Not All Teens Love Gift Cards, So Choose Carefully

Teens and gift cards: Sometimes they'd just rather have cash

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Conventional wisdom holds that gift cards are the perfect present for picky teens. But not all teens agree.



FILE- In this Jan. 10, 2008 file photo, gift cards for various retailers are offered for sale at a... (AP)

Reasons include logistical hassles in using the cards, lack of interest in the store or brand, a preference for cash, or even a wish for something personal. Often the cards pile up unused, but some teens sell them for a portion of their face value or even create a black market and trade them for lunch money.

Allie Sakowicz, 16, of Park Ridge, III., says she has "a whole envelope of gift cards sitting on my desk." Her reasons for not using them are many: "You're not going to make a special trip to use a \$20 gift card to get something you didn't need in the first place. And a lot of the gift cards are for dollar amounts that don't really buy you anything at the store — \$20 is not going to buy you anything at Macy's."

Using them online is not always easy, either. "When you're online shopping, they don't always work or shipping is too high," she said. "And if you do use them, but not the full amount, then they're lying around because you have \$2 on them."

Karen Hoxmeier, founder of a shopping bargain website called MyBargainBuddy.com, points out that "most older kids want big-ticket items, such as iPods and laptops, things a \$20 gift card won't cover." She buys her teenager's unwanted cards at face value.

Pat McKenna, a mom in Kankakee, III., says her four daughters love gift cards, but a friend of the family, Annie Rockert, 18, does not. She has a half-dozen unused gift cards worth \$300.

"I get afraid of it not working or not having as much money on it as I thought there was," Rockert said. "People get them because they don't know what their kids want, but if it was me, I'd rather get something that I need, not a generic, 'Here, I don't know you well enough to get a gift, so here's a gift card.'"

McKenna said adults shopping for teens should simply ask: "Would you like a gift card, or would you like a surprise, or is there something that you need?"

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Joann Perahia, a mom in suburban Long Island, N.Y., says kids at a local high school where they can't go out for lunch until senior year have come up with a clever way to use unwanted cards. They're allowed to have food delivered, "so when someone is ordering and let's say the entree is about \$12, kids will give their \$25 Starbucks gift cards to pay the person who is ordering and laying out the money." she said.

Russell Hyken, a St. Louis psychotherapist who works with teens and has a website called TeenParentingExpert.com, says adults may be reluctant to give kids money because "they think the kid will spend it on something inappropriate. Giving \$50 to a kid who may be engaging in risk-taking behavior allows them to engage in that behavior."

On the other hand, he said, "I've had clients who get gas cards, who stand at the gas station and say, 'I've got a \$25 gas card, can you give me \$20 for it?'"

He agreed with McKenna that "parents should have a conversation with kids to find out what they really want." He acknowledged that it's not always easy talking to teens — "the parents say to me, 'My kid doesn't want to talk to me'" — but a casual chat in the car or on the way to school might be a good opportunity. Adults can also add a personal dimension to a gift card by offering to take a kid to the store and make a day of it.

"Or instead of giving kids gift cards, say, 'I want to go to the mall with you,' and give the gift of time. Nothing bonds a family better than a little retail therapy," he added.

Some kids buy gift cards from others for a portion of the face value. A number of websites have formalized those transactions, buying gift cards for up to 90 or 92 percent of face value, then reselling them to the public for up to 30 or 40 percent off, depending on the site.

Rezart Bajraktari, 21, who founded Giftah.com with two other students at the University of Waterloo in Ontario, Canada, says "there's a generation gap when it comes to gift cards. A lot of students end up with gift cards for Christmas from aunts, uncles, grandparents for things they can't use," like gift cards for a bookstore, but not the store where they buy textbooks. Or they'll get a gas card "when a lot of students tend not to have a car. They need money for groceries or rent."

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One 14-year-old sent in a \$500 gift card someone had given him for Harley-Davidson. "He really liked motorcycles, but he needed money for the movies and video games," Bajraktari said.

Anton Tsai, 27, founder of another site, Cardpool.com, said he started the site partly because he had accumulated a lot of Barnes & Noble and Borders gift cards. Indeed, the site has many booksellers' cards available, but Starbucks cards "will be sold within five minutes," he said.

Tracy Tuten, a professor marketing at East Carolina University in Greenville, N.C., has studied teens and gift cards and says the relationship between them is complicated.

Most teens say they prefer gift cards to other types of gifts, because they like the freedom to pick what they want, she said. But she found teens were also astute about categorizing gift card-givers' motives, identifying several types, including the acknowledger, "who just needed to acknowledge that I exist and didn't want to invest any of their own time, so they gave me a Visa card they picked up in Walmart"; the provider, who seeks to buy a card for something the person needs, like college textbooks; the socializer, who "thinks I ought to be doing this, and forces it on you with the gift"; and the compensator, often a step-relative or far-away grandparent who feels guilty. On the plus side, there's the pleaser, "the person who really cares about me and wants to make me happy."

Tuten says her teenage children say they want gift cards, but she recently found an unused stack of them from a long-ago birthday.

Some parents turn those abandoned cards into gold. Honor Lassalle of Brooklyn, N.Y., says she collects her teenage boys' cards after they've forgotten about them, "and then I use them to buy their holiday presents."

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