



## **GIFT CARD DATA SHOWS 59% SPIKE IN 'SALES' CAUSED BY GOVERNMENT'S 'EAT OUT TO HELP OUT' SCHEME**

- *Consumers have responded positively to 'Eat Out' scheme with 59% spike in sales in the form of redemptions of gift cards within restaurants, cafes and pubs.*
- *Sector leaders says spike supports #giftcard500 campaign which calls for increase in tax-free allowance on gift cards backed by Marks & Spencer, Virgin Experience and Love2Shop*

Early signs are that the first three days of the Government's Eat Out to Help Out scheme have triggered an immediate boost in sales, with a 59% increase in sales for the sector in the form of gift card redemptions.

The figures released by the [Gift Card & Voucher Association](#) (GCVA), reveals the spike occurred on the first week of the scheme (3<sup>rd</sup> to 5<sup>th</sup> August), with figures from 6<sup>th</sup> August falling back to normal levels.

These figures taken from over 8,000 outlets nationwide, are the first sign of the level of impact the scheme has created giving a much needed boost to the high street.

Eoin Whyte, chair of GCVA and Director of [Savvy](#) which collated the data, comments, "As gift cards are present across the sector, this data is hugely significant as it's the first indication of the scale of consumer response to the Eat Out scheme.

"We expect this rise to be indicative of the total sales in the sector as gift cards are well represented across all age ranges, demographics and outlet types.

"The figure also suggests that attempts by retailers to secure future sales with lockdown gift card schemes are working. Our research found that as many as one in five (21%) of gift card purchases over lockdown were made to support favourite brands.

"Consumers are now using the Chancellor's deal to get best value for their money."



The impact of the scheme, is also being used by sector leaders to increase calls for a rise in the tax-free allowance on gift cards.

High street giants, including Marks & Spencer, Virgin Experience and Love2Shop by Appreciate Group, are just some of the retailers and gift card operators supporting a move that could deliver a huge £2bn\* boost to Britain's beleaguered high street and safeguard thousands of jobs.

The campaign, spearheaded by the [Gift Card & Voucher Association](#), is calling on the government to increase the tax-free, employer gifting allowance from £50, currently permitted through [HMRC's Trivial Benefits Allowance](#), to £500. The campaign is encouraging employers across the nation to then use the increased tax-free allowance to use gift cards to thank staff for their hard work over the past few months of COVID-19 uncertainty.

The #GiftCard500 campaign is backed by high street giants Dixons Carphone and M&S, sector ambassadors including James Wallman, futurist and author of *Time and How to Spend It*, as well as gifting and incentive businesses National Book Tokens, Reward Gateway and Blackhawk Network, to name just a few.

The GCVA has written to the government including members of the Treasury and the assistant director of consumer policy & enforcement, petitioning them to raise the tax-free limit and offer their support in implementing the scheme. In addition, an [online petition has also been launched](#), to lobby the government to making this change.

**Gail Cohen, director general of the GCVA, commented:** "The effects of lockdown and social distancing will be felt across the retail and leisure industries, which are already among the hardest-hit by COVID-19, for months to come. Today, our industries have joined forces to propose a proven way to significantly increase shopper demand, spend and high street businesses bottom line.

"If the tax-free limit for employee gifting was to be raised permanently, and even just a small portion of businesses took advantage of the new legislation to thank their loyal staff, millions



of shoppers would have money in their pocket which, when spent, could be worth billions to struggling UK businesses just when they need it the most.

“Gift cards have never been more popular – people love giving, receiving and spending them. We urge the government to tap into the massive potential gift cards offer, which would mean more money in shoppers pockets and, in turn, the stimulus our high street businesses, and the wider economy, needs to get back on their feet after months of uncertainty.”

For more information, visit [www.gcva.co.uk](http://www.gcva.co.uk), or to support the petition please visit <https://www.change.org/p/uk-government-government-to-raise-tax-free-gifting-limit-to-500-reward-staff-and-boost-uk-high-street>

**-ENDS-**

## **Notes to Editors**

\* There are 27.93 million people in paid employment in the UK according to the most recent ONS data released in June 2020 -

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/employmentintheuk/june2020>

If just one in 10 paid employees was rewarded with a £500 gift card, this, plus 67.1% in-store uplift (GCVA State of the Nation whitepaper, 2019), would equate to a £2,332,155,000 boost in total.

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

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## **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 c£6.9 billion gift card and stored value solutions market. With 80 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.



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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, 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.