

# The Perfect Gift Card: An Exploration of Teenagers' Gift Card Associations

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## ABSTRACT

**This study provides new insights into the meaning and value of gift cards in gift exchange among teenagers who gave and/or received gift cards during the Christmas/Hanukkah season. From their reflections of the reasons for giving gift cards and their feelings about receiving gift cards from others, the social roles played out in buying gift cards as a gift selection strategy are assessed and the values associated with gift cards explored. The results suggest that givers playing the roles of acknowledger and pleaser are heavy gift card givers when buying gifts for difficult recipients. Acknowledgers incorporate gift cards into existing strategies for gift selection (especially “settle,” “pawn off,” and “buy relationship affirming gifts”), but for pleasers, buying gift cards may be part of a new gift selection strategy—“play it safe.” Importantly, although gift cards can reflect economic, social, and functional value, the giving of gift cards seems to result in a new form of value for the recipients—the value of choice, which occurs when the control over gift selection is transferred from giver to receiver.**

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## INTRODUCTION

The giving and receiving of gifts are of great consequence in virtually all forms of society. Indeed, for many, not even a month passes without a gift exchange. Gifts are frequently used to mark rites of passage (such as a graduation, wedding, or the birth of a child) and to acknowledge relationships with important others on designated gift-giving occasions (such as Christmas, Valentine's Day, and birthdays). According to the National Retail Federation, 87.7% of people purchased two or more gift cards during the 2007 holiday season. The average consumer spent \$122.59 on gift cards. All told, gift card sales reached over \$26 billion.

Why have gift cards become a highlight of retailer promotions and wish lists alike? Cards are not your mother's gift certificates of old. Gift certificates didn't gain the same degree of popularity in the marketplace that the gift card format has achieved. Because gift cards, unlike gift certificates, are frequently sold like other products—visibly displayed in stores—there is a strong and positive point-of-purchase effect. The display of gift cards serves to remind consumers that a gift card is an option—and a good one for many consumers. Gift certificates, in contrast, have never been merchandised in the same way gift cards are today. Rather, they are basically “hidden.” The consumer must approach a salesperson or sales counter and request a gift certificate; then the salesperson digs around in a cluttered drawer behind the counter to find one.

Merchandising is a key factor in the popularity of gift cards. Gift cards can be personalized with images and music. They can be co-branded. They can be enhanced with small, complementary gifts like a small body lotion packaged with a gift card to a bath store. Eco-gift cards can be planted after redemption, resulting in homegrown flowers from the gift card waste. Circuit City created gift card CDs. Retailers are still exploring the many ways gift cards can be tailored to appeal to consumer tastes (Warren, 2008).

The literature has depicted several patterns of behavior found in gift exchanges. For instance, the nature of gift exchanges varies depending upon the intimacy and strength of the relationship in question (Belk, 1979), the perceptions of giver and receiver identities (Belk, 1979), and the perceived importance and periodicity of the gift-giving situation (Wolfenbarger, 1990). The nature of a gift exchange may also be influenced by norms. These include the norm of gift-giving to mark and develop relationships in a social network (Caplow, 1982; Ruth, Otnes, & Brunel, 1999), the norm of marking major life events with the giving of gifts (Schwartz, 1967), the norm of reciprocity (and “balanced reciprocity”) (Belk & Coon, 1993), and the norms guiding acceptable gifts, such as the perceived inappropriateness of cash gifts for most situations (Belk & Coon, 1993). The perceived value of gifts exchanged and the meaning that value conveys about the relationship in question (Larsen & Watson, 2001; Bodur & Grohmann, 2005) has also been a topic of study as well as the gift selection strategies givers use (Otnes, Lowrey, & Kim, 1993). Yet, despite the growth of gift cards in recent years, no known studies have investigated this phenomenon as it relates to gift exchange theory.

Are there certain relationships that tend to rely upon the exchange of gift cards over other gift options? For those who give gift cards, why did they choose that option when selecting a gift? For those who received them, how did they feel about receiving a gift card rather than something else? Can this information be integrated to evaluate the value and meaning of gift cards? This study explores

these questions and provides new insights into the gift exchange process by examining both the value and meaning of gifts within an important consumer segment—American teens.

Teens are widely recognized as an influential consumer segment, both for the purchases they make themselves and for purchases over which they exert indirect control. Teens are frequently noted as a source of influence on family purchases. In addition to the gifts they select for others, they also influence the gifts others select for them by vocalizing their material wants, including using such strategies as “wish lists.” Given this influence and the many forms of relationships teens are likely to maintain (parental, friendship, romantic interest, familial), teens make an ideal segment for studying the meaning of gift cards in gift exchange. The study includes the perspective of teens as both givers and receivers.

## BACKGROUND

### The Value of Gift Cards

Why are gifts given? The very notion of gift giving is predicated on the gift holding some form of value. Value is a perception, of course, subject to the characteristics assigned by the giver and the receiver. Larsen and Watson (2001) identified four forms of value gifts may hold: economic, functional, social, and expressive. Reviewing these forms of value will be useful during the investigation of the meaning of gift cards among teens.

***Economic Value.*** A gift has economic value when its meaning or importance derives from its monetary value or some related concept such as perceived scarcity of the resource. This form of value is consistent with the economic model of gift exchange (Teigen, Olsen, & Solas, 2005; Larsen & Watson, 2001; Belk & Coon, 1993; Sherry, 1983). When gifts hold economic value, the desire for balanced or negative reciprocity is of key concern for members of the gift dyad (Larsen & Watson, 2001; Belk & Coon, 1983; Sherry, 1983). Curasi (1999) noted that, though economic value is related to gift value and meaning, it is not the typical driver of gift exchange. Wolfinbarger (1990) emphasized that it is not surprising in a modern, well-developed consumer society for gifts to have largely lost their economic importance. Larsen and Watson (2001) concurred with her assessment when they concluded that economic value was of limited use for understanding gift-giving behavior. Still, Camerer (1988), taking an economic view of gift giving, suggested that givers should give gifts of money rather than attempt to guess the wants of the intended recipients. Given that most Western societies hesitate to consider monetary gifts as appropriate, it is clear that givers have not adopted Camerer’s position. Park (1998) confirmed this view in her depiction of normative gift-giving behaviors in the United States and Korea. Koreans gave functional gifts, especially cash gifts, more frequently than did Americans.

This social norm inhibiting gifts of cash may help explain why gift cards are now a frequently selected gift. Givers may prefer to give a monetary gift (and receivers prefer to receive money) but elect to give gift cards because they are a socially acceptable alternative. If gift cards are simply the acceptable way to give gifts of money, one would expect participants in gift card exchanges to associate gift cards with their assigned monetary value.

**H1:** Economic value will be strongly associated with gift card gifts.

**Social Value.** Taking a social exchange approach rather than an economic one, gifts are recognized as a medium for transferring social value (Larsen & Watson, 2001; Belk & Coon, 1983). An individual associates social value with gifts that facilitate relationships between the giver and receiver. In other words, the gift's value is in establishing and maintaining social bonds between the giver and receiver. That said, there is likely a relationship between the perceived social value of a gift and the gift's economic value. For instance, Areni, Kiecker, and Palan (1998) found that males use the economic value of a gift as an indicator of the value of the relationship. In such instances, a gift's economic value is tied to its perceived social value.

Social value also may be linked to specific gift-giving occasions. Givers may attempt to maximize the social value of gifts for important situations of low periodicity (Wolfinbarger, 1990). To a considerable extent, the social value expressed will hinge on the nature of the relationship between the giver and receiver. For instance, to "stroke" relationships of strength and intimacy, givers may enhance the social value of a gift by giving something that surprises the recipient, symbolizes the relationship, or is unique and unusual (Areni, Kiecker, & Palan, 1998).

Givers may also use gifts as relationship maintenance devices for people with whom they have weak ties (Ruth, Otnes, & Brunel, 1999). In this case, the weakness of the tie may be reflective of a familial relationship characterized by little personal interaction and/or common interests and tastes. Givers may give gifts to others with whom they have weak ties when there is a strategic value to enhancing or maintaining the relationship in question. For instance, gifts to a colleague may stem from the value of the alliance rather than friendship or collegiality.

Social value, as a primary motivation for any gift exchanges of both weak and strong relationships, is likely to be reflected in gifts of gift cards. Thus, the second hypothesis anticipates that gift cards will be recognized as carrying social value.

**H2:** Gift cards will be recognized for their social value.

**Expressive Value.** Social value is differentiated from expressive value in that a gift's social value is based on its ability to symbolize the relationship of those involved in the gift exchange, whereas expressive value is tied to the gift's ability to relay some element of the giver's identity to the receiver via the gift itself (Larsen & Watson, 2001, p. 894). A gift holds expressive value when it reminds the recipient of the giver. The gift is meant literally as an extension of the giver's identity (Belk, 1979). Belk and Coon (1993) noted that expressiveness is a key function of gifting under the agapic love model. Curasi (1999) described how end-of-life possessions are given for their expressive value. Her depiction of the encoding of meaning by givers of cherished possessions richly portrays the power of various items, when given as gifts from one to a specially chosen other, to extend the life and interactions of the relationship itself. Because gift cards are temporary by their very nature, it is unlikely that they could be encoded with expressive value.

**H3:** Gift cards will not be associated with expressive value.

**Functional Value.** The final form of gift value is functional value. Larsen and Watson (2001) drew upon the definition of functional value espoused by Sheth, Newman, and Gross (1991) to describe it as “the perceived utility acquired from an object’s capacity for functional, utilitarian, or physical performance.” The functional value of gifts is rarely considered in the literature and is thought to act as a complement to some other form of value rather than to serve as the dominant value offered by a gift. For instance, a giver may use a gift exchange opportunity to provide social support to someone. This occurs for many gift occasions associated with life events like the birth of a child. Expectant parents receive gifts that will be used for the care of the new baby, such as a stroller or crib. These gifts have social value in that they recognize the relationship between giver and receiver but also have functional value in that they have a utilitarian purpose and meet a specific need facing the recipient.

Interestingly, Teigen, Olsen, and Solas (2005) found that recipients prefer functional gifts to other options. In fact, recipients preferred monetary gifts (which could be thought of as the ultimate functional gift in that the money can be applied to any need), but givers felt bound to gift conventions that discourage gifts of money. In their study, givers chose a gift voucher to transfer money in a gift-appropriate manner. They also noted that recipients were empathetic to the challenges faced by givers seeking to give a gift that will be received enthusiastically by the intended recipient. Because gift cards may be perceived to be “as good as cash,” givers and receivers are expected to recognize their functional value.

**H4:** Gift cards will be associated with functional value.

## Gift-Giving Roles and Strategies

It is very likely that the perceived gift value is determined—at least in part—by the role the gift giver is playing when selecting the gift itself. Otnes, Lowrey, and Kim (1993) established six social roles that givers may express to receivers through their approach to gift giving: pleaser, provider, compensator, socializer, acknowledger, and avoider. Underlying their work is the notion that people give gifts that are consistent with their social roles relative to the intended gift recipients. Within each role, givers draw on various strategies as coping mechanisms as they choose gifts for easy and difficult recipients. Drawing upon interviews and shopping trips with the informants, Otnes, Lowrey, and Kim (1993) framed the characteristics for each role and the gift-giving strategies used. Table 1 provides a summary of these roles and strategies.

**The Role of Pleaser.** Gift givers adopt a pleaser role for those recipients who are special to them: “The objective for pleasers was to select a gift they believe the recipient would like” (Otnes, Lowrey, & Kim, 1993: 232). The *pleaser* was the most frequently identified of the six gift-giving roles, according to Otnes, Lowrey, and Kim (1993). When following a gift selection strategy, pleasers tend to “buy what they [the recipients] want” and “make gifts” for easy recipients. They use “latch on” (latch on refers to identifying a possible gift—possibly one that was successful in the past—and insisting upon that gift as the “answer”) and “buy what I like” strategies when selecting gifts for difficult recipients.

Would pleasers choose to give a gift card? Some may suggest that pleasers would intentionally avoid giving a gift card because they would seek out something more

**Table 1. Social Roles and Selection Strategies Used in Gift Giving\***

Role	Strategies for easy recipients	Strategies for difficult recipients
Pleaser	(1) Buy what they (the recipients) want; (2) Treasure-hunt	(1) Latch on (2) Buy what I like
Provider	(1) Buy throughout the year (2) Buy many gifts	None
Compensator	(3) Buy fun gifts (4) Buy multiple gifts (5) Make gifts	(1) Latch on (2) Negotiate
Socializer	(1) Buy what I want them to have	None
Acknowledger	None	(1) Buy on impulse (2) Buy relationship-affirming gifts (3) Make gifts (4) Buy for joint recipients (5) Buy with someone (6) Pawn off (7) Use lateral cycling (8) Settle
Avoider	None	None

\*Adapted from Otnes, Lowrey, and Kim, 1993).

personal and unique for an intended recipient. Ultimately, though, pleasers tend to give gifts that recipients want, regardless of their own view of the gift's desirability—at least for “easy” recipients. When givers are faced with choosing a gift for a difficult recipient, though they would prefer to buy what the recipient wants, they may instead buy what they [the givers] would like. This phenomenon has been observed by Belk (1979), Sherry and McGrath (1989), and Wolfenbarger (1990). Assuming that gift cards are thought of as desirable gifts to receive, pleasers should choose gift cards as a means of fulfilling their role by “buying what the recipient wants” and “buying what the giver likes.”

**H5:** Pleasers will use gift cards to fulfill the strategy of “buy what the receiver wants” for easy recipients.

**H6:** Pleasers will use gift cards to fulfill the strategy of “buy what the giver likes” for difficult recipients.

***The Role of Provider.*** The *provider* role, as described by Otnes, Lowrey, and Kim (1993), is characterized by buying gifts that the recipient needs rather than what is desired. For instance, a mother might buy a gift of socks (or other such practical items) for her teenage son. Providers tend to “buy throughout the year” and “buy many gifts.” Otnes, Lowrey, and Kim (1993, p. 234) use the phrase “I want to take care of your needs” to capture the gift selection approach used by providers. Providers may play their role as a way of offering social support to others. As noted in the earlier discussion of functional value, social support is related to the utility of a gift. Consequently, providers are more likely to be givers of gifts

with functional value. Because gift cards have become a ubiquitous offering at all sorts of retail environments including grocery stores, gas stations, coffee bars, and e-commerce sites, as well as traditional merchandisers, they are ideal devices for fulfilling a provider's desired role.

**H7:** Providers will use gift cards to fulfill the strategy of “give what the receiver needs.”

***The Role of Compensator.*** The *compensator* seeks to make up for some disappointment or loss felt by the gift recipient. The loss or disappointment may or may not be directly related to the gift giver. Because this role is a hybrid of the pleaser and provider roles, many of the gift selection strategies are similar to those already discussed. Compensators use the following strategies: “buy fun gifts,” “buy many gifts,” and “make gifts” for easy recipients, and “latch on” or “negotiate” (negotiate occurs when the difficult recipient doesn't want to allow the compensator to successfully execute the role) for difficult recipients. For instance, Wolfenbarger (1990) described a husband who gave many gifts to his wife because he felt she didn't watch out for her own wants and needs sufficiently. As in this case, compensators may tend to help those who are perceived as misers when it comes to fulfilling their own wants and desires, and/or those who are overly generous when addressing the wants and desires of others. To the extent that gift cards are available for products that would please or help an intended recipient, “buy gift cards” could be a strategy used by compensators. However, it is possible that the highly transferable nature of gift cards could make them undesirable as gifts. Individuals who neglect their own needs might transfer the gift card to a third party rather than enjoy the gift themselves.

**H8:** Gift cards are an unlikely strategy for fulfilling the role of compensator.

***The Role of Socializer.*** The *socializer* attempts to use a gift as an opportunity to condition or change the recipient in some way. For example, an aunt may give books to a niece in the hopes that she will benefit intellectually from reading. Socializers always use the same gift-selection approach: “Buy what I want them to have.” It is possible that gift cards could be used as a gift solution by socializers. For instance, the aunt described above might purchase a Barnes & Noble gift card as a gift for her niece. However, it is not in the basic nature of the socializer to do so. This proposition is based on the very motivation of socializers—to ensure control of the gift recipient through the choice of gifts. Not only do socializers control what they spend on a gift, the specific item chosen, and its transference to the gift recipient (as do all gift givers), socializers seek to control *the recipient* (or at a minimum, some component of the recipient's behavior) by virtue of the gift. Because a gift card effectively transfers the gift selection power from the giver to the receiver, it would be surprising to find evidence that socializers use gift cards to fulfill their roles.

**H9:** Socializers will not use gift cards to fulfill the gift-giving strategy, “buy what I want them to have.”

***The Role of Acknowledger.*** The *acknowledger* gives a gift out of a sense of obligation. The sense of obligation may stem from the social norm of balanced

reciprocation or from the desire to recognize the relationship that exists with the intended gift recipient. These recipients are perceived as difficult in terms of gift selection simply because the gift giver may not know the recipient very well. In other words, acknowledgers have weak ties to the intended recipient but feel they must offer a gift to acknowledge the relationship. Horne (2007) described this market of gift givers as those who feel obligated but lack the internal motive to dedicate time and effort to finding a gift.

Otnes, Lowrey, and Kim (1993, p. 237) identified several gift selection strategies used by acknowledgers: “buy on impulse,” “buy relationship-affirming gifts,” “make gifts,” “buy joint gifts,” “buy with someone,” “pawn off,” “use lateral cycling,” and “settle.” Relationship-affirming gifts are those that reference something about the relationship between the giver and the recipient. Citing Sherry (1993), Otnes, Lowrey, and Kim (1993, p. 237) explain why “make gifts” is a strategy used by acknowledgers: “. . . for nonsignificant others, good gifts probably should be consumable or intangible; they disappear rather than linger in the recipient’s life.” The strategy “pawn off” refers to the reallocation of gift selection responsibility by the giver in question. Givers who pawn off will delegate all or portions of the gift selection, search, purchase, and distribution processes to others (Otnes, Lowrey, & Kim, 1993, p. 238). The “settle” strategy also enables gift givers to minimize their efforts. Those who settle will budget the amount of resources (time, effort, money) they are willing to invest in a gift for the intended recipient and then select an acceptable gift that minimizes use of those resources. Acknowledgers, more so than any other social role, are expected to be givers of gift cards. This is because of the ease and efficiency associated with the selection, wrapping, and distribution of gift cards. In particular, gift cards are strategically consistent with the “settle” strategy used by acknowledgers.

**H10:** Acknowledgers will use gift cards to fulfill their gift selection strategies.

The current study was developed to explore the relationships between the value of gift cards, gift-giving roles, and the likelihood of using gift cards in a gift exchange by testing the hypotheses presented above. Specifically, this study sought to learn whether the use of gift cards could be attributed to the manifestation of social roles and strategies and the value and meaning associated with gift cards.

## METHODS

Although most empirical research in the area of gift exchange has used qualitative inquiry, this study involved a survey design including both open-ended and categorical-response questions. Data were collected using a Web-based survey immediately following the holiday season. This timing enhanced the respondents’ ability to recall specific gifts exchanged and their evaluations of the gifts they received. The recency of this major gift occasion (in that many consumers participate in gift exchanges during the month of December) offers a substantial advantage, as does examination of the same gift occasion studied by Otnes, Lowrey, and Kim (1993). However, the use of a single gift occasion limits the study in that it eliminates the opportunity to assess the applicability of any findings across various gift occasions. Most studies in the gift exchange literature have allowed participants to describe gift exchanges for a variety of occasions.



**Table 2. Demographic Characteristics of Participants (n = 1191).**

Gender		Ethnicity	
Female	64.0%	African American/Black	7.2%
Male	36.0%	Biracial/Multiracial	1.5%
High School Class		Asian/Asian American	8.5%
Sophomore	14.0%	Caucasian	70.0%
Junior	53.0%	Latino	6.5%
Senior	33.0%	Other	5.2%
Region			
Northeast	3.4%	Southwest	13.1%
Middle States	12.0%	Midwest	26.5%
South	25.5%	West	19.5%

The survey allowed for the investigation of the exchange of gift cards, the social roles of givers, and the meanings associated with these exchanges. Participants were asked to report whether they had given and/or received one or more gift cards, the amounts of gift cards given and received, the relationship with the giver or receiver, and the type of store affiliated with the gift cards in question. Open-ended questions in the survey provided detailed insights into the perceptions associated with the exchange of gift cards.

Content analysis of the responses to open-ended questions allowed for studying whether gift card giving is reflective of one or more of the social roles proposed by Otnes, Lowrey, and Kim (1993) and the forms of value associated with gift cards. Consequently, codes were assigned a priori based upon descriptions in the literature for the social roles, the strategies for gift selection used by each of the social roles, and gift values. The social roles and applicable gift selection strategies proposed by Otnes, Lowrey, and Kim (1993) are summarized in Table 1. New codes were established for responses that did not fit an existing gift selection strategy. When comments could not be clearly assigned to one of these categories, the coders discussed the comments until agreement on the assignment was reached.

Survey participants were members of a nationwide panel of college-bound high school students. In total, 1191 members participated in the survey. Table 2 presents a summary of participant characteristics.

## RESULTS

The analysis explored the extent to which givers of gift cards used this device as a strategy for performing a specific social role and the forms of value associated with the gift cards by both givers and receivers. Survey participants were first asked whether they gave or received gift cards during the holiday season. Forty-three percent of the participants indicated they had given a gift card and 71% indicated they had received a gift card. The number of gift cards given and received varied widely. A summary of findings for both giving and receiving gift cards are presented next.

## Giving Gift Cards

Of those teens who gave gift cards, 39% reported giving more gift cards than in the year before, 30% gave the same number, and 20% gave fewer. The gift cards were generally for relatively small amounts; 49% gave a gift card valued at \$25 or less. These participants were asked to indicate how the monetary amount spent on the gift cards they gave compared to what they would have spent on something else. The majority (55%) reported spending the same amount, whereas 16% reported spending more, and 8% reported spending less. The remaining givers said it varied depending upon the intended recipient.

Who are the recipients of gift cards from teenagers? Primarily their peers—47% reported giving a gift card to at least one friend. Gift cards also served as gifts for siblings (24%), parents (19%), and other family members (27%). Interestingly, only 7% of participants reported giving a gift card to a romantic interest. The specific items represented by the gift cards varied widely including coffee and food, clothing and accessories, entertainment, and several other product categories. Surprisingly, 94% purchased the gift cards they gave in a physical store environment; only 3% bought gift cards online.

Overall, the gift card-giving behaviors did not vary by gender. However, a significantly higher percentage of females (52%) than males (38%) indicated they gave gift cards to their friends. Comparisons by ethnicity revealed that teenagers of Asian/Asian American and Caucasian ethnicity gave significantly more gift cards than did African American and Latino teens.

The teens indicating they gave gift cards were asked why they selected a gift card rather than something else. Their responses indicate that the notion of “difficult recipients” resonated with participants who chose to give gift cards. Of 450 comments from givers of gift cards, 34 comments specifically identified using a gift card in order to address the need to purchase a gift for a difficult recipient. Further, the content analysis suggested that 64.2% of the gift card gifts reported were associated with selecting a gift for a difficult recipient, whereas easy recipients were reflected in just 35.8% of comments. Some comments implied difficulty by acknowledging that the gift card enabled recipients to get something they would want. The challenge of buying for difficult recipients was most commonly associated with gift selection for a person that givers did not know very well but to whom they were expected to give a gift.

## Receiving Gift Cards

Gift cards were a very popular gift for teenaged recipients during the holiday season. Almost three-quarters of the participants (71%) reported they received at least one gift card. Among those who received gift cards, 37% received the same number of gift cards during the previous year, 23% received more, and 28% received fewer. Parents are prominent givers of gift cards; 39% of participants reported receiving a gift card from a parent. Gift cards were also received from grandparents (30%), friends (26%), and siblings (14%). Only 3.2% received a gift card from a boyfriend or girlfriend.

## Values Associated with Gift Cards

Participants’ responses suggest that gift cards can and do transfer some forms of value just as other gifts do. The results of the content analysis provide support

for the economic, social, and functional value of gift cards. As expected, there were no comments to support the use of gift cards as a carrier of expressive value (H3). Most striking in the results is the prevalence of a form of value not previously identified in the literature—the value of choice.

**Economic Value.** Gift cards were thought to be valued primarily for their economic value because of the clear monetary value associated with a gift card and the ease of using them to purchase other items. Comments provided by gift card recipients indicate that they understand it is the monetary value of the gift cards that enables them to use the card to purchase other things. And some recipients, as evidenced in the comments below, associate economic value with the gift cards.

- “I like gift cards like this because it is like free money that you have to spend.”
- I appreciate [gift cards] because I wanted to buy a new cell phone and the two \$50 gift cards for Best Buy will enable me to accomplish that sooner.”
- “You can get more for your money [with the gift card] on after-Christmas sales.”
- “It’s the same as getting money.”

Still, economic value was not as prevalent as expected given that gift cards carry a defined cash value. Of the 556 comments that dealt with perceptions of value, only 6.1% (34 comments) indicated perceptions of economic value and economic value was found less frequently than any other form with the exception of expressive value. Table 3 provides a breakdown of the proportion of comments associated with each value type. A test of proportions indicated that a significantly higher percentage of comments were associated with other forms of value identified. Thus, although one might suggest that some will associate economic value with gift cards, gift cards are not primarily used as an “acceptable” way to give a cash gift. Despite the clear dollar value of gift cards, these findings support previous gift exchange research concluding that economic value is not the primary form of value assigned to gift cards.

Thaler (1999) offers one possible explanation for gift cards’ lack of association with economic value. He explained that gift certificates are typically assigned to

**Table 3. Values Reflected in Gift Cards as Gifts.**

Value	% of Comments (556) reflecting gift values
Economic	6.1%*
Social	13.1%*
Expressive	0.0%*
Functional	22.0%*
Choice	58.8%*

\* A test of proportions indicated significant differences (significant at the 0.000 level) in the proportion of comments associated with each value. The value of choice was identified significantly more often than any other value, followed by functional value, social value, and economic value. There were no associations of expressive value with gifts of gift cards.

different mental accounts from cash. Cash gifts are perceived as serious and useful for applying to serious needs, whereas gift certificates are designated for splurges. Consequently, receivers may be more inclined to attribute other forms of value to gift cards. Support for Thaler's position is seen in this quote: "I like gift cards because it is like free money that you have to spend. If I get cash, I am very conservative about spending it, but with a gift card I know I can get things that I want."

**Social Value.** Hypothesis 2 predicted that gift cards would carry social value, acting as relationship maintenance devices or to enhance a relationship when there is a strategic reason to do so. Recipients will recognize the social value of gift cards when they are offered by a giver with weak ties to the recipient. Many participants referred to receiving gift cards from people they didn't see frequently or people who didn't know them that well. This suggests that social value was at least a motivation for the giver to offer a gift. Presumably the motivation for the gift exchange was predicated on the desire to sustain or acknowledge the relationship. Based on their comments, participants appear to have understood that the gift exchange occurred for this reason. The percentage of comments reflecting gift card value, 13.1% (73), indicated social value, offering some support for Hypothesis 2. Tests of proportions showed that social value was associated with gift card gifts significantly more often than was economic value (and expressive value which was not identified all by participants), but less so than other forms.

- "I don't see my uncle/godfather very often as he lives far away. Therefore, he doesn't know me very well and we both prefer to let me pick out what I would like through a gift card. I look forward to receiving it every year."
- "We are second cousins and I don't get to see her often. She is also quite a few years younger than me and so it would have been difficult for her to buy something more personal."
- "If my girlfriend had gotten me a gift card, I probably would have been insulted; I don't care about the money, I care about the thought. But with my parents, I know that they simply wanted me to get something I would actually read. So it's a fine line."
- "I prefer receiving gift cards that I am able to use from people who do not know me as well. From friends, I like to receive personal items."
- "If someone isn't close to me and doesn't know what kind of style I like, a gift card is great because I can pick out my own things. If someone—like a parent or best friend or boyfriend—knows what I like, I would like it more if they went out and bought something for me rather than give me a gift card."

An interesting finding with respect to social value and its intent on maintaining and building relationships is the small percentage of gift cards given or received by those in a romantic relationship. It appears that in at least one strong tie situation—romantic interest—gift cards are rarely given. Only 7% of the survey respondents reported giving gift cards to a boyfriend or girlfriend. This lends support to the idea that gift cards can carry social value, but more so for relationships that are weak ties.

**Expressive Value.** There is no evidence from the content analyses that teenage recipients recognize expressive value in the receipt of gift cards. In fact, some

comments suggest gift cards could *not* hold expressive value. One respondent wrote, “When I buy myself something with the card, I’m thinking only about myself and not the person that gave me the card.” Thus, Hypothesis 3 is supported by the results of the content analysis.

**Functional Value.** Participants identified the usefulness of gift cards to buy things they needed—whether for school, work, or daily life. Indeed, of the four values initially proposed, the functional value was the most frequently affiliated with gift cards (22.0%, or 122 comments, significant at the 0.00 level). Although the gift card’s utility stems from its monetary value, there is clearly a functional association attributed to some gift cards. The following quotes illustrate the support found for Hypothesis 4:

- “It was something that my sister knew I would use a lot. I was very happy about receiving it.”
- “I was happy to receive a gift card I could buy food with.”
- “I got an iPod Nano, so I liked being able to download songs right away.”
- “The gift card was given to me so I could buy audio/lighting equipment for my job. I could buy with it what I needed.”

In summary, Hypotheses 1–4 examined whether gift cards were associated with the specific values commonly transferred in gift exchanges. Of these, functional value was found most frequently (in 22.0% of the comments), followed by social value (13.1%), and then economic value (6.1%). There was no evidence that gift cards carry expressive value. The remaining comments related to value (58.8%) reflected a new category of value, the value of choice. Indeed, as shown in Table 3, the proportion of comments associated with choice was significantly higher than any other value category. This value form was not anticipated at the outset of the study and consequently has no associated hypothesis.

**The Value of Choice.** Though not among the value forms previously identified, the most common value theme (58.8% of value-related comments) associated with gift cards stemmed from the transference of the power of choice from gift giver to recipient. Interestingly, the value of choice and control is to some extent parallel with the goal of “finding the perfect gift,” which is often held in common by both givers and receivers. The phrase “getting exactly what I want” was used time and time again by the respondents. In essence, the gift card provides the mirror image of the perfect gift because it results in the recipient receiving exactly what he or she wants.

- “I could pick out exactly what I wanted.”
- “It would be too difficult to expect someone to get the exact model of electronic gadget I wanted. Asking for a \$50 gift card is less difficult than [asking for] a 2 gigabyte SanDisk MicroCruzer USB Flash 2.0 in silver.”
- “It’s a great way to make sure the receiver gets exactly what they want.”
- “I can buy what I want and know that it is the right thing.”
- “With a gift card, you can go somewhere to get what YOU want and the person that’s giving the gift doesn’t have to stress over getting ‘the perfect gift.’”

Although this is an important aspect of the power of choice—the fulfillment of wants—there appears to be a deeper level of fulfillment instigated by the giving of a gift card. Specifically, teenagers associate receiving a gift card with empowerment and freedom. The revelation that gift cards are akin to free choice is consistent with Bristol and Mangleburg’s (2005) study of teenage consumption behaviors. They found that teenagers engage in consumption behaviors that allow them to exert independence.

- “The gift card allowed me to go in, at my leisure, and get exactly what I wanted. It says, ‘I want to empower you to get the right gift.’”
- “I like gift cards because they allow me to get whatever I want . . . They give me freedom of choice.”
- “I had the freedom to decide what I got out of the money invested into my gift.”
- “It keeps me in control.”
- “I wanted to choose my own clothes and accessories and other items.”
- “I wanted freedom in choosing what I wanted.”
- “I have a better time picking out gifts for myself than others picking them out for me.”

### **Gift Cards as a Strategy for Fulfilling Social Roles**

Respondents who indicated they gave at least one gift card during the holiday season were asked to describe their reasons for choosing a gift card for the gift recipient.

The results of a content analysis of 427 responses suggest that buying gift cards is a strategy used to fulfill some, though not all, of the social roles described by Otnes, Lowrey, and Kim (1993). Gift card givers are primarily pleasers and acknowledgers, but there is evidence of givers in the other roles offering gift cards, though to a lesser extent, as well. Table 4 provides the frequency of gift-giving roles reflected in this dataset. Some of the selection strategies first proposed by Otnes, Lowrey, and Kim (1993) were reflected in the selection of gift cards; however, buying gift cards appears to serve as a specific strategy in its own right among those playing the roles of pleaser, provider, compensator, and acknowledger. Table 4 also includes the percentage of comments reflecting the use of specific strategies within each gift-giving role. An expanded discussion of these findings is provided below.

### **Pleasers**

As described by Otnes, Lowrey, and Kim (1993), pleasers seek to bring joy to recipients. Some givers knew that the intended recipients wanted a gift card, so selecting the card as their gift fulfilled the strategy “buy what the receiver wants.” Of the 292 gift card givers categorized as pleasers in this study, 19.5% of the comments reflected buying for an easy recipient, by simply buying what that person wanted (a gift card!). The results provide support for Hypothesis 5, which anticipated pleasers would use this strategy.

**Table 4. Gift Card Roles and Social Gift-Giving Strategies.**

Role (% of roles reflected in 427 comments)	Strategies for easy recipients (% used by role)	Strategies for difficult recipients (% used by role)
Pleaser (68.4%)	Buy what the recipient wants (when what they want is a gift card)—19.5%*	Play it safe (by buying gift cards)—80.5%*
Provider (2.3%)	Buy gift cards (for specific things the recipient needs)—40.0%*	Buy gift cards (at places where there are likely things the recipient needs)—60.0%*
Compensator (2.3%)	Buy gift cards that are specifically for the recipient's use and pleasure**	Buy gift cards that are specifically for the recipient's use and pleasure**
Socializer (0.2%)	None	None
Acknowledger (26.5%)	None	Buy gift cards <ul style="list-style-type: none"> <li>• To affirm relationship—1.8%*</li> <li>• To pawn off—24.7%*</li> <li>• To settle—73.5%*</li> </ul>

\* Indicates significance at the 0.000 level.

\*\* For compensators, the strategy of buy gift cards was indistinguishable for easy and difficult recipients; all 10 compensators used this strategy to compensate a deserving recipient.

- “I wanted the recipient of the card to get exactly what they wanted.”
- “I knew my friend’s favorite number was 2, and she never carries money around and is always leaning on me to buy her Starbucks; so I got her a card for \$22.22 and it was a big hit.”
- “She loves Starbucks. She loves coffee in general and enjoys chocolate covered espresso beans. There were a lot of choices for her to use her gift card at Starbucks and I knew she would be happy with something from the store.”

Based on the earlier work of Otnes, Lowrey, and Kim (1993), pleasers buying for difficult recipients would be expected to buy gift cards as part of a “buy what I would want” strategy. However, none of the explanations offered by respondents specifically identified the strategy of buying a gift card for a difficult recipient because it was something the givers would have wanted for themselves. Thus, there is no support for Hypothesis 6. Rather, the gift card appears to offer pleasers shopping for difficult recipients a new strategy.

Pleasers want to get a “good gift” for the recipient but struggle when they don’t know what to get. It seems that pleasers may know enough about an intended recipient to narrow the realm of possibilities to one or more specific store brands and/or product categories, but not enough to choose the precise gift that they feel confident would please the recipient. Numerous comments emphasized knowing what store or brand the intended recipient liked and using that information to choose an appropriate gift card. Respondents’ comments suggest that the gift card alleviates this quandary while enabling the pleaser to please. This strategy is termed “play it safe.” The percentage of pleaser comments reflecting a “play it safe” approach to gift selection was 80.5%.

- “My two little cousins love reading, and this way they can pick out the books themselves which they enjoy more.”
- “I was not sure what she would like, so I found out her favorite store and got her a gift card from there, so she can surely find something she likes there.”
- “My dad is hard to shop for, but I know he enjoys coffee. The gift card will allow him to splurge a bit.”

Pleasers who are playing it safe want to please the recipient with the gift but feel that choosing something specific is too risky. Again, this strategy is used with difficult recipients—people for whom the giver doesn’t know what to buy or has struggled with pleasing in the past. Consider these representative quotes from pleasers using the “play it safe” strategy:

- “Gift cards can be used for what that individual personally wants rather than taking a chance on getting something completely unwanted.”
- “The person is peculiarly difficult to shop for, so I opted for the gift card to escape any fire that I may have taken for not procuring the correct gift.”
- “I decided to play it safe and get her a gift card to one of her favorite stores.”

A cross-tabulation with chi-square statistic of pleasers vs. non-pleasers by gift strategy suggests that these patterns of gift selection are significant (Pearson chi-square 58.09,  $p < 0.000$ ).

## Providers

Providers may use gift cards as a way of fulfilling some need of the intended recipient, but the strategies vary from those identified by Otnes, Lowrey, and Kim (1993). Earlier research on providers suggested the use of “buy throughout the year” and “buy many gifts” for easy recipients, and no strategy specifically for difficult recipients. When giving gift cards, the gift card can be so tailored to the provider’s perceived need of the recipient that other strategies are unnecessary. The following quotes highlight how gift cards can help providers fulfill their role:

- “It would help with their money situation. They could get clothes or food, whatever they may need.”
- “My friend needed money to spend on art supplies.”
- “I felt that a gift card would be more useful. She is pregnant and, instead of getting her things she doesn’t need, I got her a gift card so she could get what she needed.”
- “My friend is living on her own for the first time, and I wanted her to be able to get anything she needed.”

That said, only 10 providers (2.3% of gift card givers) were identified in the dataset. This is significantly fewer than acknowledgers or pleasers, though on a par with the percentage of compensators identified. It is possible that teenagers are unlikely providers given their life stage and family position. In a sample of adults, there may be a higher proportion of providers giving gift cards. Further,



the gift selection strategy reflected in the comments is the same for both easy and difficult recipients—providers select gift cards that are useful for the recipient's need. Thus, Hypothesis 7 is supported with evidence that providers select gift cards as gifts, but the role, at least among teens, is uncommon. A cross-tabulation with chi-square statistic of providers vs. non-providers by gift strategy suggests that these patterns of gift selection are significant (Pearson chi-square 169.09,  $p < 0.000$ ).

**Compensators.** Compensators seek to compensate for a loss or disappointment felt by the intended recipient. In the study by Otnes, Lowrey, and Kim (1993), compensators used several strategies such as “buy fun gifts,” “make gifts,” and “negotiate,” among others. Negotiate may be a necessary strategy when the intended recipient seeks to prevent a compensator from giving a gift. Because gift cards are easily transferable, it was possible that compensators might not be predisposed to using gift cards, and this was supported in the data. Just 10 (2.3%) of the 427 giver comments were classified as compensators. The incidence of compensators in this sample was significantly less than that of pleasers or acknowledgers, though no different from that of providers.

For compensators, the strategy “buy gift cards” is a new strategy and one that appears to be successful in enabling the compensator to do something nice for the gift recipient. Whether for easy or difficult recipients, all compensators approached gift selection by selecting a gift card that “treats” the intended recipient. Again, this scenario did not represent a large portion of gift card-giving cases, which may suggest that buying gift cards is not a common strategy used by compensators and/or that most teenagers do not play the role of compensators—with or without the use of gift cards.

- “We figured it would be nice because she has two new babies. If we got her a gift card for anywhere else, she would spend it on the babies, but she can only spend the Victoria's Secret [gift card] on herself.”
- “I thought they would enjoy this restaurant and they deserved an afternoon or breakfast out.”

**Socializers.** Only a single comment contained evidence of the socializer role described by Otnes, Lowrey, and Kim (1993), a significantly lower proportion than that of any other role. Thus, there is support for Hypothesis 9, which anticipated that socializers would not utilize gift cards to fulfill their social gift-giving role. Socializers choose gifts that encourage the recipients to do what they (the givers) desire. Offering a gift card would mean the giver relinquishes a source of control over the receiver. Although the very definition of a socializer excludes the use of gift cards as gifts, it is also possible that the socialization role was not present because teenagers are more likely to be *targets* of socialization attempts than socializers themselves.

**Acknowledgers.** Hypothesis 10 stated that acknowledgers would be heavily present among gift card givers, particularly for the “settle” strategy (which involves minimizing the use of resources). Although pleasers made up the bulk of the gift card givers in this study (68.4%), a significant presence over that of acknowledgers, acknowledgers were the second most prevalent at 26.5% of givers. In terms of gift-selection strategies, acknowledgers used gift cards to

fulfill more gift-selection needs than any other social role. Specifically, acknowledger comments reflected the use of three strategic motivations, all fulfilled through the selection of gift cards: “affirm the relationship,” “pawn off,” and “settle.” The proportion of acknowledgers using each approach is reflected in Table 4.

As anticipated, the “settle” strategy was prominent among acknowledgers, reflected in 73.5% of gift selection stories for this role. “Pawn off,” noted in 24.8% of acknowledger comments, was also a strategic motivation for buying gift cards. The desire to “buy relationship affirming gifts” was noted in 1.8% of acknowledger comments. A cross-tabulation with chi-square statistic of acknowledgers vs. non-acknowledgers by gift strategy suggests that these patterns of gift selection are significant (Pearson chi-square 427.00,  $p < 0.000$ ). Thus, there is support for Hypothesis 10. Examples of how gift cards are relevant for these three strategies are presented in the sample comments below.

Interestingly, pleasers, providers, and compensators approach the selection of a gift card from the perspective of doing a kindness for the intended recipient. Acknowledgers may take this positive perspective, as in the case of buying relationship-affirming gifts, but the most prevalent strategies used by acknowledgers suggest a negative attitude toward extending effort in the selection of gifts (as in the case of the “pawn-off” and “settle” strategies).

Buying gift cards does appear to be a solution for acknowledgers who seek to settle and expend little effort and resources in their gift exchanges. This was by far the most prevalent reason cited by acknowledgers who chose to give gift cards. Acknowledgers who use the “settle” strategy want to minimize use of their resources (whether time, effort, or money). Responses suggest that this is a significant benefit of selecting gift cards.

- “It was the fastest, easiest thing to do.”
- “A gift card is an easy way to send presents all around the country. I must admit it is an easy way to get out of some difficult choices, but gift cards also provide that choice for the receiver of the gift.”
- “I was too lazy to go look for anything.”
- “It was the fastest thing that I could think of in the limited time I had.”
- “Christmas came too soon. I forgot about it and [the gift card] was quick and easy.”

Acknowledgers also use the “pawn-off” strategy by delegating some or all of the tasks associated with giving the gift to others. Gift cards are ingenious in that they enable the gift giver to pawn this effort off on the recipients themselves! It is clear in the third quote below that the giver has no intention of going to the trouble of seeking out additional information on the intended recipient’s current preferences in order to get the appropriate gift.

- “Because I didn’t know what else to get him, so I figured why not give him a gift card and let him go pick it out on his own.”
- “She hates everything I buy her. So I figured I would let her buy her own present this year.”
- “I don’t have their entire movie collection memorized, nor do I know what their latest movie interests are, so with a gift card they can go out and select the exact movie they want.”

Despite the substantial use of gift cards to minimize the efforts of acknowledgers in gift exchange, some acknowledgers do appear to use gift cards as relationship-affirming gifts. For instance, some respondents noted that the selection of a gift card could invoke a shared experience/memory. Remembrance of this special bond was an intended effect associated with the gift card.

- “The one I received this year was from my cousin, to Sephora. It was thoughtful of her because she took me to Sephora for the first time a few years ago and I loved it. It’s nice that she remembered this and thought to give me a gift card so I could personally pick out something from a store she knows I like, especially because you really can’t buy makeup/beauty supplies for another person.”
- “It was a joke, because she drank my entire milkshake from there the last time we were shopping together, so I gave her a gift card and told her to get her own milkshake.”
- “[The gift card] is for a very famous spot with my grandparents.”

To summarize, the results of the content analysis support the selection of gift cards as a strategy for fulfilling various social roles prevalent among gift givers. Table 4 summarizes the use of gift cards as fulfillment strategies (including the new strategies discovered in this data) and displays results of the significance testing. Gift cards are given by pleasers and acknowledgers primarily, but are also used by providers and compensators. Pleasers use gift cards to “buy what the recipients want” and to “play it safe.” Acknowledgers use gift cards to “settle,” “pawn off,” and “buy relationship-affirming gifts.” Providers buy gift cards specifically to fulfill a need of the intended recipient, and compensators buy gift cards that will serve as a treat for someone who deserves it (and cannot be used by the recipient for anyone else).

## Recipient Feelings and Gift Cards

The teens who received at least one gift card were asked how they felt about receiving a gift card rather than something else. With the prevalence of gift cards given to facilitate use of the “settle” strategy by acknowledgers, one might expect gift cards to be unwelcomed gifts. In fact, the desirability of gift cards is evidenced by how graciously they are received, for the most part, regardless of the social role that motivated their giving. Clearly, recipients (at least among this sample of teens) love getting gift cards! When asked how they felt about getting gift cards, the responses were overwhelmingly positive.

- “I think the gift card was a great idea; I love to receive gift cards!”
- “I like it because I can choose what I want.”
- “GREAT!!”

Even among negative quotes, the complaints dealt with gift cards that were surely given by acknowledgers following a “settle” approach. For example, the recipient may have known the gift card was used as a “settle” strategy because the gift card limited the recipient to a store where the recipient wouldn’t normally shop. Again, these represented a small fraction of the responses from participants who had received gift cards.

- “My aunt just sent all of the kids in my family gift cards to Best Buy. It’s nice, but it doesn’t really feel like she knows us at all.”
- “I would prefer receiving a real present because it shows that person really put thought into what I would like.”
- “I like it better than getting some crappy gift.”
- “I think gift cards suck. I’d much rather get cash and be able to spend it wherever I want.”

Teenage gift card recipients report that acknowledgers, particularly those who use a “settle” strategy, can be easily spotted. These comments hint that gift cards could be perceived negatively when the “settle” benefits for the giver are too transparent, as suggested in the following quotes:

- “I felt as if he sort of forgot to buy me something, so he just hopped out to Wal-Mart in order to give me something.”
- “I sometimes receive gift cards that seem, frankly, totally random. For example, my older brother’s girlfriend (who I love, don’t get me wrong) gave me a Victoria’s Secret gift card for no apparent reason.”

Respondents who received at least one gift card during the holiday season were asked to comment on how they felt about receiving gift cards instead of something else. Analysis of their comments suggests that gift recipients recognize many of the social roles that givers play. For instance, the first quote below illustrates that the gift card recipient recognized that her father was playing the role of pleaser. The other two quotes emphasize that the recipient recognized the effort and thoughtfulness of the gift card—two qualities commonly associated with gift selection by pleasers.

- “My dad knows I love Coffee Bean and bought me the gift card to support by coffee addiction.”
- “I know my aunt really worked hard to pick out something that applies to who I am.”
- “I really liked the gift card because it was to the Starlight Café and Bookstore, which is a business totally unique to my town. My friends and I go there a lot and we love it, so it was a really thoughtful gift.”

In addition, the respondents recognize when pleasers seek to “play it safe.” Apparently, teenagers are comfortable with this notion of playing it safe as the comments below emphasize that a gift card alleviates the potential of getting a bad gift from someone who doesn’t know their specific likes and dislikes well enough to choose the perfect gift.

- “My grandparents normally have trouble thinking of a gift for me, so every year they just ask me what store I want a gift card to. I like it because usually if they get me something else, it’s not something I like, because we have such different tastes.”
- “It was really nice. I can spend it anywhere that accepts Visa credit cards. It’s a lot better than some of the gifts that I could have received from

them! I wish my grandma would consider doing the same thing!!! It gets hard to shop for older kids as we grow up, but she insists on getting us the same Mickey Mouse pajamas!”

- “I don’t know this cousin too well, and so it was okay because this way she didn’t waste her money on something that I will never use.”
- “I asked for gift cards this year so that I could pick out my own gifts. No more disappointing (or just plain ugly) gifts that are just going to collect dust in my closet!”

Many gift card recipients appear to understand that the process of gift selection and exchange can be a stressful undertaking requiring a great deal of resources. The recipients expressed empathy for the gift card givers and pleasure that the resultant gift was something that was still valuable to them.

- “Most of my relatives live in other states. It is much easier for them to ship gift cards than to mail packages.”
- “Since I don’t see this person much, it was really more considerate of them, in my opinion, than spending money on something that I probably wouldn’t use. I appreciated it.”

In the following comments, the participants reveal that their family members were playing the role of provider:

- “I needed the gas card, because I’m always asking my parents for gas money. So, it was a welcome relief.”
- “My family gives me gift cards so that I can buy clothes for the year. It is sufficient to buy whatever I need for the year.”
- “I needed equipment for my job, but people don’t know exactly what type of equipment. . . I could buy what I needed.”

Interestingly, the responses suggest that, at least to some extent, the gift card recipients play social roles of their own in gift exchanges. Those who responded that they asked for at least one gift card during the holiday season were asked to comment on why a gift card was on their wish lists. A content analysis of the responses revealed that teenagers request gift cards from those who are likely to give them gifts in order to “play it safe,” and “minimize negative emotions.” It is interesting that givers who seek to please frequently choose to play it safe, and receivers are also largely unwilling to gamble on a more tangible gift. In essence, on both sides of a gift dyad, playing it safe is a common strategy.

- “People usually don’t get me what I want.”
- “I can use it whenever I want. I can get exactly what I want rather than taking a risk and letting them pick out something that I might not like or use.”
- “Otherwise, my presents would have sucked.”
- “I hate it when people waste money on stuff I know I won’t like.”
- “Although my siblings are good with electronics, my parents are awful. I can’t really trust them to buy the right thing.”

In addition, there is evidence that receivers sought to avoid negative emotions associated with the prestation (gift exchange stage) and reformulation (post gift exchange) stages of gift exchange. In the prestation stage, the giver and receiver make the exchange (Sherry, 1983). During reformulation, the recipient interacts with the gift by consuming or storing it or disposing of it in some way. Some comments suggested that recipients prefer gift cards as a method of minimizing the likelihood of experiencing negative emotions like guilt and discomfort during these two stages of the gift-giving cycle. This behavior is not entirely surprising. Wolfenbarger (1990) observed that people seek to avoid feelings of guilt that may be associated with norms of gift exchange. The following comments are consistent with Wolfenbarger's observation and suggest that gift cards are not only desirable because of the transfer of power from giver to receiver, but because they minimize negative outcomes associated with "bad" gifts:

- "I like gift cards because they allow me to get whatever I want instead of feeling guilty having to return something I would never use."
- "I don't know this aunt/uncle very well so I preferred a gift card that I could use to get whatever I wanted, as opposed to a gift that I would probably not use and not return because I don't want to hurt their feelings."
- "You can go out and buy something you like and not worry about hurting their feelings by not liking it."
- "It's an all around great way to make sure the receiver gets exactly what they want instead of acting happy when they actually are bummed out about the gift."
- "I can choose what I'd like without worrying about offending someone."

Ruth, Brunel, and Otnes (2004) investigated the emotions perceived during gift exchange and the effects of those emotions on the relationship between those involved in gift exchange. Building upon their previous work on gifts in the reformulation of relationships (Ruth, Otnes, & Brunel, 1999), they measured the extent to which specific emotions that may be experienced upon gift receipt are related to the relational outcomes of strengthening, affirming, negligible effect, negatively confirming, weakening, and severing. Given that negative emotions like uneasiness, sadness, and guilt are associated with negatively confirming and weakening relationships, it is possible that the teenagers who sought to minimize negative emotions by wishing for gift cards recognized the potential damage to the relationship in question that can be caused by negative emotions and sought to protect the relationship by minimizing negative emotions.

## CONCLUDING REMARKS

Given the values attributed to gift cards and their usefulness in solving gift-selection dilemmas for givers in a variety of social roles, it is not at all surprising that gift card sales have experienced enormous growth in recent years. This study found that gift cards express economic value, functional value, and social value, but not expressive value. Of these, social value is the most prevalent among teens, who clearly have been socialized to the norms of gift-giving expectations

and recognize the benefits of giving or receiving a gift card when participating in gift exchanges with weak ties. However, this study identified a new form of value—choice—that is unique to the characteristics of a gift card (and perhaps the teen recipient). Teenagers desire independence and control in their shopping. The gift card, by actively transferring control over gift choice from the giver to the receiver, meets this very basic desire.

Buying gift cards also fulfills several social roles, particularly for givers seeking gift ideas for difficult recipients. Pleasers and acknowledgers are the primary users of gift cards, though providers and compensators were also identified as givers of gift cards. Pleasers use gift cards to exact the strategies of “buy what the recipient wants” and “play it safe.” The “play it safe” strategy is a newly identified strategy that enables a pleaser to narrow the field of gift possibilities.

Acknowledgers use gift cards to affirm relationships, “pawn off,” and “settle.” The affirmation of relationships is consistent with the social value attributed to gift cards. It is interesting that the “pawn off” strategy is parallel to the desire of recipients to control their own gift selection. “Settle” is the strategy of efficiency. Because gift cards are easy to select, purchase, wrap, and mail, they are the ultimate gift choice for the “settle” strategy.

Not all strategies were consistent with buying gift cards, but this could change if the gift card is further developed. Acknowledgers and compensators, for instance, were identified by Otnes, Lowrey, and Kim (1993) as users of a “make gifts” strategy. Gift cards are not homemade gifts, but there is the potential to customize them to a greater extent than in the past. Gift cards can be customized with personalized greetings (such as “Happy Birthday, Tracy!”) and visual imagery (such as a photograph of the giver and receiver). Otnes, Lowrey, and Kim (1993) also noted that acknowledgers may use a strategy called “lateral cycling,” which refers to the transfer of some item the giver already owns to a receiver. This is another possibility for the development of the gift card phenomenon. Retailers may wish to promote the option of transferring the registration of a gift card to another individual. This would add value to gift cards as they could then be easily “re-gifted.”

While this study found that gift cards are valued gifts, especially for their ease and efficiency from the giver’s perspective and the transfer of control from the receiver’s perspective, gift cards did not illustrate the ability to share expressive value. This prompts the question, As gift cards grow in use, will they undermine the thoughtfulness and drive dedicated to finding the perfect gift?

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The authors would like to thank the reviewers for their insightful and constructive comments on this manuscript.

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