

# Gift Card Return on Investment

*Profit per location worksheet based on annual sales of 500 gift cards*



Revenue	
Avg. Card Value of \$38 x 500	= \$19,000
Ticket Lift \$10 x 500: <i>(Customer spends more than value of card)</i>	= \$ 5,000
<b>Total Sales</b>	<b>\$24,000</b>
Cost of Goods Sold @ 50%	-12,000
Gross Profit	= \$12,000
10-12% breakage <i>(cards never redeemed)</i>	+ 2,400
<b>Net Revenue</b>	<b>\$14,400</b>

## First Year Program Costs

Cards	=	
Terminal Equipment	=	
Card Load Fee	=	75
Monthly fee	=	150
Card Transaction Fees	=	
\$ _____ X 1,750*		

*\*based on 3.5 transactions per card*

**Total Annual Cost** - \_\_\_\_\_

**Total 1<sup>st</sup> year profit** \$ \_\_\_\_\_

## Sample R.O. I.

Investment	
500 Custom Cards	= \$500
Card Load Fee	= \$ 75
Card Transaction Fee	= \$ 35
Monthly fee	= \$ 150 (\$12.50/mo)
<b>Total First Year Cost</b>	<b>\$760</b>

Return	
Avg Card Sale	= \$19,000
Ticket Lift	= \$ 5,000
Cost of Goods Sold	-12,000
First Year Program Cost	- 760
10% Breakage	= \$ 2,400
<b>Total Profitability</b>	<b>\$13,640</b>

*Costs and Fees used above are for demonstrative purposes only*