



Teens Welcome Gift Cards at the Holidays

Survey Indicates Teen Consumers are Growing Segment of Gift Card Market

DENVER (DEC. 18, 2007) - Teens are giving and asking for gift cards this holiday season. According to a pre-holiday survey by First Data Corp., a global leader in electronic commerce and payment services, 70 percent of teens who plan to buy gifts for at least one person are extremely, very likely or somewhat likely to buy gift cards during the holidays.

The study, which polled 767 consumers aged 13-18, indicates that gift cards are a popular gift choice by teens at the holidays. The average number of gift cards teen consumers plan to purchase is three with 26 percent of teens planning to purchase more gift cards this holiday season than last. Specialty retail stores (43 percent) and discount stores (40 percent) are the top locations where teens intend to purchase gift cards.

Friends and immediate family members will be the primary recipients of gift cards this holiday season with 55 percent of teens planning to purchase for a friend; 49 percent planning to purchase for a brother/sister; and 41 percent planning to purchase for a parent. One-third of teens (34 percent) intend to spend more than \$50 on gift cards with the average total spend being \$61.50.

"We already know that teens like receiving gift cards. What's interesting is our research shows that a large percentage of teen consumers are also buying gift cards for friends and family during the holidays," said Mark Herrington, President of First Data Prepaid Services.

In addition, the survey indicated that 56 percent of teens have gift cards on their holiday wish list. Top locations where teens would like to receive gift cards include specialty retail stores (70 percent); discount stores (51 percent); and open-loop gift cards that can be used anywhere (50 percent).

Methodology

This survey was conducted online within the United States by Harris Interactive® on behalf of First Data between November 26 and December 4, 2007 among 767 U.S. 13-18 year olds. Results were weighted as needed for age, sex, race/ethnicity, region, urbanicity, and highest level of parent education.

All sample surveys and polls, whether or not they use probability sampling, are subject to multiple sources of error which are most often not possible to quantify or estimate, including sampling error, coverage error, error associated with nonresponse, error associated with question wording and response options, and post-survey weighting and adjustments. Therefore, Harris Interactive avoids the words "margin of error" as they are misleading. All that can be calculated are different possible sampling errors with different probabilities for pure, unweighted, random samples with 100% response rates. These are only theoretical because no published polls come close to this ideal.

Respondents for this survey were selected from among those who have agreed to participate in Harris Interactive surveys. The data have been weighted to reflect the composition of the U.S. 13-18 year old population. Because the sample is based on those who agreed to be invited to participate in the Harris Interactive online research panel, no estimates of theoretical sampling error can be calculated.

About First Data

First Data Corp. is a leading provider of electronic commerce and payment solutions for businesses worldwide. With operations in 38 countries, First Data serves over 5 million merchant locations, 1,900 card issuers and their customers. It powers the global economy by making it easy, fast and secure for people and businesses around the world to buy goods and services using virtually any form of payment. The company's portfolio of services and solutions includes merchant transaction processing services; credit, debit, private-label, gift, payroll and other prepaid card offerings; fraud protection and authentication solutions; receivables management solutions; electronic check acceptance services through TeleCheck; as well as Internet commerce and mobile payment solutions. The company's STAR Network offers PIN-secured debit acceptance at 2.1 million ATM and retail locations. For more information, visit www.firstdata.com.

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