

# Prepaid cards set for holiday take-off



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Press Release Author: [Virgin Money](#)

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**Press Release Summary: Pre-paid cards are set to take a major slice of holidaymakers annual spending on plastic this year as tourists bid to keep summer spending under control, Virgin Money believes.**



Press Release Body: Over £20 billion\* spent on plastic overseas by UK travellers each year, **Virgin Money** says

Worries about the soaring cost of living and rising debts will boost the popularity of the cards, which enable customers to spend overseas and withdraw money but not to run up debts, **Virgin Money** says.

Currently up to 40 pre-pay cards are available on the market with more providers expected to launch over the coming months.

**Virgin Money analysis\*\*** shows average one-off application fees for the cards are £7.08 with some firms charging as much as £19.95. However customers also need to be aware of monthly fees.

Around 40% of providers charge a monthly fee to users ranging from £1 to £5.95 while customers also need to take into account fees on spending and overseas use when budgeting for holiday spending. Typically debit and credit cards charge handling and commission fees for overseas usage which can add up to as much as £5.95 for a £100 withdrawal.

**Virgin**, which was among the first to launch into the market with its Pre-Paid MasterCard in July last year, has already seen strong interest from customers and expects the market to continue to grow.

**Virgin Money spokesman Grant Bather** said: *"Everyone needs to keep their spending under control as the credit crunch and soaring inflation take a big bite out of household budgets.*

*"Pre-paid cards remove the temptation to run up debt while you're on holiday as you can only spend the amount that is loaded on your card. They're a good discipline to get into to avoid the risk of the sun going to your head and burning up your bank balance on holiday.*

*"And they can be more secure to carry than cash as if you lose the card you can get a replacement sent out. Plus if you really do lose control of your finances relatives or friends can load the card up with emergency cash."*

The **Virgin Prepaid MasterCard** charges a £9.95 application fee but unlike other cards does not charge a monthly fee. Customers can load it up for free by debit card, at Post Offices or through a bank transfer. There's a 2.95% charge each time you use it in the UK rising to 3.5% when you use it overseas for transactions or to withdraw cash.

Customers also qualify for a range of discounts including 10% off at zavvi, first month free with **Virgin Media**, 10% off **Virgin Wines** (for over 18s), a free month's membership at **Virgin Active gyms**, 20% off at **Virgin Experiences** and 10% off **Virgin Car, Home, Pet and Annual Travel Insurance**.

To apply online go to <http://uk.virginmoney.com/virgin/prepaid-card/>

Notice to editors:

\*APACS

\*\*Virgin Money research

**Web Site:** <http://uk.virginmoney.com/virgin/prepaid-card/>

**Contact Details:**

**Phil Towers**

**Virgin Money**

**Discovery House**

**Whiting Road**

**Norwich**

**NR4 6EJ**

**01603215909**

**info@virginmoney.com**