



Americans are Divided on Holiday Gift Preferences

Just 27% of Americans Prefer to Receive Gift Cards, Yet 50% of Americans Plan to Give Them

NEW YORK – November 10, 2016 – Americans may want to put more thought into their gift-giving this holiday season. According to a new Bankrate.com (NYSE:RATE) report, half of consumers say they plan to give a gift card this holiday season, yet only 27% of Americans hope to receive them. To view the full survey, go to:

<http://www.bankrate.com/finance/credit-cards/2016-gift-card-survey.aspx>

Younger millennials (age 18-25) are most divided on their gift inclinations. While 34% stated they would choose a gift card, more than any other age group, they were also the age group most likely to show a preference for a tangible gift (57%). Just 9% of younger millennials didn't express a preference between gift cards and tangible gifts, well below the 23% of other age groups who didn't have a preference.

Older baby boomers, 62-70 year olds, were the least likely to prefer a more concrete gift (44%). In fact, 66% of baby boomers who plan to buy gift cards this holiday season said it's because they think a gift card will be the best gift for their recipient (54% of other age groups said that).

"Finding a gift that suits each individual on your holiday list can be a challenging task," said Bankrate.com analyst Mike Cetera. "Given the vast selection, electronic delivery options and potential security features, gift cards are still a solid choice for many gift-givers."

One security feature on the rise this year is the use of a personal identification number (PIN), with 67% of the cards having that option available. This is up from 50% last year and 35% two years ago. However, loss and theft protection features are declining. Although 62% of cards have some form of loss and theft protection (most likely offered on e-cards), it has declined from 72% and 68% the past two years.

Consumers who use their gift cards for regular purchases may not have to worry about a zero balance at the register. 64% of the cards are now reloadable, up from 60% last year and 52% two years ago. There continue to be limitations as to where and in what form cards can be reloaded. E-cards are not always reloadable, and some gift cards can only be reloaded in-store.

Additional findings:

- 67% of the cards are available as e-cards. 40 of the 41 cards available as e-cards require an email or phone number to purchase.

- 87% permit online balance check for gift card and/or e-card version, down from 92% last year but the same as 87% two years ago.
- Purchase fees remain rare, with just 13% of the cards having any type of purchase fee, unchanged from last year and down from 17% two years ago.

Bankrate.com analyzed the terms and conditions of 61 widely-held gift cards September 12-23, 2016.

In addition, Bankrate.com commissioned Princeton Survey Research Associates International (PSRAI) to survey consumers regarding their gift card habits. PSRAI obtained telephone interviews with a nationally representative sample of 1,000 adults living in the continental United States. Interviews were conducted by landline (500) and cell phone (500, including 299 without a landline phone) from October 20-23, 2016. Statistical results are weighted to correct known demographic discrepancies. The margin of sampling error for the complete set of weighted data is plus or minus 3.8 percentage points.

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