25. **AMONG THOSE CHOSEN IN Q.24** Please rank order your preference for gift cards from these merchants, where “1” indicates that this is your favorite merchant to get gift cards from, “2” is your second favorite, etc. . . .

Book store	1	_____
Clothing store	2	_____
Coffee shop	3	_____
Department stores	4	_____
Discount stores	5	_____
Electronics store	6	_____
Gas station	7	_____
Grocery stores	8	_____
Movie Theatre	9	_____
Movie Rentals	10	_____
Music store	11	_____
Online-only retailers	12	_____
Online media/music outlets like I-tunes or Napster	13	_____
Restaurant/fast food	14	_____
Specialty stores	15	_____
Toy store	16	_____
Others (specify)	17	_____

26. Among the gift card(s) you receive, how long on average would you say you keep the card(s) before you use it for the first time?

1 week or less	1
Between 1 week and 1 month	2
Between 1 and 2 months	3
More than two months	4
Don't Know	5

Q.27 Deleted

28. How many visits, on average, does it take you to use the entire value of a gift card?

29. Have you ever left any money on a card unused?

Yes	1	
No	2	SKIP TO Q.32
Don't know	3	SKIP TO Q.32

30. Why have you left any money on a card unused?

- Couldn't find anything/anything else I wanted 1
- It wasn't enough money to bother with/buy anything 2
- I forgot about it 3
- Other (Specify) _____ 4

31. What is the average amount you usually leave on a card unused? [RANGE: \$1 – \$999]

- Less than \$1 _____ 1
- Don't know 2

32. How long does it take you to use up the total amount on the card?

- 1 week or less 1
- Between 1 week and 1 month 2
- Between 1 and 6 months 3
- Between 6 months and 1 year 4
- More than 1 year 5
- Don't Know 6

33. Have you paid any retailer to put more value on (reload) a card for future use?

- Yes 1
- No, but I know that it is an option to do so 2 **SKIP TO Q.37**
- No, I was not aware I could 3 **SKIP TO Q.37**

34. When you reload a gift card, what is the average dollar value you add to the gift card?

\$ _____

Q.35 Deleted

36. For what reasons do you reload gift cards?

37. What types of cards are you likely to reload with additional value?

Book store	1
Clothing store	2
Coffee shop	3
Department stores	4
Discount stores	5
Electronics store	6
Gas station	7
Grocery stores	8
Movie Theatre	9
Movie Rentals	10
Music store	11
Online-only retailers	12
Online media/music outlets like I-tunes or Napster	13
Restaurant/fast food	14
Specialty stores	15
Toy store	16
Others (specify)	17

38. How often do you spend more than the amount on the card, making up the difference with your own money?

Always	1		
Often	2		
Sometimes	3		
Rarely	4		
Never	5	?	SKIP TO Q. 40
Don't Know	6		

39. On average, how much of your own money do you add?

Less than \$10	1
\$10-\$24	2
\$25-\$49	3
\$50-\$99	4
\$100 +	5
Don't Know	6

40. The last time you received a gift card as a gift, how was it packaged? **(MULTIPLE ANSWERS POSSIBLE,)**

- | | |
|----------------------------------------------------------|---|
| Just by itself, no envelope | 1 |
| Envelope provided by retailer | 2 |
| Envelope provided by person who gave you the card | 3 |
| Packaging as provided by retailer | 4 |
| Special package provided by person who gave you the card | 5 |
| Don't Know | 6 |

ASK ALL

41. Have your parents ever given you a gift card, not as a gift, but as a tool to manage your spending for meals clothing, gas or other purchases?

- | | | |
|------------|---|--------------------|
| Yes | 1 | |
| No | 2 | SKIP TO END |
| Don't know | 3 | SKIP TO END |

42. What types of cards have your parents given you as budgeting tools?

- | | |
|------------------------------------------------------------------------------|----|
| Book store | 1 |
| Clothing store | 2 |
| Coffee shop | 3 |
| Department stores | 4 |
| Discount stores | 5 |
| Electronics store | 6 |
| Gas station | 7 |
| Grocery stores | 8 |
| Movie Theatre | 9 |
| Movie Rentals | 10 |
| Music store | 11 |
| Online-only retailers | 12 |
| Online media/music outlets like I-tunes or Napster | 13 |
| Restaurant/fast food | 14 |
| Specialty stores | 15 |
| Toy store | 16 |
| Cash cards like VISA, MasterCard, or American Express (But not credit cards) | 17 |
| Others (specify) | 18 |

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