Gift Card & Voucher Association

Peak 2025

GCVA
Consumer Report

Vol.
65

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 67th and 68th waves 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 November and December fieldwork went to field on December 1st, 2025, and January 1st, 2026, respectively. Each wave was designed to explore habits during the previous month, across a UK nationally representative sample of 2,000 shoppers.

In addition to the core questions monthly questions, for this edition GlobalData has gone to field with questions specifically related to spending over the Christmas 2025 period. These too were asked to a UK nationally representative sample of 2,000 shoppers.

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Topline Takeaways

- **Retail spending estimated to have risen by 2.3% in 2025, boosted by inflation with volumes just below last year**
- **Gifting outperformed over November and December**
- **Christmas-related gift card purchasing**
- **90% of Christmas 2025 gift card buyers purchased in the immediate run up to Christmas**
- **Long-standing barriers continue to exist for some**
- **Physical gift cards came into their own over the festive period**
- **Single-brand retail gift cards experienced a muted year-on-year performance**
- **Experience, leisure and entertainment gift cards performed strongly over the festive period**

Retail spending estimated to have risen by 2.3% in 2025, boosted by inflation with volumes just below last year

Following growth of 1.5% to £453.3bn in 2024, retail spending estimated to have grown 2.3% in 2025. We expect retail price inflation will come through at 2.4%, as retailers, particularly grocers, increased up their prices to cope with higher wage costs. Volumes are forecast to come through below last year, down 0.1%, brought down by food & grocery where volumes fell over the summer, impacted by high inflation. Non-food volumes returned to just positive territory as some shoppers have felt more comfortable given prolonged decent wage growth and inflation being more stable, in comparison to the peaks we've seen in recent years. Recovery is uneven though – while some low-income households have felt the benefit of increased minimum wages, many on benefits have experienced squeezed budgets and in the middle-income brackets, average real wages have increased but many mortgage owners have been dragged into higher interest rates upon expiry of fixed deals made when rates were much lower.

Online Channels

The online channel has seen improved growth of 3.8% in 2025 following a rise of 2.7% in 2024 and 2.0% in 2023, after the heights of the pandemic when online penetration reached over 30%. Online penetration is estimated to have risen marginally in 2025, to 28.0% and will slowly rise out to 2029 with more rapid growth coming from the online food market as retailers' proposition improvements entice shoppers.

Grocery Outlook

The food & grocery market is expected to have grown by 2.9% to £201bn in 2025. Food inflation is expected to have peaked in August at 5.1% despite rising again in October and we expect full year inflation to reach 4.1%. The online channel has performed strongly with anticipated year-on-year growth of 6.9% for the year, supported by grocers expanding delivery capabilities and consumers opting to use the online channel out of convenience and managing budgets. Heighted food inflation and commodity prices are expected to have dampened volume growth for the year and we anticipate volumes will decline 1.2%. Into 2026, we forecast food inflation will ease below 2025 levels, diminishing intense price competition among grocers. We expect grocers' focus will shift further into private label expansion to recover margins, supporting positive sector volume growth in 2026.

Clothing & Footwear Outlook

Following a rocky start to the year in H1, the clothing & footwear market saw a better H2, leading full year apparel sales to rise 0.2% to £63.7bn in 2025. Volumes are expected to have fallen for the third consecutive year, by 0.1%, as consumers prioritise spending on other areas, such as essentials and leisure.

Christmas 2025

GlobalData's initial read of Christmas 2025 performance suggests that, while overall spending was up vs. 2024, this was primarily driven by inflation, and underpinned by greater demand among family-aged, and more affluent consumer groups.

Gifting outperformed over November and December

The 40.1% and 51.0% of consumers that bought physical gifts, gift cards or made self-use gift card purchases over November and December 2025, respectively, was comfortably higher than the comparable 2024 months. This increase in gifting was consistent across both physical gifts and gift cards.

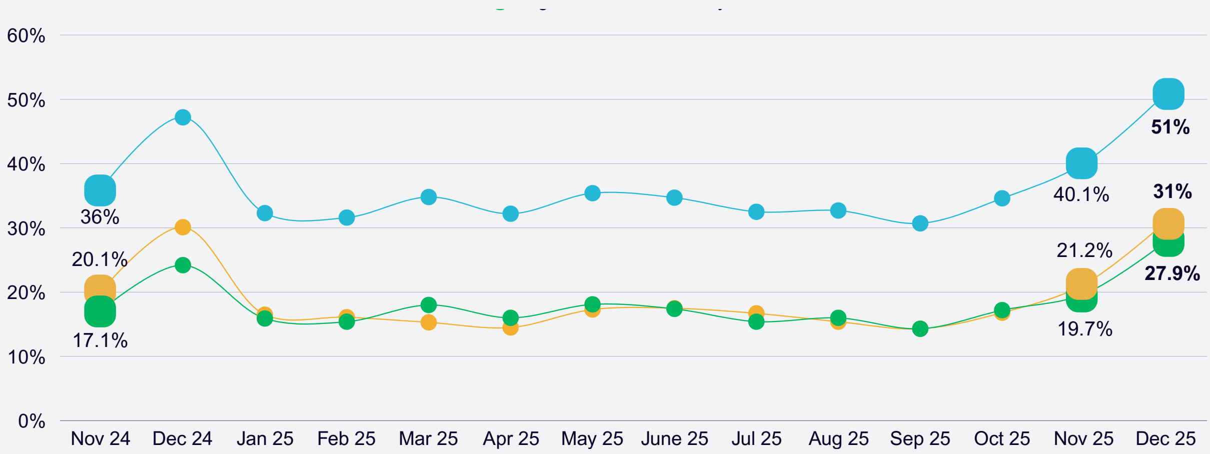
This increase in overall gift purchasing is reflective of a broader recovery in household finances

This increase in overall gift purchasing is reflective of a broader recovery in household finances, which is finally feeding through to a tangible parallel improvement in consumer sentiment. However, it is important to note that this improvement is not being felt evenly across UK households. Of those that didn't purchase gifts cards over December, 21.8% said they didn't because they have cut back significantly on non-essential spending.

Figure 1:

Did you purchase any of the following:

- Gifts in any form (physical gifts or gift cards for any use)
- A physical gift for somebody else
- A gift card for somebody else



Christmas-related gift card purchasing

Of those that bought gift cards specifically for Christmas 2025, 32.9% said that they bought more gift cards compared to Christmas 2024, with only 11.4% saying they bought fewer. The growing relevance of gift cards means that they are increasingly being demanded; 39.2% of Christmas 2025 gift card purchasers bought because they knew a gift card was what the recipient wanted. Gift cards are successfully fulfilling the role previously held by categories such as physical media; 26.3% purchased because they struggled to choose a physical gift alternative. This is also evidenced by recipients purchased for, with the two most popular recipient groups being other family members (32%), and friends (28%).

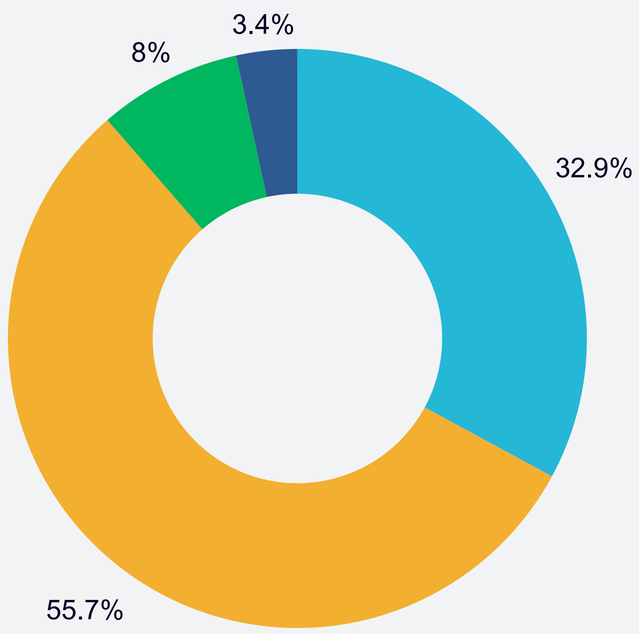
Christmas 2025 gift card purchasers bought because they knew a gift card was what the recipient wanted

Figure 2:

When it comes to your gift card purchasing behaviour over Christmas 2025, compared to Christmas 2024, which of the following do you agree with?

Base: All respondents who have purchased at least one gift card over Christmas 2025

- I bought more gift cards for Christmas 2025, compared to Christmas 2024
- I bought around the same number of gift cards for Christmas 2025, compared to Christmas 2024
- I bought fewer gift cards for Christmas 2025, compared to Christmas 2024, and instead spent more on traditional physical gifts
- I bought fewer gift cards for Christmas 2025, compared to Christmas 2024, and instead spent less on gifts overall



90% of Christmas 2025 gift card buyers purchased in the immediate run up to Christmas

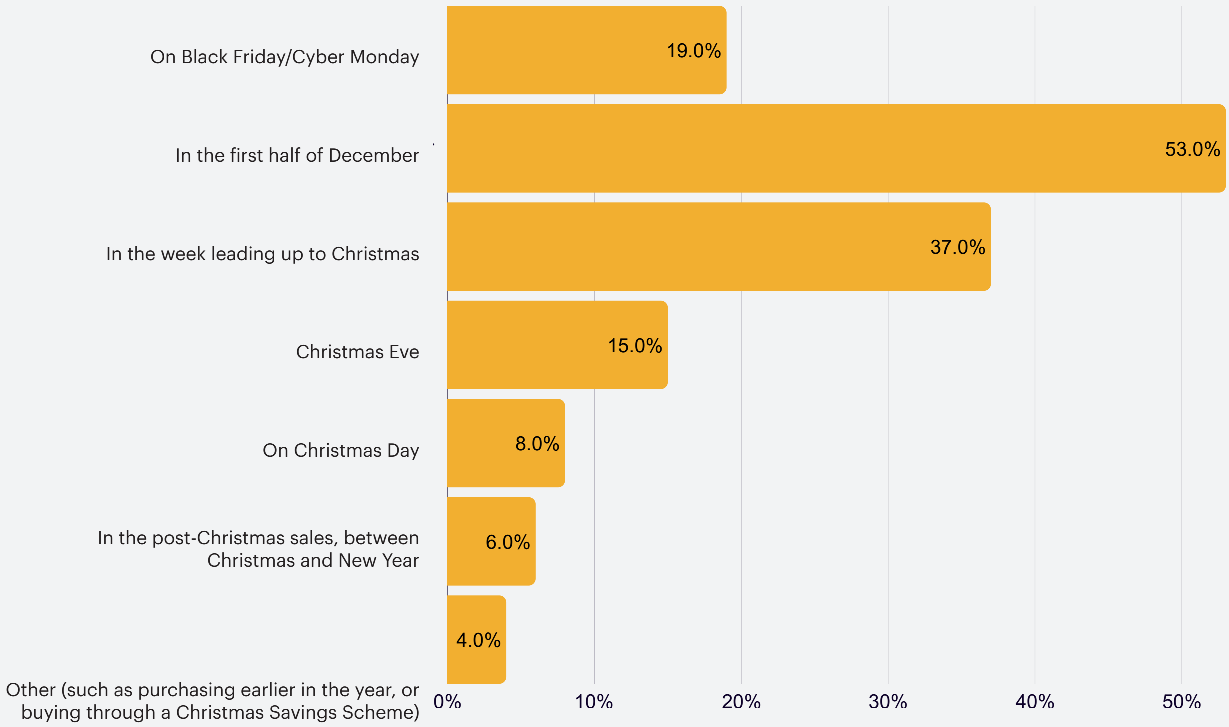
Among those that purchased gift cards for Christmas 2025, 53% did so over the first half of December, while 37% purchased in the week leading up to Christmas. This was partially reflective of wider Christmas 2025 spending habits, with consumers generally starting their Christmas shopping later than 2024, reflective of uncertainty around the Autumn budget, and some holding out for deeper discounting. Given the rising influence of digital gift cards, these represented a strong gifting option in the immediate run-up to Christmas.

Among those that purchased gift cards for Christmas 2025, 53% did so over the first half of December

Figure 3:

When purchasing gift cards over Christmas 2025, when did you purchase?

Base: All respondents who have purchased at least one gift card over Christmas 2025



Long-standing barriers continue to exist for some

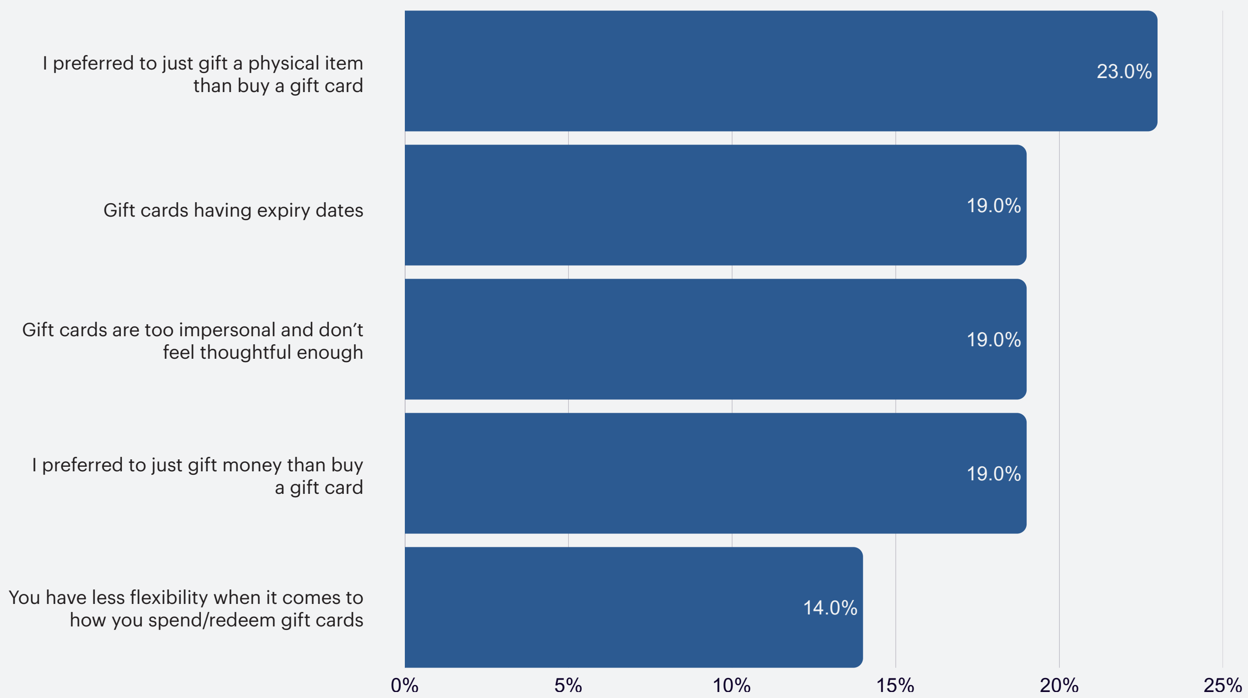
The most cited barriers to purchasing gift cards over Christmas 2025 were the preference for physical items (23%), and preference to gift money rather than a gift card (19%). Linked to these was the 19% of consumers that continue to believe that gift cards are too impersonal and don’t feel thoughtful enough. Elsewhere, there remains a lingering communication challenge for the 19% who cited expiry dates as a barrier.

19% of consumers that continue to believe that gift cards are too impersonal and don’t feel thoughtful enough

Figure 4:

And which of the following would you say were barriers to purchasing gift cards over Christmas 2025?

Base: All respondents



Strong self-use purchasing over November and December

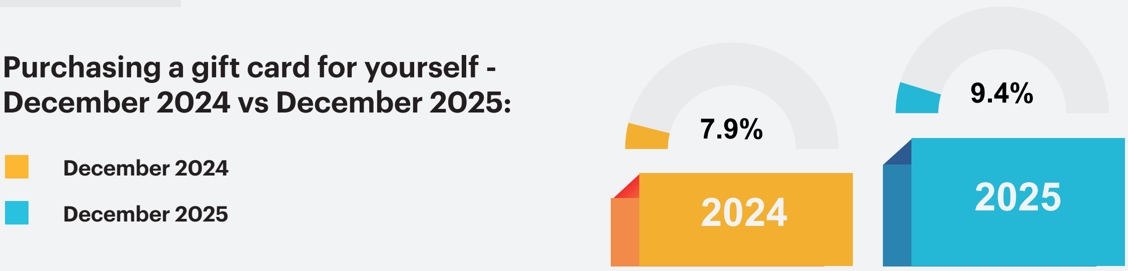
While the peak period is typically more focussed on purchasing gifts for others, the proportion of UK consumers that said they purchased gift cards for self-use increased year-on-year in both November and December. This points to a to a greater degree of financial flexibility among UK consumers, amid improving household finances.

Over November, 34.1% of those purchasing for self-use did so because 'it was the only way to purchase the products I wanted'

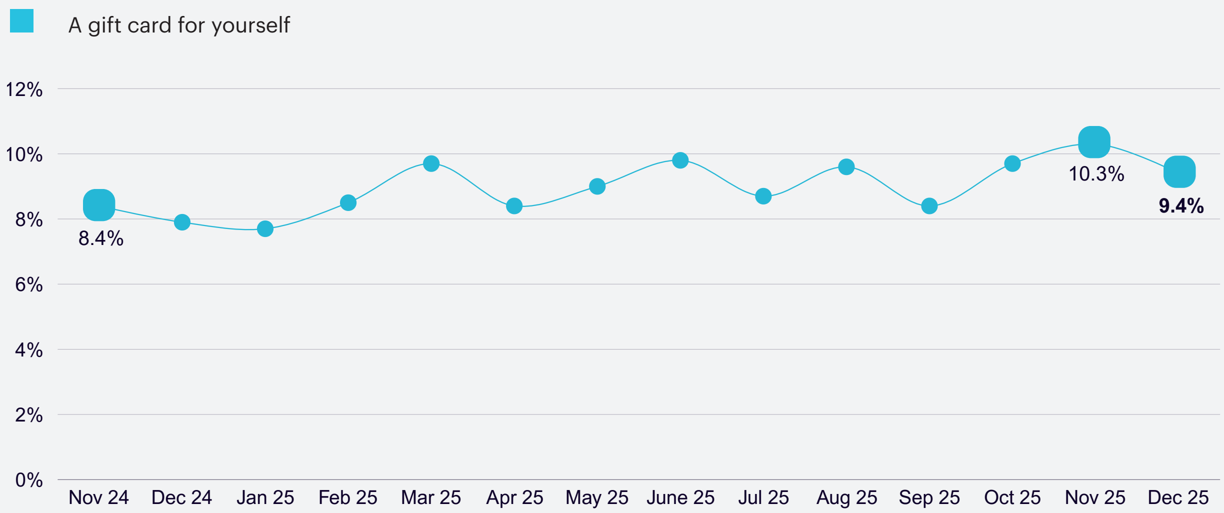
Gift cards have both the potential to support consumers during or after periods of higher outgoings and, increasingly, in supporting shoppers looking for levers to help with saving and budgeting. Indeed, the proportion of those purchasing self-use cards that cited "to help with saving money" was at 47.6% over December 2025. Gift cards are also increasingly being used as the medium through which to make purchases. Over November, 34.1% of those purchasing for self-use did so because 'it was the only way to purchase the products I wanted'.

Figure 5:

Purchasing a gift card for yourself - December 2024 vs December 2025:



Did you purchase any of the following:



Physical gift cards came into their own over the festive period

Physical gift cards purchased instore held pre-eminence over the festive period, with the proportion of gift card buyers purchasing these formats increasing significantly year-on-year in both November and December. Physical gift cards continue to be view as more thoughtful options across important gifting events.

When it comes to online purchasing, December saw a marked year-on-year dip in physical purchases, though there was a parallel increase in purchasing of digital options. This is unsurprising given the increasing adoption of digital over the past few years. It also reflects the greater convenience and confidence of purchasing digital options over online physical in the immediate run-up to Christmas. Indeed, 43.6% said they purchased gift cards in December due to it being an easier option compared to buying physical gifts; the strongest agreement to this statement since GlobalData started tracking, back in May 2020.

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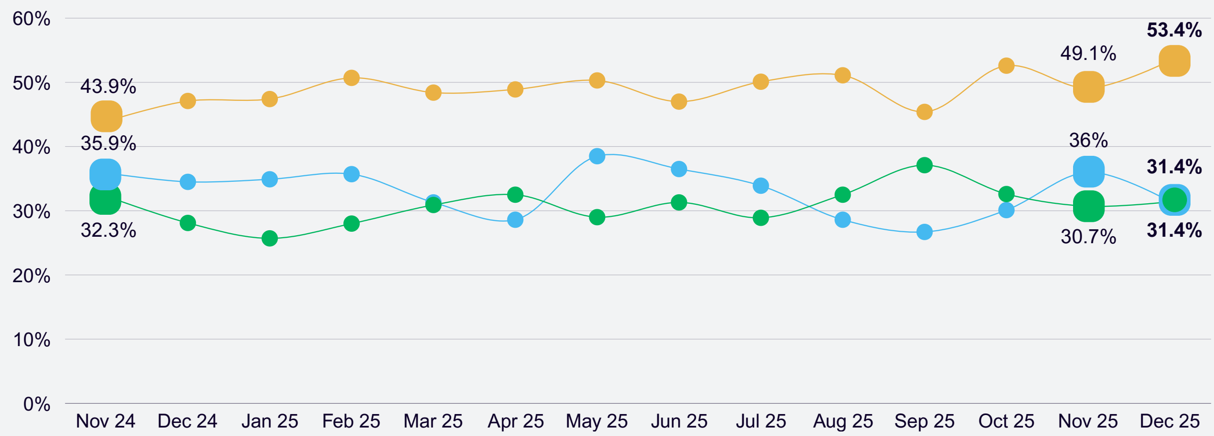
Figure 6:

Which type of gift cards did you purchase?

- A physical gift card from a retailer/gift card issuer instore
- A physical gift card from a retailer/gift card issuer online
- A digital gift card from a retailer/gift card issuer online



Single-brand retail gift cards experienced a muted year-on-year performance

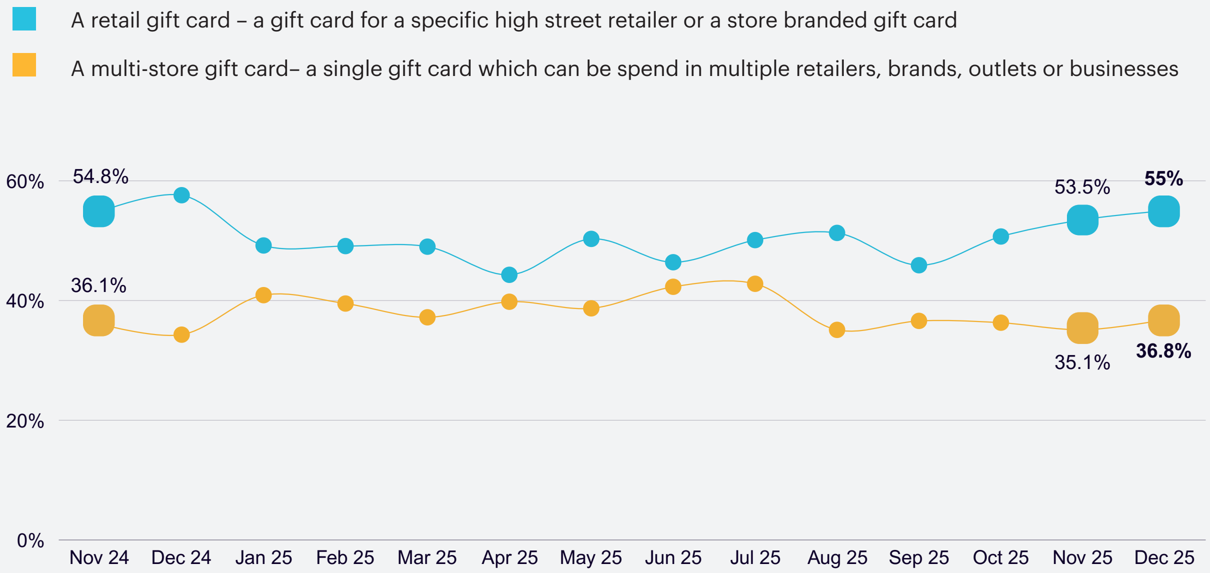
While single-brand retail gift cards (purchased by 55.0% of gift card buyers over December) remain the most popular festive option, they experienced a slight year-on-year decline in purchasing in the final month of the year. These cards have traditionally been viewed as more thoughtful gifting options, though have faced increasing competition from a growing array of alternative options across experience, leisure, and entertainment.

Multistore cards have the potential to overcome lingering consumers concerns around the lack of flexibility that gift cards provide compared to other payment options

Moreover, multistore options continue to grow in popularity, with 36.8% purchasing over December 2025 vs. 34.3% in December 2024. 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.

Figure 7:

When purchasing gift cards (includes gift cards, vouchers, digital, e-gift codes etc.), which types of gift cards did you purchase, either for yourself or someone else?



Experience, leisure and entertainment gift cards performed strongly over the festive period

The proportion of gift card buyers purchasing experience, leisure, gaming, and music gift cards all increased markedly over December 2025 vs. December 2024. Demand has been boosted by an increase in supply, with many national, regional, and local leisure and experience businesses introducing options. These cards have also benefitted from filling the gifting gap previously occupied by gifting categories such as physical games, music, and video. Moreover, in the case of music and gaming, gift cards are playing an increasingly important role in facilitation of purchasing (e.g. in-game purchases).

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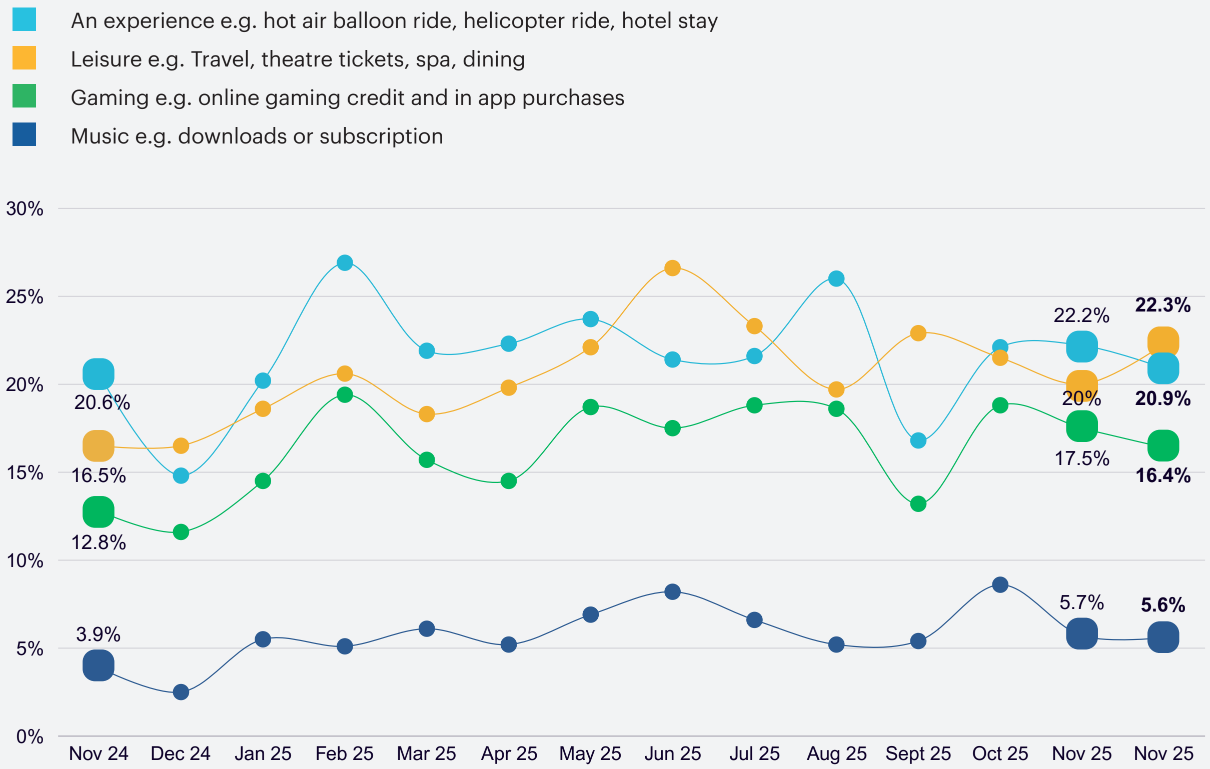
Figure 8:

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



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 the peak Christmas period, with comparisons made between November and December 2025, and November and December 2024. Where relevant, comparisons have also been made to the wider tracking period.

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