



## Gift cards – Five things you need to know this Christmas

As the UK remains in lockdown, socially-distanced gifting looks to be the theme of the holiday season, with almost half (48.7%) of shoppers reporting that they are more likely to purchase gift cards this Christmas in the event of a national lockdown, according to new research from the [Gift Card & Voucher Association \(GCVA\)](#) delivered by GlobalData.

Ahead of the anticipated Christmas surge in gift card buying, Gail Cohen, director general of the GCVA, reveals her five top tips on how the nation can best enjoy their gift cards this Christmas, whether they're buying, receiving or spending them.

### 1. You can buy them everywhere – even on your weekly shop!

In the current climate, many shoppers may wish to minimise the number of stores they visit on their Christmas, or even weekly, shop, in order to minimise infection risk. However, gift cards are often available in supermarkets and a range of other retail outlets, in the form of gift card “walls” – referring to walls of gift cards from a range of different businesses, set aside in shops such as department stores or supermarkets, meaning part of your Christmas shop could be done on your weekly grocery run.

This way to purchase has proven particularly popular over the past year, with walls now representing [6.5% of all gift card purchasing](#), according to recent KPMG research\*. For those of us who want to minimise the number of shops we visit this year for our Christmas shopping, purchasing a gift card via a wall can be a great option.

### 2. Buy now, enjoy later

A major positive for gift cards is that, even if you can't get to the high street to spend them now, they can be used for a wonderful post-lockdown treat once retail, leisure and hospitality businesses begin to reopen.



Furthermore, there are a variety of gift cards you can buy to support beloved local businesses, from gift cards designed to be spent specifically with that business, to local gift card schemes designed to support high streets and lock spend into local economies.

That said, gift cards are not a “bottom drawer” product to be hoarded – they are there to be spent, and we would recommend getting out there and spending them when you can. If you are in any doubt about how long you have to spend your gift card, don’t hesitate to get in contact with the provider who will be happy to answer any questions.

### **3. They’re a fantastic socially-distanced gift, which can be bought and spent online**

These days, more and more gift cards can be purchased and spent online, making them a great present for people who enjoy shopping this way. This shift to buying gift cards online skyrocketed with the need for social distancing, with digital and eVoucher sales having grown by 49.7% year-on-year during this period. However, some gift cards can only be spent in physical stores, so when buying a gift card for someone always double-check how it can be spent, to ensure it suits their shopping style.

With the prospect of us potentially not being able to visit our loved ones this Christmas, gift cards, which can be bought, sent and received instantly from a distance, offer plenty of opportunity for personalisation, giving you the chance to show just how much you care.

Physical gift cards can be customised with fun or sentimental photos and text, with many delivered wrapped in bespoke packaging, and digital gift cards can be sent via email accompanied by touching video messages, making them the perfect present for family and friends that you might not get the chance to see in person this Christmas. Furthermore, you can purchase loved ones either a gift card for their favourite brands or a multi-store gift card for those that prefer more choice, making the gift truly personal to them.

### **4. A great, tax-free way for companies to say “season’s greetings”**

Gift cards are also a wonderful option for businesses looking for ways to thank hardworking staff this year in the absence of an annual Christmas party. HMRC Trivial Benefits legislation means that non-cash rewards, especially gift cards, worth up to £50 are tax-free for



employees, so businesses can reward their staff without the employee feeling it in the pocket.

There are several things to look out for, such as the fact that the reward cannot be cash or a cash voucher, and cannot be given as a direct reward for performance. However, a gift card given as more of a “thank you” at the end of a tough year fits the bill perfectly, and gives staff the freedom to pick out the gift of their choice, or even use it for their own Christmas shopping.

### **5. Want more choice? Consider a multi-store gift card!**

If somebody is proving particularly tricky to buy for, we would advise buying a multi-store gift card which, as the name suggests, can be spent in a number of different high street outlets, such as shops, bars and restaurants – perfect for those who like to shop around.

Purchasing a multi-store gift card also cuts down on unwanted gifts. Ahead of Christmas last year we carried out research which found that, on average, we each receive two unwanted gifts and, across the whole of the UK, almost 23 million unwanted gifts end up in landfill. Giving the recipient the freedom to choose exactly what they spend their gift card on reduces this waste through giving them the facility to pick a gift they’ll truly treasure.

**-ENDS-**

### **Notes to Editors**

\*KPMG conducted research into 29 participating GCVA data members as part of the GCVA H1 2020 Data Report, covering the period of January-June 2020.

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

Tom Oppen-Cunnane, Charlotte Greenwood or Stephen Sanders at PR Agency One

E: [ukgcva@pragencyone.co.uk](mailto:ukgcva@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 c£6.9 billion gift card and stored value solutions



0161 871 9145  
[hello@pragencyone.co.uk](mailto:hello@pragencyone.co.uk)  
[pragencyone.co.uk](http://pragencyone.co.uk)



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.

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.