



REPORT: CLOSED-LOOP GIFT CARDS GAIN, DESPITE ECONOMY

The number of consumers purchasing closed-loop gift cards has increased during the past six months, according to a report released recently by retail and consumer consultants National Retail Network and the Hartman Group. Nearly 60 percent of U.S. consumers reported they had purchased a gift card in the last year, a 5 percent increase compared to six months ago. The report details responses of 1,500+ consumers surveyed online in August 2008 and again in February 2009. In addition, the survey found that gift card recipients are continuing to spend more than the face value of their gift card, despite the economy. "Surprisingly...almost half (48 percent) of gift card recipients spend more than the amount on the gift card," said Keith Maladra, NRN vice president of consumer intelligence. "We found that gift cards are still encouraging personal spending. In fact, far less (16 percent) of gift card recipients spend less than the amount on the gift cards." The findings don't shock Carmen Wenkoff, a founding member of the Retail Gift Card Association. "There was a lot of hype and bad press pre-holiday around gift cards and bankruptcies, and virtually none of it was realized," he tells Paybefore. "People see it was more hype than anything wrong with the industry. So it doesn't surprise me that gift card sales haven't gone down further and that some indicators are actually showing they are improving."



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To obtain your copy of Gift Card Buying Trends 2009 report contact:

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