Teacher Answer Key

Case Study

1. Amari finds more than $60 spread across half-used or forgotten cards. That unspent value shows how gift card balances can be left unused—classic gift card breakage.

2. People mentally separate gift cards from cash, treating them as "extra" or "found" money. That makes it easier to ignore small leftovers or delay using them, which benefits retailers when balances are never redeemed.

Multiple Choice

1. D

2. C

3. A

Matching

1-E, 2-D, 3-B, 4-C, 5-A

Fill-in-the-Blank

1) cost, 2) credit, 3) breakage

Short Answer (Sample Responses)

Q1: Customers often treat the card as "free money" and are more willing to upgrade to pricier items, add extras, or ignore their normal budget, so a $25 card might turn into a $40 purchase with the customer paying the difference.

Q2: Helpful to customers: generous return policies reduce the risk of buying the wrong size or item and encourage more confident gift shopping. Costly for retailers: they must process returns, discount seasonal items, and handle extra labor and storage, which cut into profits.

Q3: Examples: list all cards and balances in a notes app and set reminders to use them; combine small leftover balances on lower-priced items instead of letting them sit; plan a specific shopping trip dedicated to using cards; or track balances after each purchase so you don't forget a few dollars remaining.