

Click to unwrap: More retailers are letting customers send digital gifts this holiday season

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It's Christmas Eve, you still have gifts to buy, and as the hours tick by, your options grow thin.

Anything you order online won't arrive in time. A [gift](#) card feels impersonal. You're skeptical that something picked primarily because it was in stock at a retailer open late on a holiday will be a hit, and don't want to saddle the recipient, or yourself, with the hassle of returning a slapdash gift.

This year, more retailers are giving desperate last-minute shoppers another option - e-gifts.

After choosing an item to give on a retailer's website, a gift-giver can send a message by email, text or Facebook message inviting the recipient to "unwrap" their present. The customer doesn't have to know the size, color, or even home address - the recipient provides all that information. If the recipient doesn't like it, the giver never has to know - the gift's value can be applied to something else.

Like gift cards, which more than half of consumers plan to buy this holiday season, e-gifts are procrastinator-friendly and reduce the risk of guessing wrong on size or style. But unlike the ubiquitous [gift card](#), which can be grabbed while in line at the supermarket or printed from a home computer, e-gifts are designed to let givers show they put in at

least a bit more thought.

Nordstrom, Macy's and American Giant have offered e-gifting options for at least a year. But more retailers have joined the bandwagon within the last year, including Target, Lilly Pulitzer, Vera Bradley and Gap's Banana Republic and Athleta divisions.

"People don't necessarily know what size their friends or family fit in, or what flatters them. Fit isn't just size, but how they like it to fit, which can be very personal," said Noam Paransky, senior vice president of digital at Gap. "This gives the gift-giver the option of choosing something they think would be great or want to share, but they can give without the concerns around having to make those decisions."

The concept seems to be catching on with last-minute shoppers, said Loop Commerce CEO and co-founder Roy Erez, who is working with several retailers to provide the GiftNow service. About 40-50 percent of all gifts bought through GiftNow are purchased within a day of their intended delivery, he said.

But while digital gifts can eliminate some of the barriers to last-minute buying and hassles of dealing with returns, they're not entirely seamless.

Givers can see whether an item is in stock when they purchase it through GiftNow but can't reserve a specific item. If the item has sold out by the time the gift is delivered, the retailer will provide a credit equivalent to the gift's value. Erez says that's rarely an issue in practice, since most recipients claim gifts quickly.

Prices also can change by the time the recipient opens the gift, especially during the promotion-heavy holiday season, and policies vary by retailer.

If the gift goes on sale after the giver purchases it, the recipient will get a

credit for the difference at Target and Athleta, while Neiman Marcus says it will refund the giver. If the price goes up post-purchase, Nordstrom says the recipient can choose to cover the difference, or accept a gift card for the amount the giver initially paid, while other retailers say they will let the recipient claim the gift without paying more.

Liz Ladner, 57, of Western Springs, who recently bought her daughter a digital gift at Oakbrook Center's Athleta store, considered it a "win-win." "I get to personalize it, and if she changes her mind, she has that option," Ladner said.

But Lynn Hare, 54, of Oak Brook, was skeptical when told the gift would be unveiled to its recipient as an image on a smartphone or laptop. "Eew. That's not nice," Hare said. "That's like something a college boyfriend does."

E-gifts should help stores reduce returns since most people do a better job picking out items for themselves than other people, said Bobby Stephens, a senior manager in consultancy Deloitte Digital's retail practice. Some retailers limit the items available for e-gifting, suggesting it could be used to nudge customers to relatively high-margin products or away from those that are selling out, he said.

"I think it's a holiday wish for retailers that it will catch on," Stephens said.

A new version of the GiftNow service being tested in 10 Athleta stores this [holiday season](#), including one at Oakbrook Center, lets customers who buy an e-gift take home a square purple card. When the recipient unwraps the card and visits the website address on the back, the selected gift is shown.

Store manager Lisa Stasch said she could see it being popular with customers who don't want to risk guessing wrong. "I believe it will be a big sell for men, especially as it gets closer to the holidays," she said.

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