



Press release

January 2020

## **Retailers set for huge sales boost this weekend as consumers spend their Christmas gift cards**

Shoppers are beating the January blues and reducing the strain on their bank accounts by using gift cards instead – with retailers set to receive a sales boost this weekend that could potentially total over £200 million.

Recent [research](#) from the UK Gift Card & Voucher Association (UKGCVA) found that 44% of Brits were likely to have received a gift card this Christmas, and over half of consumers (50.3%) will spend their gift cards within a month of receiving them. Given that millions of shoppers are statistically likely to use their Christmas gift cards this weekend, it means that retailers are expected to receive a much-needed boost as over half of gift cards received during the Christmas period will be spent by this Sunday.

The UKGCVA's research also found that, when spending their gift card, shoppers will often spend more than the original value of the card. The average extra spend is £18.55 – a 67.1% increase on the average value of shoppers' gift cards (£27.64 per gift card). This means that, this weekend, retailers could receive a sales boost of more than £245 million through upsold goods and in-store uplift.

This weekend (January 25<sup>th</sup>-26<sup>th</sup>) also coincides with the first-ever National Use Your Gift Card weekend. Launched this year by the [UK Gift Card and Voucher Association](#) (UKGCVA), the event aims to encourage consumers to make the most of their unspent gift cards.

The weekend is also intended to entice consumers back to the high street in the middle of a turbulent period for the retail sector. This was most recently highlighted by sales figures from the Office of National Statistics (ONS), which revealed that the crucial "Golden Quarter" was disappointing for UK retailers. The [most recent data](#), covering December 2019, reported that sales volumes had slipped for the fifth consecutive month.

Gift cards, when redeemed, are a vital customer loyalty and engagement platform, which is welcome news to retailers. This is particularly true among younger demographics, with



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almost one in three (31%) millennial and Generation Z shoppers reporting having become a regular customer of a new brand after receiving and using a gift card for that organisation.

National Use Your Gift Card Weekend is also set to extend to additional key shopping dates throughout the year, such as the Black Friday weekend.

Gail Cohen, director general of the UKGCVA, commented: “At the UK Gift Card & Voucher Association, we would always encourage consumers to “use it, don’t lose it” and enjoy their gift cards straight away. While our research shows that more and more consumers are spending their gift cards promptly, we’re constantly looking for ways to make gift cards a better option for consumers and retailers alike – which means getting out there and enjoying them!

“What better time, and way, to treat yourself and beat the January blues? Gift cards are extremely versatile and can increasingly be spent online as well as in-store, meaning that it’s never been easier to purchase the perfect treat and ensure that your gift cards can be properly enjoyed as they should.”

For more information, visit [www.ukgcva.co.uk](http://www.ukgcva.co.uk)

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## **Notes to Editors**

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\* These figures were extrapolated from the most recent ONS population figures for the UK of 66.4 million, 90% of which (59,760,000) celebrate Christmas. A nationally-representative poll carried out by the UKGCVA in December 2019 indicated that 44% of the population who celebrate Christmas were likely to receive a gift card (26,294,400). This figure, combined



with the average in-store uplift figure from when consumers spend their gift cards (£18.55) revealed as part of the UKGCVA's 2019 State of the Nation report, gives the figure of £245,343,843.

## About UKGCVA

The UK Gift Card & Voucher Association ([www.ukgcva.co.uk](http://www.ukgcva.co.uk)) was established as a trade body to represent the key players in what is today a c£6 billion gift card and stored value solutions market. With 90 members representing key retailers, issuers and suppliers the UKGCVA 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 UKGCVA 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 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.

