



1 In 4 Americans Redeem Loyalty Points for 8 Big Box Retailers' Gift Cards

National Gift Card Releases annual 2017 B2B Gift Card Data Showing Most Popular Gift Card Reward Options in U.S. Loyalty, Rewards, Employee and Incentive Programs

CRYSTAL LAKE, Ill., Feb. 27, 2017 – [National Gift Card Corp.](#) (NGC), a leading B2B gift card solution provider with more than 450 international plastic and digital gift card options, released its 2017 gift card report. The report summarizes redemption statistics for U.S.-based loyalty, reward, and employee programs in 2016. Key findings include the following:

- **Big Box is King:** The big box category remains at the top of the list for the second year in a row. 28% of total volume in gift card programs is tied to one of eight big box stores.
- **People Prefer Plastic:** 85% of the volume in gift card redemption is for plastic cards versus 15% for digital gift cards (eGift cards).
- **Top Ten physical gift cards chosen are:**
 - Walmart
 - Amazon
 - Target
 - Home Depot
 - iTunes
 - Kohl's
 - Various Gas Cards
 - Starbucks
 - Applebee's
 - Lowe's

Reflecting on the results, NGC President Eric Thiigs observes, "Participants in loyalty programs often gravitate towards rewards they can use to stretch family budgets. For instance, cards for shopping, dining, home or automotive needs that can be used for everyday essentials (or given as gifts to loved ones for the holidays or special occasions) make a difference to the household bottom line. The top gift card reward selections conveniently match consumer desires to save money."

This latest analysis also found plastic gift card redemption doesn't appear to be going away anytime soon. While slowly rising in popularity each year, eGift card redemption still accounts for less than 15% of B2B gift card volume compared to 85% for physical gift cards.

"There's a substantial population of Gen X and Baby Boomers who prefer to redeem their points, miles and cash back rewards for physical gift cards. More Millennials select eGift card rewards, but there is also some digital backlash as end-users experience eCard technology issues, training gaps at the point of sale, confusion with mobile wallets, or even fraud," said Thiels. "The world is digital, and loyalty programs will need to continue evolving to provide choices for both physical and digital reward options, but physical gift cards will continue to be perceived by many to be the safest and most universal option for years," he concluded.

Other 2016 findings include:

- Biggest Gift Card categories with the largest redemption increase from 2015 to 2016:
 - Travel 39%
 - Sports & Wellness 35%
 - Department Stores 25%
- Gift Card categories with the biggest volume losses from 2015 to 2016:
 - Entertainment 10%
 - Gas 7%
 - Home Improvement 3%
- Walmart is the most popular plastic gift card reward option
- iTunes is the most popular digital gift card reward option
- Open Loop prepaid reward cards from VISA, MasterCard, and American Express accounted for 25% of B2B incentive volume
- Biggest category increase: Department Stores rose two rankings
- Biggest category decrease: Home Improvement dropped two rankings

The above statistics were generated by monitoring gift card purchases from thousands of corporate clients in the loyalty, rewards and incentive markets generating several hundred million dollars in B2B gift card volume in the United States.

A specific breakdown of gift card category sales for 2016 can be found in the graphic that accompanies this article.

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About National Gift Card Corp.: National Gift Card Corp. (NGC) is the leading marketer and supplier of gift cards for use in loyalty, incentive and rewards programs. The agency offers a wide variety of retail, restaurant and open loop prepaid cards along with secure online ordering, distribution, fulfillment services, a Gift Card API and in-house gift card experts ready to help with each client's or merchant's specific objectives. NGC operates across the U.S. and Canada. NGC also operates in the United Kingdom and across Europe as NGC Corp. Europe, Ltd. NGC is headquartered in Illinois. To learn more about NGC, visit <http://www.ngc-group.com> or call +1.888.472.8747.

Cutline: 2016 National Gift Card category sales based on thousands of loyalty, reward and incentive corporate purchases.

