

AMERICA'S MOST POPULAR GIFTS



Gift cards are the most requested gift item
9 years in a row

Gift Card spending has grown from \$40 billion
in 2003 to over \$100 billion in 2014 (Mercator Advisory Group)

60%
of consumers
planned to purchase gift
cards for loved ones last
holiday season



60%
of shoppers
said they'd also like
to receive gift cards

GIFT CARDS: GIFTING & SELF-USE



Prepaid cards are becoming the preferred payment medium

While 86% of prepaid card buyers buy them as gifts, more consumers buy prepaid cards for themselves.



Safe, online purchases



Avoid using a bank account



More than half of consumers would prefer to receive a \$25 gift card than a gift valued at \$45

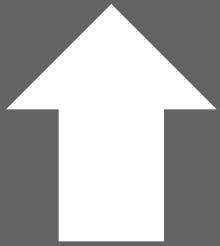
First Data, Beyond the Transaction



In 2015, consumers buying gift cards spent an average of \$153

National Retail Federation

GIFT CARDS HELP DRIVE RETAIL REVENUES



The benefits of gift cards extend to the post holiday slump experienced by many retailers, when consumers visit a physical location or website to use their gift card, they often purchase additional merchandise.

First Data: Consumer Insights into the U.S. Gift Card Market



- Respondents stated that they spent an average **\$23.41** beyond the original value of the gift card received. This is an increase from 2012 of **\$20.79**.

First Data Holiday Trends 2014



- Mercator Advisory Group forecasts that loads in this segment (Open-Loop non-Reloadable Gift) **will have a compound annual growth rate of 9% through 2017**, when loads will total **\$24.7 billion**.

Jackson, B. (Nov 2014). 11th Annual U.S. Prepaid Cards Market Forecasts, 2014–2017. Mercator Advisory Group



- Consumers like the **convenience of a gift card mall**.

Jackson, B. (Nov 2014). 11th Annual U.S. Prepaid Cards Market Forecasts, 2014–2017. Mercator Advisory Group

MARKETPLACE FORECAST

OPEN-LOOP FORECAST

Open-loop loads will have a compound annual growth rate of **9% through 2017** when they will total **\$337.8 billion**

Open-loop card is a GPR or gift card that a consumer can use to make purchases anywhere that the card is accepted and carries a major network logo including Visa, MasterCard, American Express or Discover.

CLOSED-LOOP FORECAST

Closed-loop loads will have a compound annual growth rate of **2% through 2017** when loads will total **\$328 billion**

Closed-loop cards are a gift card that can be used only in a single store or group of stores. Closed-loop cards rarely have dormancy fees or other fees.