Gift Card
& Voucher
Association

October 2025

GCVA
Consumer Report

Vol.
63

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 65th wave 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 September fieldwork went into field on October 1st and was designed to explore habits during the previous month, across a UK nationally representative sample of 2,000 shoppers.

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Gift Card Voucher Association (GCVA)

Topline Takeaways

- **Retail spending growth set to improve to 2.3% in 2025, boosted by inflation with volumes just below last year**
- **The proportion of those purchasing self-use cards that cited "to help with saving money" was at the highest level since GlobalData began tracking**
- **Both physical and digital gift cards were popular options over September**
- **34.6% said they purchased gift cards to it being an easier option compared to buying physical gifts**
- **There is a growing role for gift cards and digital wallets to facilitate spending in areas such as media subscription and in-game purchases**
- **Leisure gift cards saw a year-on-year uplift in purchasing**

Retail spending growth set to improve to 2.3% in 2025, boosted by inflation with volumes just below last year

Following growth of 1.5% to £453.2bn in 2024, retail spending growth is forecast to accelerate to 2.3% in 2025. We expect inflation to come through higher in 2025, at 2.5%, as retailers, particularly grocers, increase their prices to cope with higher wage costs. Volumes are forecast to come through just below last year, down 0.1%, brought down by food & grocery where volumes fell over the summer, impacted by high inflation. Non-food volumes are set to return to positive territory as some shoppers feel more comfortable given strong wage growth in 2024 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 feel the benefit of increased minimum wages, many on benefits will be squeezed and in the middle-income brackets, average real wages are increasing but many mortgage owners are being dragged into higher interest rates upon expiry of fixed deals made when rates were much lower.

Online Channels

The online channel will see an improved growth of 3.6% 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 will continue to rise marginally in 2025 to 27.9% and 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 grow by 3.2% to £200.6bn in 2025. Food inflation is expected to peak in the second half of the year, dampening volume growth. Despite rising inflation and weak volumes (dropping back 0.9%), we expect minimal trading down to discounters in comparison to 2024, as the mainstream grocers have done a good job of offering a wide price architecture and the ability for shoppers to trade up and down whilst also providing compelling loyalty schemes.

Clothing & Footwear Outlook

The clothing & footwear market has had a rocky H1, with sales falling in all months except March, when it was bolstered by unseasonably good weather. The market's performance is expected to improve slightly as the year progresses, with spend forecast to rise 0.4% in H2 versus a decline of 1.9% in H1. As a result, 2025 overall is anticipated to fall 0.7% to £63.2bn, with volumes also dropping for the third consecutive year, by 0.9%, as consumers prioritise spending on other areas, such as leisure.

The online channel is expected to continue outperforming, rising 0.4% to £25.9bn, with online penetration growing 0.5ppts to 41.0%, as its convenience, wide product offering, and price comparison abilities continue to appeal to shoppers.

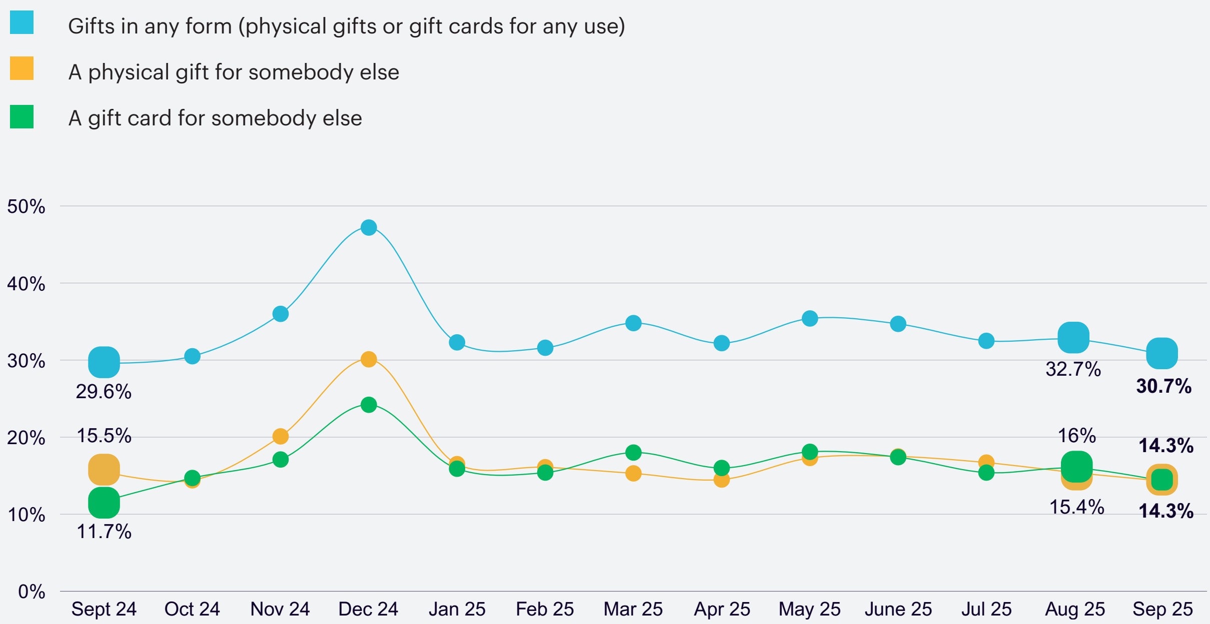
Gift cards outperform physical gifts during September

The 30.7% of consumers that bought physical gifts, gift cards, or made self-use gift card purchases over September 2025 was slightly higher than September 2024 (29.6%). This increase was primarily driven by gift cards, with 14.3% of UK consumers purchasing compared to 11.7% in September 2024. In contrast, the proportion of UK consumers purchasing physical gifts saw a year-on-year decline (14.3% vs. 15.5%).

Despite a lack of major gift occasions, this increase in overall gifting 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 September, 17.1% said they didn't because they have cut back significantly on non-essential spending.

Figure 1:

Did you purchase any of the following:



Strong self-use purchasing over September

8.4% of UK consumers said that they purchased gift cards for self-use over September, which represented an increase compared to September 2024 (7.7%). This points to a greater degree of financial flexibility among UK consumers, amid improving household finances. 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 57.8% over September 2025; the highest level since GlobalData began tracking this metric, back in May 2020.

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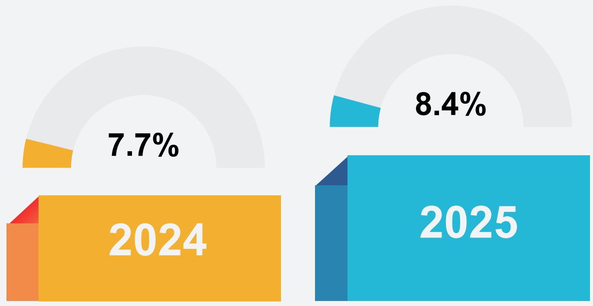
Figure 2:

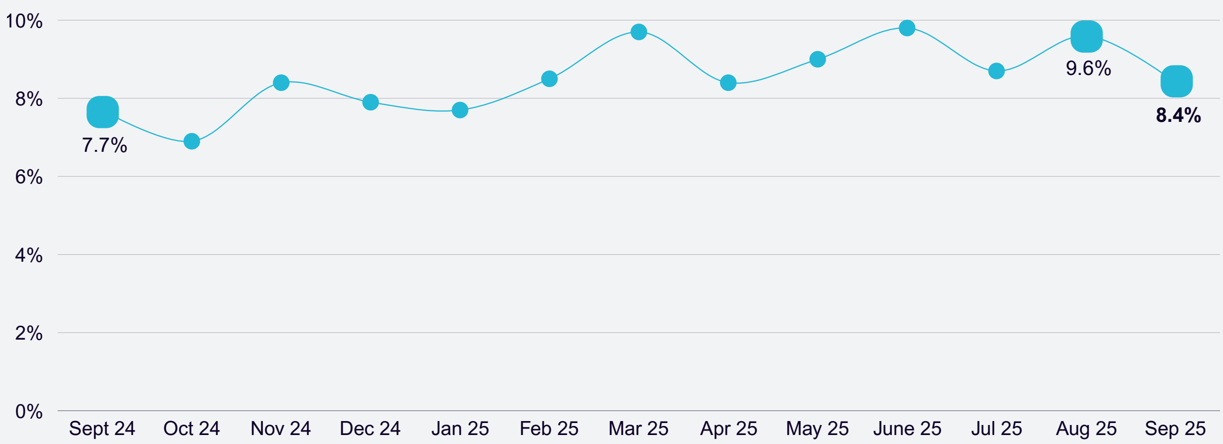
Purchasing a gift card for yourself - September 2024 vs September 2025:

- September 2024
- September 2025



Did you purchase any of the following:

A gift card for yourself



Both physical and digital gift cards were popular options over September

Physical gift cards purchased instore saw another strong performance over September. In addition to physical cards continuing to be viewed as more thoughtful gifting options, physical formats have benefitted from greater choice within physical stores, and the growing array of options in gift card categories such as entertainment, leisure, and gaming.

When it came to online purchasing, a rising proportion opted for digital gift cards compared to last year, with physical cards purchased online experiencing a dip in comparison. Convenience is a key driver underpinning the outperformance of digital; 34.6% said they purchased gift cards to it being an easier option compared to buying physical gifts.

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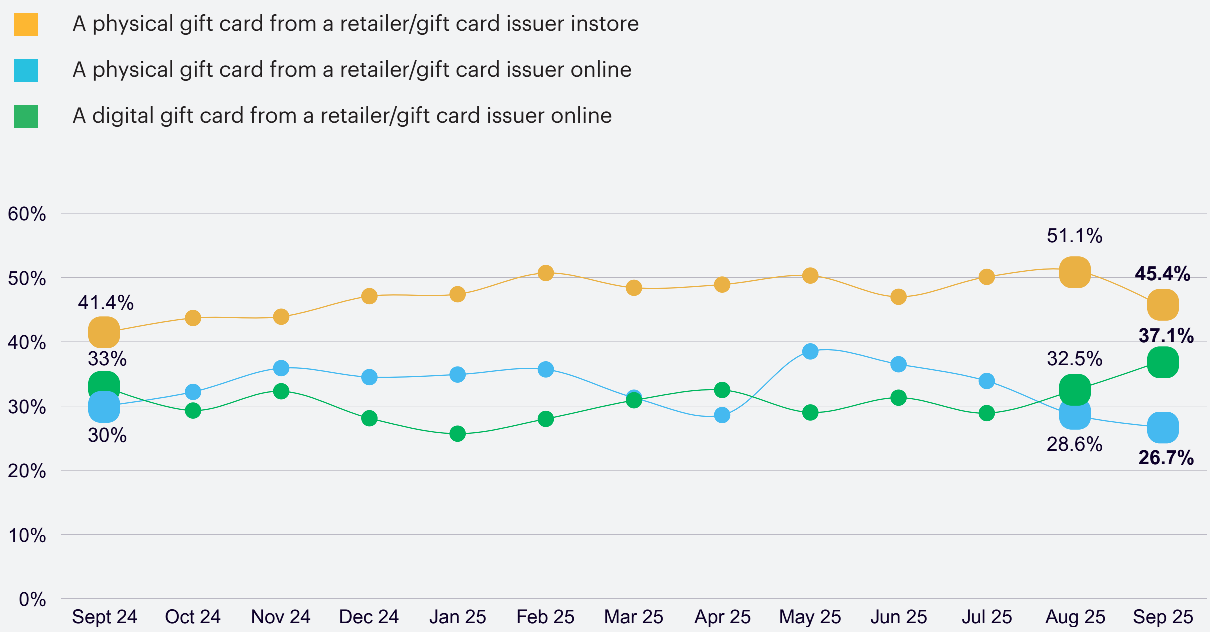
Figure 3:

Which type of gift cards did you purchase?



Multistore gift cards continue strong performance

Multistore gift cards outperformed over September; the proportion of gift card shoppers purchasing multi-store gift cards (36.6%), increased vs. September 2024 (32.4%). In contrast, the proportion of gift card shoppers purchasing single brand gift cards (45.9%) declined vs. September 2024 (51.8%).

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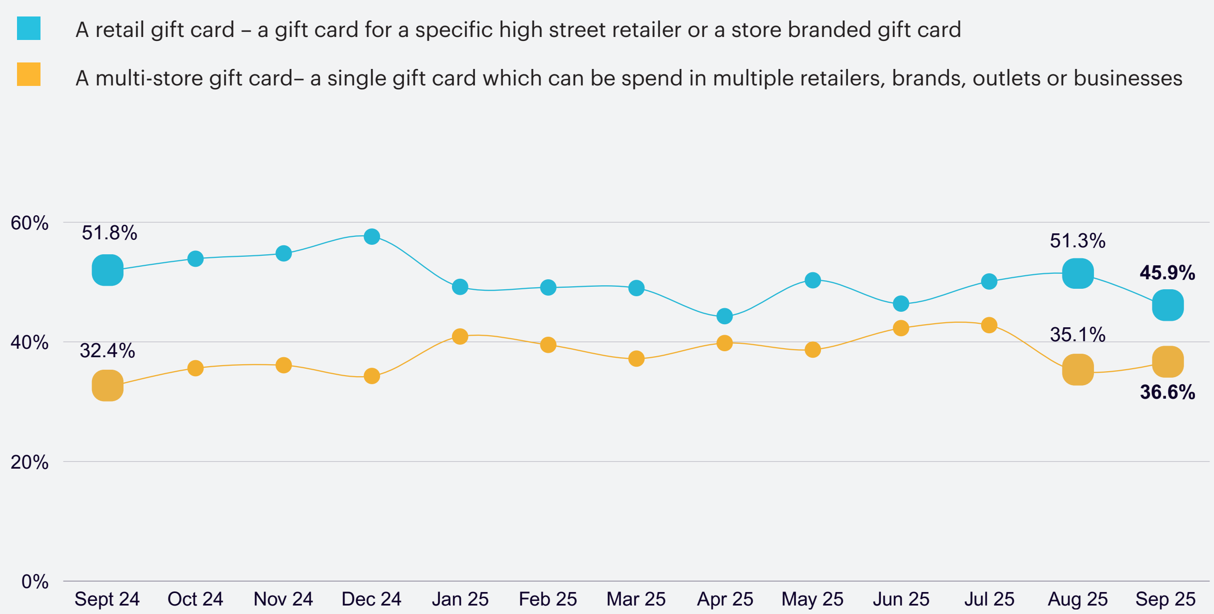
Multistore cards have the potential to overcome lingering consumers concerns around the lack of flexibility that gift cards provide compared to other payment options. The challenge for these gift card types continues to be balancing the factors of not being too generic that it is considered unthoughtful of the gift-giver, with granting the recipient the freedom of spend within a range of retailers.

Figure 4:

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



Leisure outperforms experience over September

There was a post-summer decline in the proportion of gift card buyers purchasing experience gift cards – for activities such as hot air balloon rides, helicopter rides etc. In contrast, leisure gift cards saw a year-on-year uplift in purchasing - e.g. travel, theatre tickets, spa, dining etc. Demand has been boosted by an increase in supply, with many national, regional, and local leisure and experience businesses introducing options.

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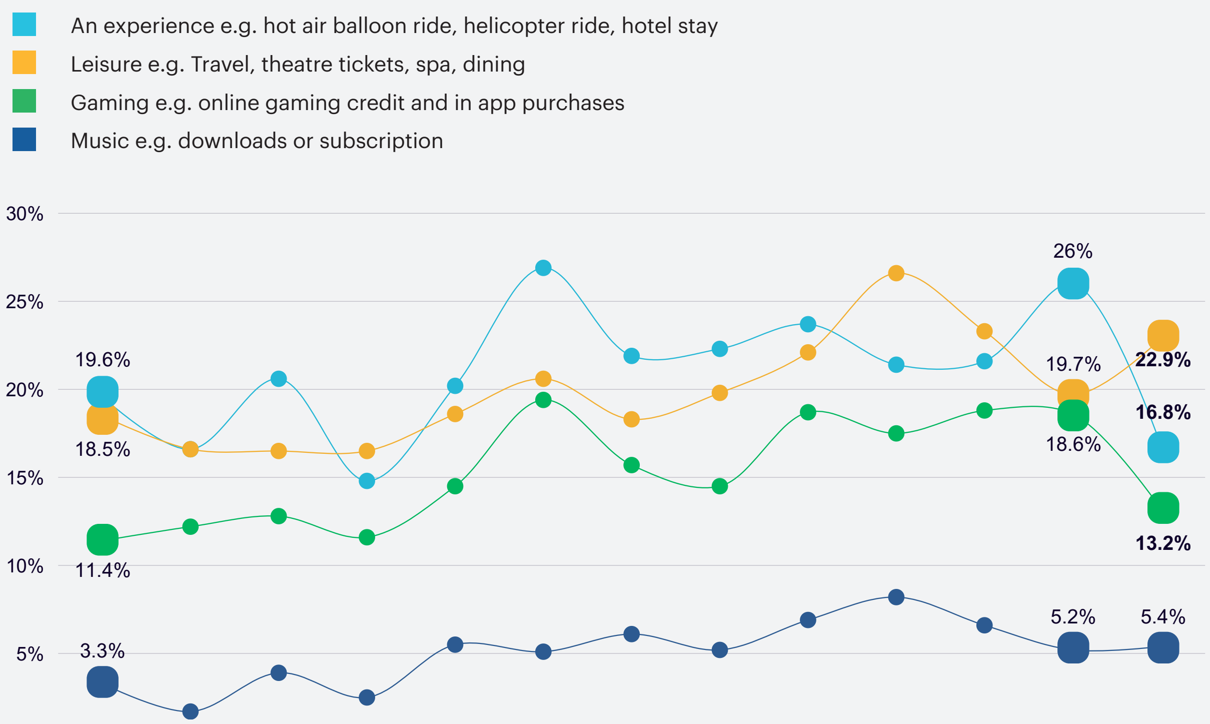
There is a growing role for gift cards and digital wallets to facilitate spending in areas such as media subscription and in-game purchases

Elsewhere, both Gaming and Music gift cards saw strong year-on-year purchasing. The popularity of these options is helping to drive self-use gift card purchasing. The second most cited reason for self-use purchasing was 'to make it easier to shop online' highlighting that there is a growing role for gift cards and digital wallets to facilitate spending in areas such as media subscription and in-game purchases.

Figure 5:

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



UK consumers see gift cards as a medium for supporting local businesses

There continues to be evidence that many are being proactive in purchasing gift cards to funnel support to local companies. Over September 2025, 27.6% of UK consumers agreed with the statement "I have/will purchase gift cards with the intent of supporting companies that I like".

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 September calendar month, with comparisons made between September 2025 and September 2024. Where relevant, comparisons have also been made to the wider tracking period.

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