



Rich Lister's tech venture cashes in on gift card boom

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Rich Lister shopping centre billionaire Shaun Bonett has boosted his stake in the nation's biggest virtual gift card group, Prezzee, which has benefited from surging sales as the pandemic drives more consumers online.

Mr Bonett's Precision Group, which owns regional shopping centres in South Australia and Queensland, now holds 85 per cent of the company after buying shares from the group's founders Claire Morris, Matt Hoggett and Stuart O'Brien.

The trio, who set up Prezzee in 2015, retain 15 per cent. Prior to the deal, the founders had 45 per cent and Precision owned 55 per cent.



Shopping centre billionaire and online shopping investor Shaun Bonett. **Steven Siewert**

Mr Bonett is pushing ahead with a global expansion of the business, which includes capturing booming growth for buy now, pay later services by offering white label cards for Afterpay, Zip, Klarna and Lay-buy.

Prezzee recently launched Afterpay's gift card loyalty program in the US. Former Afterpay director Cliff Rosenberg is a Prezzee director. Prezzee's technology overcomes the hassle consumers faced by losing or forgetting their gift cards when going to the shops. But it also captures a growing trend for consumers to shop online, for both gift giving and purchases. Via its app, consumers can buy, send and store eGift cards from a range of retailers.

It also sells a Smart eGift Card allowing the gift recipient to choose from a suite of big-name retailers they want to spend their gift card with.

Mr Bonett said a forced shift in consumer spending driven by the COVID-19 crisis was helping drive demand for Prezzee's Smart eGift card. It has accelerated a shift already occurring through online shopping growth and a trend for consumers to make more environmentally friendly choices.

The gift card market is worth about \$6 billion and Prezzee claims to hold a 5 per cent share. Other providers include global tech giants eBay and PayPal.



Prezzee chief executive Tony Karp expects the company to issue about 4.5 million cards this year.

Former David Jones chief operating officer and Prezzy chief executive Tony Karp is spearheading Prezzy's global expansion following a 400 per cent surge in revenue in fiscal 2020 after issuing 2.7 million digital gift cards in Australia, compared to 500,000 last year.

Mr Karp expects Prezzy to issue about 4.5 million cards in Australia this financial year.

“The sustained Australian business growth has given us enormous confidence to focus on replicating that success in key offshore markets, starting with the US,” Mr Karp said.

“We have a unique view into consumer and corporate gifting trends before it is apparent out in the market, allowing us to refine both our product offering and our platform and tap into what our customers need.

“Our strength is our technology – we’ve created a simple experience for our own customers and retail merchants and it underpins the white-label product we offer to our whole suite of buy now, pay later and rewards partners.”

Precision Group, which owns Adelaide Central Plaza and MacArthur Central in Brisbane, has been an investor in Prezzy since 2016 when it injected funds into the company to complete the Prezzy App.

It boasts more than 130 retailers with a range of big-name groups joining the service since March including Bonds, Seed, Country Road, Witchery, Sheridan, Lorna Jane, French Connection, General Pants and Deliveroo.

Mr Bonett said sales for gift cards for Father's Day this year trebled compared to a year ago, leaving Prezzy with record-breaking revenue eclipsing sales in the lead-up to Christmas last year.