



August 2022

Press release

## Gift card boom indicates post-covid resurgence for UK high street

Despite rising costs and the pressures of post-pandemic recovery, new research has revealed a boom in gift card and voucher sales, indicating a strong UK retail performance in the first half of 2022.

According to the latest analysis by the [Gift Card and Voucher Association](#) (GCVA) and [KPMG UK](#), consumer gift cards sales have increased across all channels, with in-store sales accounting for 54.7% of purchases as consumers continue to return to the high street.

When broken down into sectors, fashion retailers and grocers experienced the highest levels of growth at 63.8% and 28.4% respectively. Fashion retailers saw a significant rise in the popularity of physical gift cards, making up 75.8% of gift cards sales as people return to their favourite shopping destinations.

The research also revealed that the leisure gift card industry has bounced back remarkably from the effects of the Covid-19 pandemic, with sales of gift cards for experiences, travel and entertainment rising 94% on a like-for-like basis against H1 of 2021.

Despite the resurgence of physical gift cards, the accelerated move to digital gifting over lockdown has led to a permanent change in buying habits it seems. Sales of digital gift cards have continued on an upward trajectory, with a like-for-like increase of 20.7%. This figure is likely to rise further in the second half of the year as people look to reduce the additional costs of physical gifting (such as wrapping and transporting their gift) and place strict budget limits on spending.

Further research carried out by the GCVA in June, found that gift cards are particularly resilient to the cost of living crisis, with 23% of UK adults planning to increase spending on gift cards to make the present buying process more affordable and avoid waste. Similarly, gift card sales are predicted to increase for self-use, as 24% of people surveyed said that they were more likely to buy a gift card since the cost of living crisis to cap spending or access rewards and discounts.



0161 871 9145  
hello@pragencyone.co.uk  
pragencyone.co.uk



**Commenting on the findings, Gail Cohen, Director General of the GCVA said:** “It’s extremely encouraging to see that gift card and voucher sales have remained resilient despite a backdrop of inflation and rising living costs. The industry has made a fierce comeback following the challenges of the Covid-19 pandemic and gift cards continue to have a very important place in people’s spending habits.

“Many are using gift cards as an innovative way to lessen the impact of the cost of living crisis, for example, to manage overall spending on presents with fixed price cards and reducing the extra costs associated with physical gifting. This is reflected in the continued growth of digital and physical gift cards sales.

“Whilst retail is holding steady, in-store B2C sales have increased, showing that people are returning to the shops and footfall is rising. Furthermore, the leisure industry has seen exponential growth and it’s clear that people are continuing to prioritise socialising, experiences and experiences as we move out of the pandemic.

“Once again, the gift card industry and products are providing a much-needed solution to consumer and business’ needs.”

**Don Williams, Retail Partner at KPMG, said:** ““Despite the well documented challenges for consumers, with rising prices of essentials (gas/electricity and food) exacerbated by an increase in the tax burden and interest rates, retail sales have been more resilient than many might have predicted. The gift card and voucher market has in many ways surpassed this performance with strong growth of 44.7% in the B2C market. This is particularly reassuring when set against declining consumer confidence, including a record low in June.

“The step up in digital gift card products seen during Covid-19 remains “locked in”, and the like-for-like growth of 22.7% in the first half of 2022 is particularly pleasing when set against the backdrop of the lockdown seen in the previous year. Digital products look intent to become the dominant form in the gift card and voucher market over the next year and continued investment in availability and experience of these products should be high up all participants’ agendas.”



**ENDS**

## **Notes to Editors**

### **For additional details, please contact:**

Gemma Eccleston, Steve Leigh and Asha Hipperson at PR Agency One T: 0161 871 9140

E: [gcva@pragencyone.co.uk](mailto:gcva@pragencyone.co.uk)

## **About the GCVA**

The Gift Card & Voucher Association ([www.gcva.co.uk](http://www.gcva.co.uk)) was established as a trade body to represent the key players in what is today a £7 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 Conference. The industry event of the year, the GCVA Conference returned in person, in a brand new venue, in London, on 2-3 March 2022.

The GCVA conference is the highlight of the industry calendar and provides the platform to bring all major players across the UK and international gift card community, together.

For two action-packed days, delegates will be immersed in the gift card eco-system, comprising: A UK & global retail space; industry innovation; consumer needs, evolving marketing strategies; hot topics; market trends, inspirational speakers, exhibition hall and the very best networking opportunities.



0161 871 9145  
hello@pragencyone.co.uk  
pragencyone.co.uk

