



# February 2026

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GCVA  
Consumer Report

Vol.  
66



The GCVA is partnering with GlobalData to deliver a monthly snapshot of consumer behaviour and attitudes when it comes to gift cards. This report covers the 69th wave of monthly research, since GlobalData began tracking back in May 2020, with the initial research covering the period from the beginning of the lockdown (March 2020) to the end of May 2020.

The January fieldwork went to field on February 1st, 2026 and was designed to explore habits during the previous month, across a UK nationally representative sample of 2,000 shoppers.

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## Topline Takeaways

- Retail spend set to rise 2.4% in 2026, driven by inflation but with volumes in positive territory
- Gift Cards outperformed physical gifting over January
- Both physical and digital gift cards were popular options over January
- Single-brand retail gift cards outperformed
- Experience, leisure and gaming gift cards all had a strong start to the year
- UK consumers see gift cards as a medium for supporting local businesses

# Retail spend set to rise 2.4% in 2026, driven by inflation but with volumes in positive territory



Following a solid year of growth in 2025, solely driven by inflation with flat volumes, the retail market reached £464.7bn, rising 2.5%. We expect another robust year in 2026 with total retail spend lifting 2.4% and volumes turning positive for the first time since 2021, with both better volumes and higher prices contributing to total growth.

Consumer confidence remains low but is rising, with a clear divergence between younger and more affluent consumers feeling more positive and the less well-off still feeling the pinch of the cost-of-living crunch with little money left over each month to spend on non-essential retail. As a result, we once again forecast stronger growth in food and health & beauty in 2026, as essentials are prioritized. Food spend is forecast to rise 2.9% driven by inflation and health & beauty is set to be the standout sector yet again as shoppers continue to focus on their health and wellbeing.

## Online Channels

The online channel continues to outperform the growth of physical stores as retailers improve their propositions and focus on providing convenience for time-poor shoppers. In 2026 we forecast online spend will rise 3.7% to bring total online penetration to 28.3%. However, online penetration in non-food will be much higher reaching 41.2%, driven by electricals and clothing & footwear where the online channel is well developed. There is opportunity for strong growth in food online, forecast to be the fastest growing sector online in 2026 as the channel still only accounts for a small proportion of spend, estimated to be 11.5% this year. Grocers' investment in rapid delivery channels, such as Tesco's Whoosh will support growth this year as shoppers seek flexible options.

## Grocery Outlook

The food & grocery market is expected to grow 2.9% in 2026 with volumes remaining flat. We forecast food inflation will ease below 2025 levels yet will remain elevated before gradually softening, averaging around 2.9% for the full year. We expect grocers' focus will shift further into private label innovation to accelerate growth in fresh food categories and appeal to consumers looking for healthier alternatives and quality, amid rising prices.

## Clothing & Footwear Outlook

Following an improved performance in H2 2025 compared to the first half of the year, the clothing & footwear market is expected to return to growth in 2026, with spend rising 0.8%. Volumes are expected to also return to growth following three years of decline, growing 0.5%, as inflation subsides and consumer confidence improves leading to some feeling more able to make less essential purchases.

# Gift Cards outperformed physical gifting over January



The 33.4% of consumers that bought physical gifts, gift cards or made self-use gift card purchases over January 2026 was higher than January 2025 (30.5%). This increase was underpinned by strong purchase penetration growth for gift cards, with 17.4% purchasing compared to 15.9% in January 2025. At the same time, the proportion of UK consumers purchasing physical gifts saw a slight year-on-year dip (16.1% vs. 16.5%).

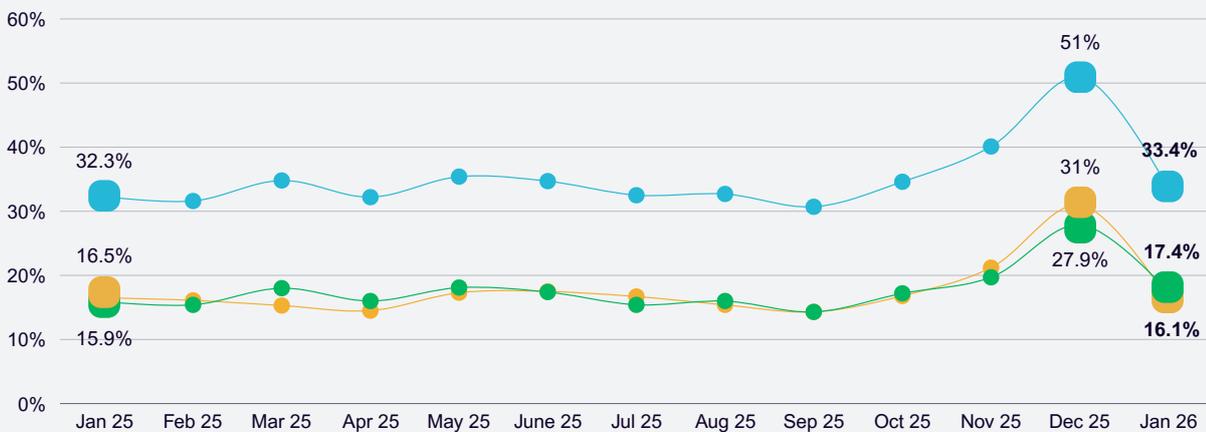
Despite a lack of major gift occasions, this increase in overall gifting purchasing is reflective of a broader recovery in household finances, which is finally feeding through to a tangible parallel improvement in consumer sentiment.

Despite a lack of major gift occasions, this increase in overall gifting purchasing is reflective of a broader recovery in household finances

Figure 1:

## Did you purchase any of the following:

- Gifts in any form (physical gifts or gift cards for any use)
- A physical gift for somebody else
- A gift card for somebody else



# Strong self-use purchasing over January



Following the festive splurge, January sees many consumers turn their attention towards savings and making their money go further.

8.5% of UK consumers said that

they purchased gift cards for self-use over January, which represented an increase compared to January 2025 (7.7%). This points to a to a greater degree of financial flexibility among UK consumers, amid improving household finances.

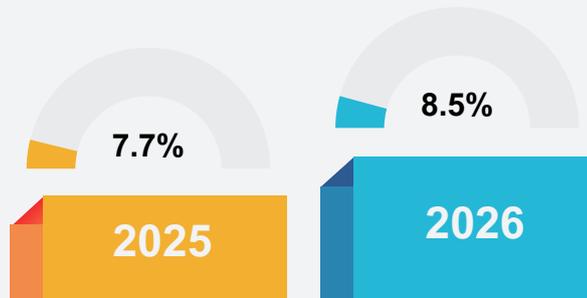
The proportion of those purchasing self-use cards that cited “to help with saving money” was at 54.1% over January 2026

Gift cards have both the potential to support consumers during or after periods of higher outgoings and, increasingly, in supporting shoppers looking for levers to help with saving and budgeting. Indeed, the proportion of those purchasing self-use cards that cited “to help with saving money” was at 54.1% over January 2026. Gift cards are also increasingly being used as the medium through which to make purchases. Over January, 27.6% of those purchasing for self-use did so because ‘it was the only way to purchase the products I wanted’.

Figure 2:

## Purchasing a gift card for yourself - January 2025 vs January 2026:

- January 2025
- January 2026



## Did you purchase any of the following:

- A gift card for yourself



# Both physical and digital gift cards were popular options over January



Physical gift cards purchased instore saw another strong performance over January. In addition to physical cards continuing to be viewed as more thoughtful gifting options, physical formats have benefitted from greater choice within physical stores, and the growing array of options in gift card categories such as entertainment, leisure, and gaming.

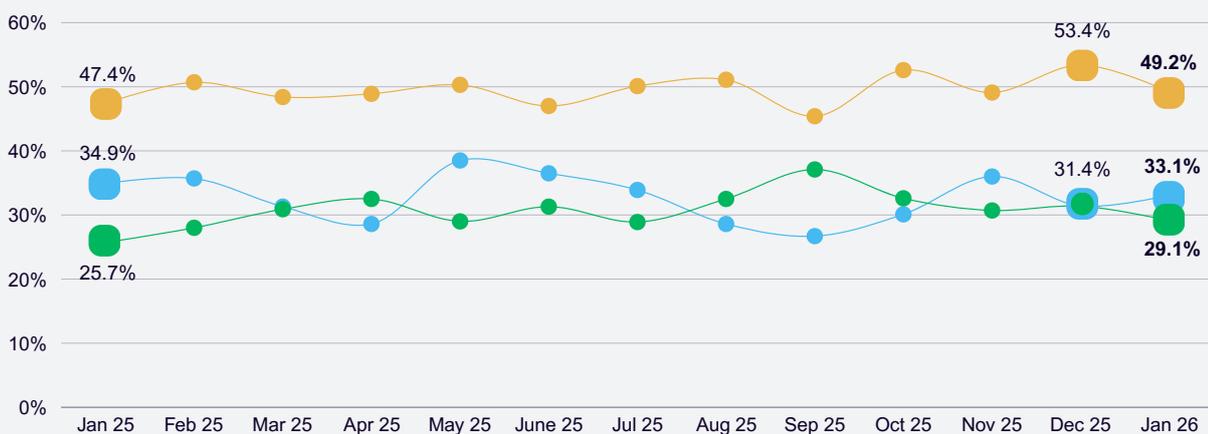
**Physical formats have benefitted from greater choice within physical stores**

When it came to online purchasing, a rising proportion opted for digital gift cards compared to last year, with physical cards purchased online experiencing a dip in comparison. Convenience is a key driver underpinning the outperformance of digital; 37.8% said they purchased gift cards to it being an easier option compared to buying physical gifts.

Figure 3:

## Which type of gift cards did you purchase?

- A physical gift card from a retailer/gift card issuer instore
- A physical gift card from a retailer/gift card issuer online
- A digital gift card from a retailer/gift card issuer online



# Single-brand retail gift cards outperformed



The proportion of gift card shoppers purchasing single brand gift cards (50.4%) increased compared to January 2025 (49.2%). During a month where there was a lack of mass gifting occasions, gift purchasing was more focused, and these cards continue to be viewed as more thoughtful gifting options.

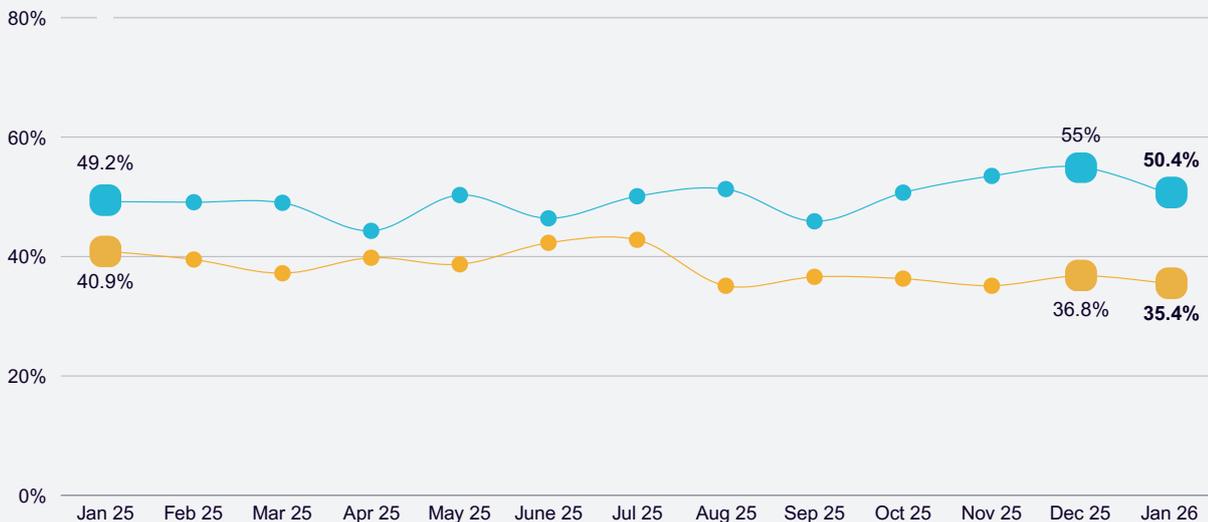
In contrast, following several months of outperformance, there was a year-on-year dip in purchasing of multistore gift cards (35.4% vs. 40.9%). Multistore cards have the potential to overcome lingering consumers concerns around the lack of flexibility that gift cards provide compared to other payment options. The challenge for these gift card types continues to be balancing the factors of not being too generic that it is considered unthoughtful of the gift-giver, with granting the recipient the freedom of spend within a range of retailers.

**During a month where there was a lack of mass gifting occasions, gift purchasing was more focused**

Figure 4:

**When purchasing gift cards (digital or physical), which types of gift cards did you purchase, either for yourself or someone else?**

- A retail gift card – a gift card for a specific high street retailer or a store branded gift card
- A multi-store gift card– a single gift card which can be spend in multiple retailers, brands, outlets or businesses



# Experience, leisure and gaming gift cards all had a strong start to the year



The proportion of gift card buyers purchasing experience, leisure, and gaming gift cards all increased markedly over January 2026 vs. January 2025. These card types benefitted from stronger demand due to being viewed as more thoughtful gifting options, particularly during a period of the year when many of mapping out their social activities and holidays. Demand was also boosted by an increase in

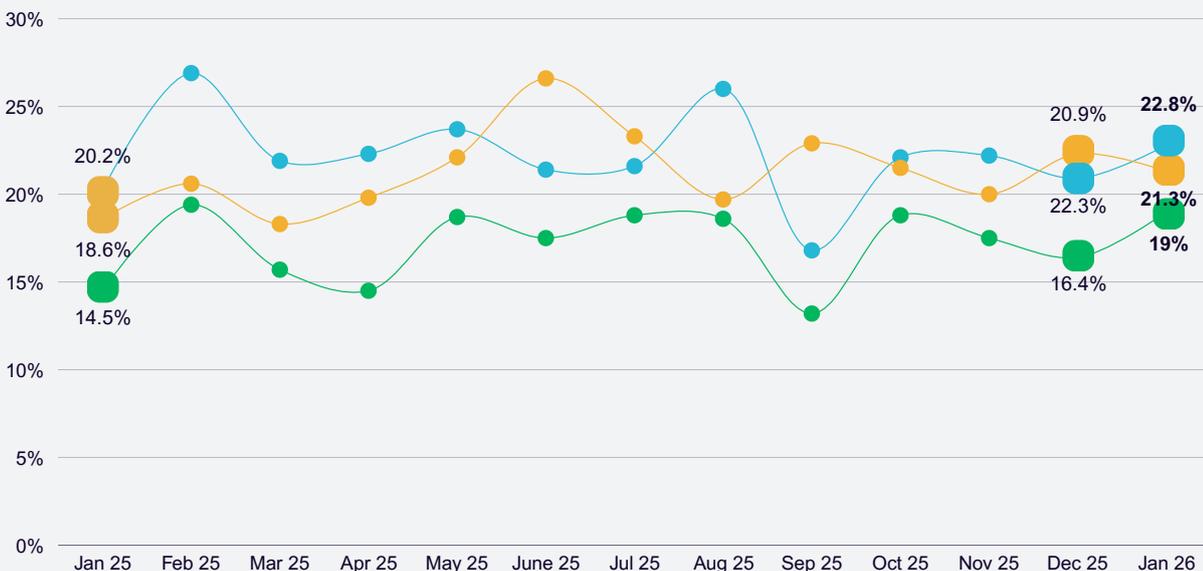
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supply, with many national, regional, and local leisure and experience businesses introducing options.

Figure 5:

**When purchasing gift cards (digital or physical), which types of gift cards did you purchase, either for yourself or someone else?**

- An experience e.g. hot air balloon ride, helicopter ride, hotel stay
- Leisure e.g. Travel, theatre tickets, spa, dining
- Gaming e.g. online gaming credit and in app purchases

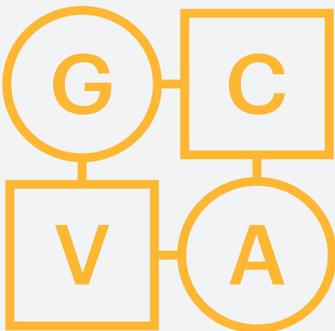


# UK consumers see gift cards as a medium for supporting local businesses



There continues to be evidence that many are being proactive in purchasing gift cards to funnel support to local companies. Over January 2026, 32.0% of UK consumers agreed with the statement “I have/will purchase gift cards with the intent of supporting companies that I like”.

**There continues to be evidence that many are being proactive in purchasing gift cards to funnel support to local companies**



The GCVA is the trade body and membership organisation for gift cards and vouchers. The association represents the key players in the industry and promotes best practice for the benefit of gift card issuers, services and consumers.

On the time-period comparisons, this month’s report covers January 2026, with comparisons made between January 2026 and January 2025. Where relevant, comparisons have also been made to the wider tracking period.

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