



**Strictly embargoed until: 00.01hrs Tuesday 15<sup>th</sup> December, 2009**

## **STRIKE ACTION OFF, BUT DAMAGE DONE AS CONSUMERS CUT BACK ON CHRISTMAS CARDS**

- **Damage done: 15% of consumers cutting back on Christmas cards as a result of recent strike action<sup>[1]</sup>**
- **Royal excuse: consumers prompted to cut back on amount spent on cards and stamps, strike people off their list and limit cards to hand-delivery only<sup>[1]</sup>**
- **No alternative: less than a third of consumers (32%) think that e-cards and texts are an acceptable alternative to Christmas cards – only 5% think they're better than paper cards<sup>[2]</sup>**
- **Big business: Christmas cards account for £324 million or 43% of the total number of cards sold in the UK annually<sup>[3]</sup>**
- **Charitable relief: sale of charity Christmas cards estimated to raise £50 million for good causes<sup>[3]</sup>.**

New research out from uSwitch.com reveals that 15% of consumers are cutting back on Christmas cards this year as a result of earlier postal strikes<sup>[1]</sup>. Even though pre-Christmas strikes have now been postponed until the New Year, the move came too late to prevent consumer confidence from nose diving, showing how quickly damage can be done.

The uncertainty has made consumers re-think their card-sending habits. As a result just over one in ten (15%) have decided to shorten the list of people they send cards to, cut back on the amount of money they spend on cards and stamps or to just stick with cards that can be hand-delivered<sup>[1]</sup>. Whether their custom can be won back again next year remains to be seen.

However, there is still a strong sense of tradition around the act of sending cards. Even with the prospect of strikes, 58% of people were still going to take their chances with the post while a further 21% believe that sending cards is an essential part of their Christmas festivities<sup>[1]</sup>.

While email and texting is seen as a suitable alternative to sending letters, especially in the business world, it's not seen as such an acceptable alternative when it comes to sending seasonal greetings. Less than a third of consumers (32%) think e-cards are OK and only 5% of these think they are better than paper cards<sup>[2]</sup> – hardly a ringing endorsement.

Not only will this be music to Royal Mail bosses' ears, but the greetings card industry and charity sector can also take heart. Strikes would have hit Christmas card sales this year, but they could also have hit future sales too by pushing more people to move to e-cards or texts, or to even break with tradition entirely. The potential loss of revenue could have been devastating as Christmas cards account for £324 million, or 43 per cent of the total number of cards sold in the UK annually<sup>[3]</sup>.

Over a quarter of people (28%) spend £5 - £10 on Christmas cards in total, while two in ten (20%) spend between £10 and £15. Over one in ten (13%) spends between £15 and £20. Consumers also spend generously on charity cards – 34% of those who buy them spend between £5 and £10<sup>[4]</sup>. In fact charities estimate that £50 million<sup>[3]</sup> is raised for good causes through the sale of charity Christmas cards each year.

According to the findings, 19% of consumers only buy charity Christmas cards, while 57% buy a mixture of charitable and non-charitable cards<sup>[5]</sup>. So far this year, charitable organisations have reported mixed fortunes in Christmas card sales. Mental health charity Mind and Cancer Research UK say Christmas card sales are down on last year, but others such as Barnardo's and British Heart Foundation have seen income from cards rise, despite the recent postal strikes<sup>[6]</sup>.

**Ann Robinson, Director of Consumer Policy at uSwitch.com, says:** “These findings show the speed with which consumers can react and change their habits. We have a long history of sending cards in this country and the threat of strikes was potentially going to deliver it a hammer blow.

“The good news for consumers is that with the strikes postponed it's now business as usual – they can send Christmas cards without worrying about it. However, the postal action could now take place in the New Year and this is really bad news for consumers who could see important bills delayed or go missing. The New Year is a difficult time financially for most of us without credit card or energy bills going missing. I would urge anyone who thinks they could be affected to contact their provider to see if they can pay by direct debit. Not only will this be more convenient, but it can also earn you discounts on household bills such as energy and could prevent late payment charges on credit cards.”

For more information visit [www.uSwitch.com](http://www.uSwitch.com) or call 0800 093 06 07

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**An ISDN line is available for radio interviews. For further information please contact:**

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**Notes to Editors**

uSwitch.com Consumer Opinion Panel research was conducted between 18 – 25th November, 2009 amongst a sample size of 3,367 adults.

1. In response to the question: 'Will/have the postal strikes changed your Christmas card habits this year?' 15.4% made up of: 3.4% - yes, I will not bother with cards that need to be posted this year, 4.1% - yes, it will be a good excuse to stop posting cards to people I'm no longer really in touch with, 4.8% - yes, it's a good excuse to cut back on the amount I have to spend on cards and stamps, 0.8% - yes, I will not be bothering with cards at all this year and 2.3% - yes, I'm going to send online e-cards and texts this year instead.
2. In response to: 'Are e-cards (online electronic cards you send through email) and texts an acceptable alternative to paper Christmas cards?' 23.9% said not at all, 39.8% said they may suit some people, but not me. 27.7% said I don't mind them and 4.7% said I think they're better than paper cards.
3. <http://www.greetingcardassociation.org.uk/info-resource/market-info/facts-and-figures>
4. In response to two questions: 'How much do you usually spend on charity Christmas cards?' and 'How much do you spend on Christmas cards in total?'
5. In response to: 'Do you usually buy charity Christmas cards?' 19% said yes – they only buy charity cards, 57.4% buy some charity and some non-charity cards, 17.9% don't buy charity cards and 5.7% don't buy any Christmas cards.
6. <http://www.thirdsector.co.uk/Channels/Fundraising/Article/970376/winning-losing-charity-Christmas-card-sales/>