

First Data's 2009 Holiday Gift Card Performance Report



Week 5: 2009 U.S. Holiday Season

Gift card sales stormed back in Week 5, compared with the same week in 2008, with late holiday shoppers choosing gift cards in their final days of holiday shopping.

Overview

Last-minute shoppers flocked to gift cards, driving gift card sales, in dollars, up by 11.8 percent in the final week of holiday shopping. Restaurants led the way with a 24.7 percent increase.

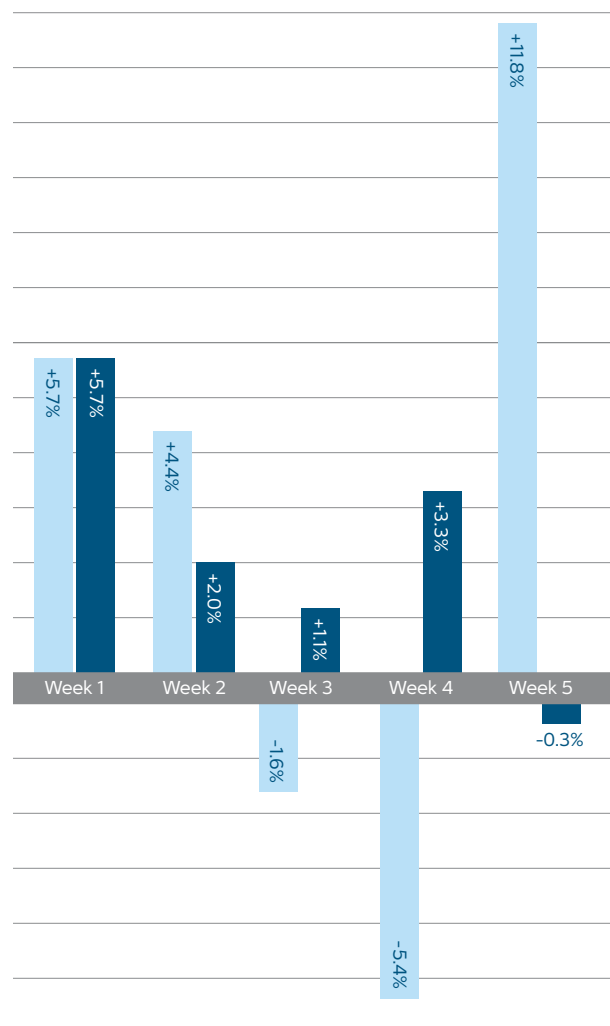
Through the entire holiday season, merchant branded gift card sales (in dollars) increased by 2.1 percent compared with last year. That increase falls in the middle of the range predicted by First Data in our October [Holiday Forecast](#), which predicted zero to 5 percent growth in dollars activated this holiday season.

The First Data *Holiday Gift Card Performance Report* provides insights based on aggregated transaction data generated by First Data's merchant branded gift card processing business and our observations of the marketplace. First Data published [weekly reports](#) through the holiday and will provide additional summarized activation and redemption data within an upcoming Holiday Recap.

Percent Change in Gift Card Performance

Holiday Season 2009 vs. 2008

- Dollar Value of Gift Cards Sold
- Average Gift Card Value



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All Gift Cards

Overall, the total dollar value of gift cards activated increased 11.8 percent compared with the same week last year. The number of gift cards activated increased 12.1 percent.

All Gift Cards	CHANGE	
Dollar value of gift cards sold	+11.8%	
Number of gift cards sold	+12.1%	
Average gift card value	-0.3%	
	2008	2009
	\$28.77	\$28.69

Note: "All Gift Cards" includes merchant types not represented elsewhere in this report.

Specialty Retail Gift Cards

Specialty retail posted another strong performance. The number of activations increased 10.4 percent, and the dollar value of cards activated jumped 10.6 percent over last year. Average gift card values rose by 0.2 percent.

The specialty retail category includes merchants that sell clothing, electronics, books, sporting goods, hardware, music, video, beauty supplies, home goods and other items.

Specialty Retail Gift Cards	CHANGE	
Dollar value of gift cards sold	+10.6%	
Number of gift cards sold	+10.4%	
Average gift card value	+0.2%	
	2008	2009
	\$42.66	\$42.75

Restaurant Gift Cards

Restaurant gift card sales, after a slow start, bounced up significantly in the final few days before Christmas. Activations, in dollars, rose by 24.7 percent. The number of cards activated rose 25.3 percent.

Restaurant Gift Cards	CHANGE	
Dollar value of gift cards sold	+24.7%	
Number of gift cards sold	+25.3%	
Average gift card value	-0.5%	
	2008	2009
	\$18.81	\$18.72

Recommendations for Merchants

Focus on driving gift card recipients to your stores with advertising encouraging gift card redemption. In recent years, merchants have become increasingly aggressive in adding gift card redemption messaging to post-holiday TV, radio, print and direct mail advertising.

About the First Data Holiday Gift Card Performance Report

The First Data *Holiday Gift Card Performance Report* provides insights based on aggregated transaction data generated by First Data's merchant branded gift card processing business and our observations of the marketplace. First Data will publish a weekly report through the holiday season.

This report compares the number of gift cards sold between Monday, December 21, 2009 and Sunday, December 27, 2009 to those sold during the same period last year, Monday, December 22, 2008 through Sunday, December 28, 2008.

Prior-year transaction data represents comparable closed loop transactions processed by First Data for the retailers included in the summary.