Gift Card & Voucher Association

March 2026

GCVA
Consumer Report

Vol. **67**

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 70th 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 February fieldwork went to field on March 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

- **The clothing & footwear market is expected to return to growth in 2026, with spend rising 1.1%, thanks to improving economic conditions and consumer sentiment.**
- **The increase in gift card purchasing corresponded with a parallel increase in the proportion receiving gift cards as a gift from friends and family.**
- **Digital gift cards will have benefitted from last-minute Valentine's purchasing in addition to higher demand for Leisure gift cards.**
- **Valentine's Day helped to drive more focussed gift purchasing, and these cards continue to be viewed as more thoughtful gifting options.**

Retail spend set to rise 2.7% 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 £464.8bn, rising 2.5%. We expect another robust year in 2026 with total retail spend lifting 2.7% 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 not so affluent still feeling the pinch of the cost-of-living crunch having little money leftover 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 3.5% 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 3.8% to bring total online penetration to 28.2%. 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 11.4% this year. Grocers' investment into 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 3.5% in 2026 with volumes rising 0.7%. We forecast food inflation will ease below 2025 levels yet will remain elevated before gradually softening, averaging around 2.8% 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

After a flat 2025, the clothing & footwear market is expected to return to growth in 2026, with spend rising 1.1%, thanks to marginally improving economic conditions and consumer sentiment. Volumes are expected to also return to growth following three years of decline, growing 0.8%, as inflation subsides leaving some more comfortable to make fewer essential purchases.

A second consecutive month of outperformance for gift cards

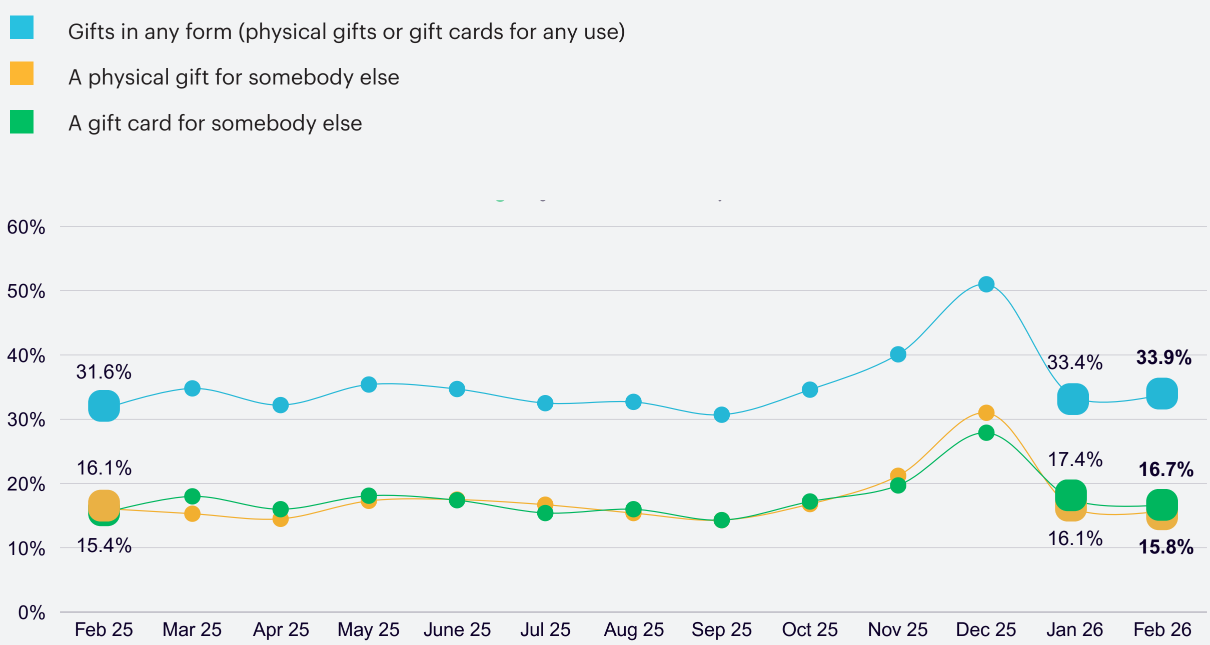
The 33.9% of consumers that bought physical gifts, gift cards or made self-use gift card purchases over February 2026 was higher than February 2025 (31.6%). This increase was underpinned by strong purchase penetration growth for gift cards, with 16.7% purchasing compared to 15.4% in February 2025. At the same time, the proportion of UK consumers purchasing physical gifts saw a slight year-on-year dip (15.8% vs. 16.1%).

The increase in gift card purchasing corresponded with a parallel increase in the proportion receiving gift cards as a gift from friends and family (13.4% vs. 11.8%) and reflects stronger Valentine's Day-driven demand. At the same time, an 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

The increase in gift card purchasing corresponded with a parallel increase in the proportion receiving gift cards as a gift from friends and family

Figure 1:

Did you purchase any of the following:



Robust self-use purchasing over February

Over February, 26.6% of those purchasing for self-use did so because 'it was the only way to purchase the products I wanted'.

Following the normal festive splurge, January and February typically sees many consumers turn their attention towards savings and making their money go further. 8.7% of UK consumers said that they purchased gift cards for self-use over February, which represented an increase compared to January 2025 (8.5%). This points to a to a greater degree of financial flexibility among UK consumers, amid improving household finances.

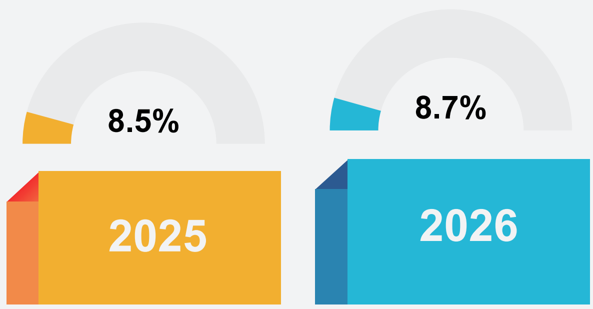
Gift cards have the potential to support consumers during or after periods of higher outgoings and, increasingly, in supporting shoppers looking for levers to help with saving and budgeting. Following from this, the proportion of those purchasing self-use cards that cited "to help with saving money" was at 48.6% over February 2026. Gift cards are also increasingly being used as the medium through which to make purchases outright. Over February, 26.6% 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 - February 2025 vs February 2026:

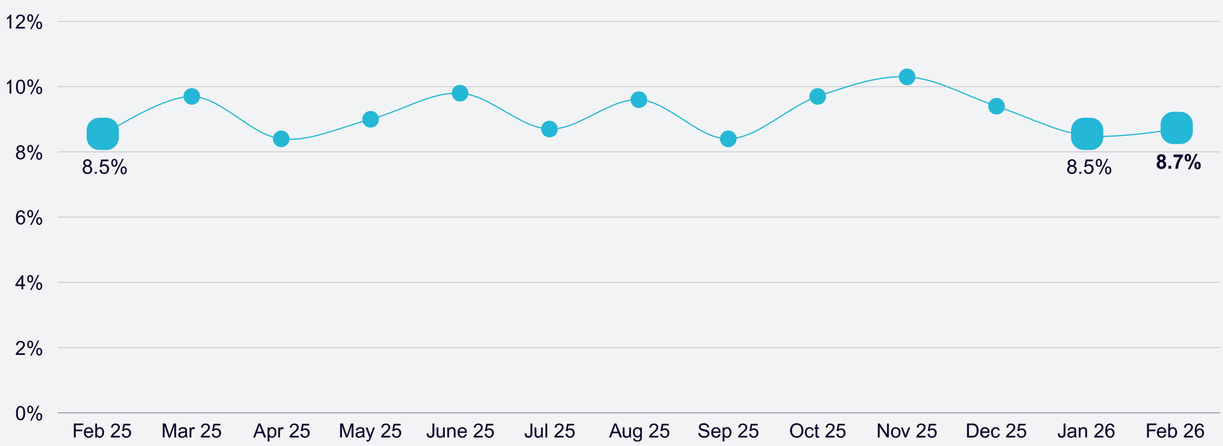
February 2025

February 2026



Did you purchase any of the following:

A gift card for yourself



Digital gift cards were popular options over February

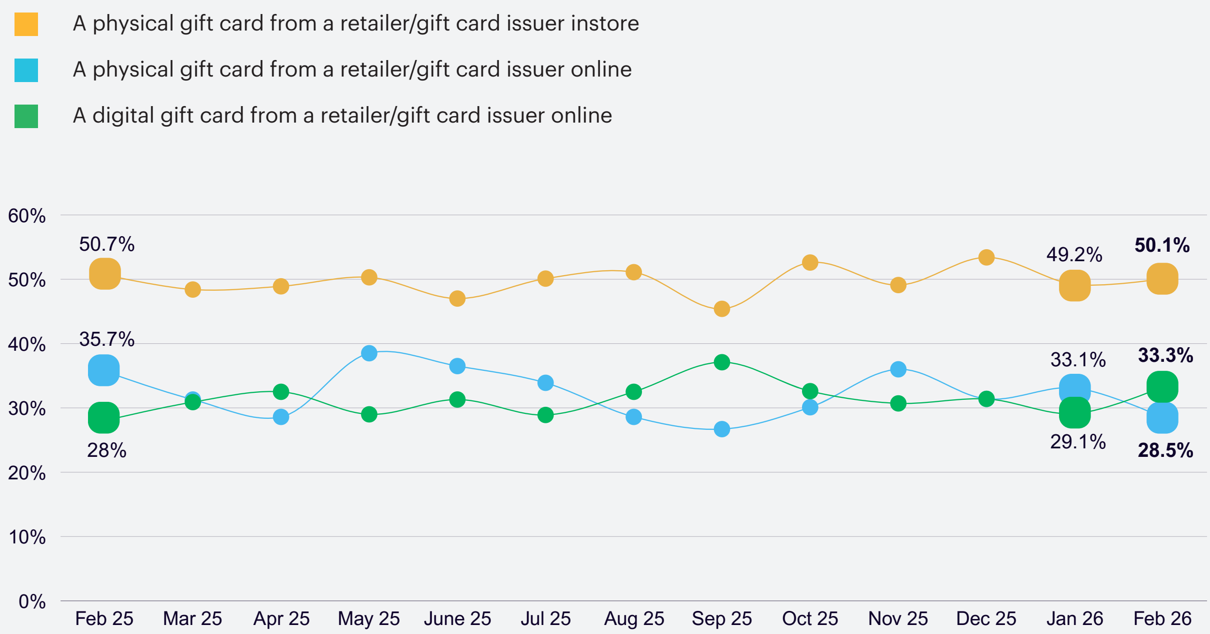
When it came to online purchasing, there was a marked increase in the proportion of gift card buyers opting for digital options over February, with purchasing of physical gift cards online enduring a parallel dip. Digital gift cards will have benefitted from last-minute Valentine's purchasing in addition to higher demand for Leisure gift cards, which are more readily available online. Stronger demand for digital gift cards also aligns with evolving consumer expectations – 59.5% of consumers said that they expect all gift cards to be cross-channel (compared to 53.8% in February 2025)

Digital gift cards will have benefitted from last-minute Valentine's purchasing in addition to higher demand for Leisure gift cards

Demand for physical gift cards purchased instore dipped slightly compared to February 2025, though held up much better than online purchases. 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.

Figure 3:

Which type of gift cards did you purchase?



Single-brand retail gift cards outperformed

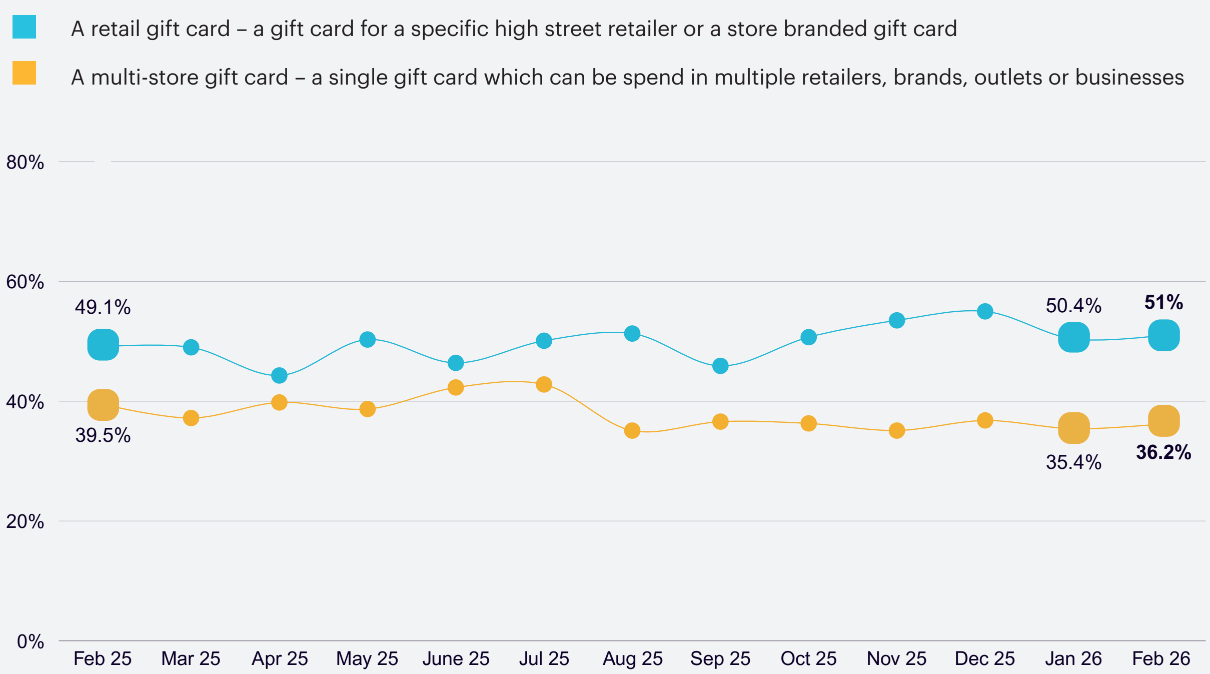
The proportion of gift card shoppers purchasing single brand gift cards (51.0%) increased compared to January 2025 (49.1%). Valentine's Day helped to drive more focussed gift purchasing, and these cards continue to be viewed as more thoughtful gifting options.

In contrast, there was a year-on-year dip in purchasing of multistore gift cards (36.2% vs. 39.5%). 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.

> Valentine's Day helped to drive more focussed gift purchasing

Figure 4:

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



Leisure gift cards enjoyed a strong February

The proportion of gift card buyers purchasing leisure gift cards increased over February 2026 vs. February 2025. Leisure gift cards– which encompass travel, theatre tickets, spa, dining etc. – benefitted from Valentine’s-related demand.

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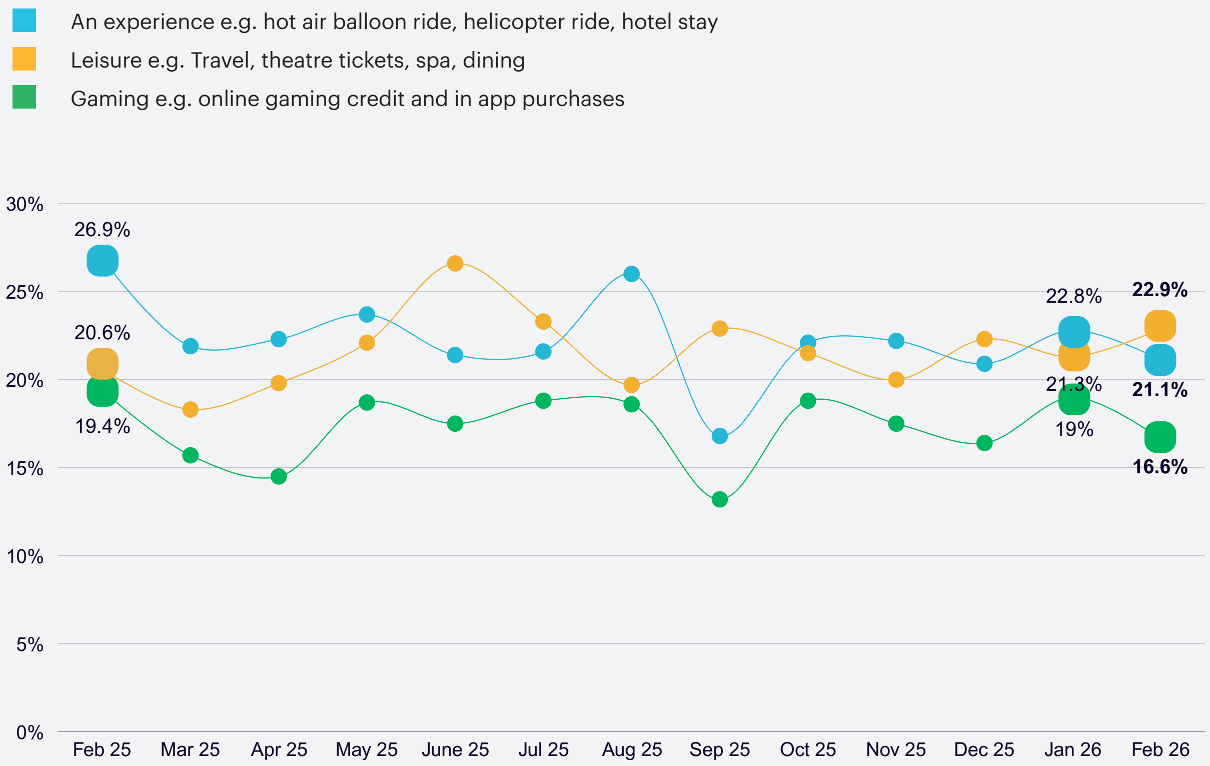
Demand was also boosted by an increase in supply, with many national, regional, and local leisure and experience businesses introducing options. Elsewhere, it was a more difficult month for experience and gaming gift cards, which saw a dip against tough year-on-year comparatives.

Figure 5:

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



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".

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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 February 2026, with comparisons made between February 2026 and February 2025. Where relevant, comparisons have also been made to the wider tracking period.

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