



Gift cards most popular amongst younger shoppers, according to new research

- 82.6% of Generation Z have purchased a gift card in the past three years
- One in three millennials have discovered a new brand after receiving a gift card
 - 25% of millennials purchase gift cards to support local businesses

As retailers continue to search for ways to attract and retain the customers of the future, new research reveals that gift cards may be key to engaging younger shoppers.

The [State of the Nation 2021](#) research, which surveyed 2,000 UK shoppers to determine evolving buying habits and attitudes towards gift cards, found that more than four-fifths (82.6%) of Generation Z shoppers – referring to those born after 1995 – purchase gift cards, compared with 67.6% of Baby Boomers.

The research, carried out by the [Gift Card & Voucher Association \(GCVA\)](#), also found that one in three millennials (33.3%) and a quarter of Generation Z shoppers (27%) have become a regular customer of a new brand after receiving a gift card for that business. This signifies gift cards to be a particularly efficient method of new customer acquisition amongst younger shoppers.

Interestingly, while the proportion of shoppers purchasing gift cards for others was consistent across generations, younger shoppers were revealed to be particularly likely to purchase a gift card for themselves, with 42.2% of millennial shoppers and 34.8% of Generation Z likely to buy a gift card for themselves.

The reasons for self-use having soared amongst younger shoppers are due to a number of reasons, such as saving money – reported by 47.7% of Generation Z – and gift cards being a secure payment option for purchases such as gaming, which has soared in popularity throughout the pandemic. Shoppers have also purchased gift cards out of a desire to support beloved local businesses, particularly after many having had to close their doors over the past year – a reason specifically cited by 25.2% of millennial shoppers.



Gail Cohen, director general of the GCVA, commented: “Engaging younger shoppers is a crucial consideration for retailers looking to gain brand loyalty with their future customers. Given younger shoppers’ affinity for gift cards, it is clear that retailers cannot afford to ignore their importance and relevance as a customer engagement and retention tool”.

“The gift card industry continues to go from strength to strength and, between the continued rise of digital solutions and adapting to consumer desires for self-use, shows a real appetite to innovate and meet changing consumer and business needs. Retailers that offer a gift card programme, offering their customers greater flexibility in both the products they buy and how they pay for them, are likely to benefit both financially and in terms of continued customer loyalty.”

For more information, visit www.gcva.co.uk

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Notes to Editors

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About the GCVA

The Gift Card & Voucher Association (www.gcva.co.uk) was established as a trade body to represent the key players in what is today a c£6.9 billion gift card and stored value solutions market. With 90 members representing key retailers, issuers and suppliers the GCVA provides an information and reference point for the Gift Card & Voucher industry and is at the forefront of the issues affecting the industry.

Its main objective is to provide a platform and infrastructure for the industry and to raise the profile and use of gift cards and vouchers within the UK, promoting the industry to consumers, businesses, government and other interested parties.

The GCVA is the key industry organisation to share new ideas, innovate and promote best practice with the UK gift card and voucher industry. It runs a programme of events, meetings, research projects and updates throughout the year, including its flagship



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conference, a key date in the industry calendar. The conference, which runs over two days, brings together all stakeholders in the sector to learn, debate, network and focus on the industry.