



Gift Yourself – B2B release

Gift cards provide January boost for businesses

Following the busiest time of the year for gift card gifting, experts at the Gift Card and Voucher Association ([GCVVA](#)) estimate that UK adults will spend as much as *£122m from gift cards in January to combat seasonal blues and boost the economy.

Whilst retailers reported a rebound in sales in December, the forecast for the new year is less optimistic, with sales anticipated to decline [17%](#) in the year to January. Consumer spending is also set to be hit by high inflation and the post-Christmas lull as many look to save, not spend.

However, with Global Data research finding that 54% of the adult population have a gift card to spend each year, and the number of gift cards in wallets peaking in January, getting customers through the door to spend their gift cards could be essential to increasing footfall and revenue in quieter periods. Furthermore, for cash conscious shoppers looking to limit spending, they can still treat themselves by making use of their gift cards.

Gift cards can play a key role in supporting small businesses in January, and research shows that gift card holders are keen to support their local high street. In the 2022 [State of the Nation](#) research, 28.8% of monthly gift card purchasers said that supporting local businesses was a motivation for buying gift cards and 26.4% said they will continue to purchase gift cards as a means to support local companies.

Businesses can also benefit from increased brand awareness and loyalty if customers are encouraged to spend their gift cards. [Over half](#) of those who have received a gift card over the past three years have been introduced to a new brand or organisation via this format, a figure that rises to 67.3% of Gen Z consumers. In addition, over half of those who are introduced to a new brand become regular customers.



Gail Cohen, director general of the GCVA, said: “GCVA data shows that 90.3% of customers will spend their gift cards within six months, with 98% typically spending them within a year. However, businesses should look to encourage consumers to spend as soon as possible. Gift cards are not a present for the top drawer and provide a valuable means to increase brand loyalty, introduce new customers to the business and boost January revenue.

“With a large number of consumers receiving a gift card over the Christmas period, be it from friends and family, an employer or as a loyalty reward from a business, there is huge potential to increase post-Christmas sales. Customers can be encouraged to treat themselves, online or in-store, to an uplifting gift to combat the January Blues, whilst supporting businesses at the same time.

“There are a number of ways that businesses could encourage consumers to spend their gift cards in January, for example, offering an extra reward or incentive to shoppers who spend in the first month of the year, such as a referral code or an additional voucher to encourage shoppers to return, build brand loyalty and increase brand awareness. In addition, businesses should increase in-store and online marketing to give consumers that feeling of elation when they remember that they have a gift card to spend.”

**£122m figure is based on number of adults receiving cards each year, the seasonal distribution of these cards being received, and an average value per card of £20.*

ENDS

About the GCVA

The Gift Card & Voucher Association (www.gcva.co.uk) is the body representing the key players in what is today an over £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.



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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 Conference which is the gift card and voucher flagship event of the industry calendar, bringing together over 400 major players across the UK and the international community.

Taking place at Hilton London Bankside over 1st – 2nd March 2023, attendees will be immersed in the gift card ecosystem and global retail space, and can enjoy inspirational speakers, a buzzing exhibitor hall, and networking opportunities. The conference provides a forum for the sharing of new ideas, innovation and best practice within the UK gift card and voucher industry. For more information, please visit <https://gcvaconference.com/>

[Book onto the GCVA Conference 2023 now](#) to be part of the future conversation, or to sponsor, exhibit, promote or partner, get in touch at conference@gcva.co.uk