



# June 2025

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GCVA  
Consumer Report

Vol.  
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The GCVA is partnering with GlobalData to deliver a monthly snapshot of consumer behaviour and attitudes across the gift card sector. This report covers the 60th reportage of monthly research, since GlobalData began tracking this 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 May fieldwork went to field on June 1st and was designed to explore habits during the previous month, across a UK nationally representative sample of 2,000 consumers.

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📌 Gift Card Voucher Association (GCVA)

## Topline Takeaways

- Retail spending growth set to improve to 3.4% in 2025, boosted by inflation but also by positive volumes
- May gifting demand benefits from continued improvement in household finances
- Self-use purchasing rises again over May
- Physical gift cards outperformed over May
- Multistore gift cards continue strong performance
- Experience and Leisure saw a particularly strong performance over May
- UK consumers see gift cards as a medium for supporting local businesses

# Retail spending growth set to improve to 3.4% in 2025, boosted by inflation but also by positive volumes



Following growth of 1.5% to £450.6bn in 2024, retail spending growth is forecast to ramp up to 3.4% in 2025. We expect inflation to come through higher in 2025, at 2.2%, as retailers, particularly grocers, increase their prices to cope with higher wage costs. Volumes are forecast to rise by 1.2% in 2025, which will be the first positive volume growth since 2021 as 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. That said, this benefit will not be felt by all households. For those needing to remortgage and facing much higher monthly payments, household spending will be squeezed.

## Online Channels

The online channel will see improved growth of 4.1% 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 rise marginally in 2025 to 27.5% and slowly rise towards 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 4.1% to £202.5bn in 2025. Food inflation is expected to peak in the middle of the year, increasing to 4.2%. Despite inflation rising once again, volumes are expected to improve in the second half of the year resulting in a 0.6% uplift for 2025. We expect minimal trading down to discounters in comparison to last year as the mainline 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 got off to a rocky start in 2025, with sales remaining negative in January and February. However, the market is expected to improve as the year progresses following a better March, as consumer confidence and finances improve, leading it to rise 0.6% to £60bn. As a result, volumes will remain negative for the third consecutive year in 2025, falling 0.2%, as consumers prioritise spending on other areas, such as leisure.

The online channel is expected to continue outperforming, rising 1.8% to £24.9bn, with online penetration growing 0.5ppts to 41.5%, as its convenience, wide product offering, and price comparison abilities, continue to appeal to shoppers.

# May gifting demand benefits from continued improvement in household finances



The 35.4% of consumers that bought physical gifts, gift cards or made self-use gift card purchases over May 2025 was slightly higher than May 2024 (27.8%). Both gift cards and physical gifts experienced higher purchasing penetration over May; 18.1% of UK consumer purchased gift cards for somebody else, compared to 12.9% during May 2024.

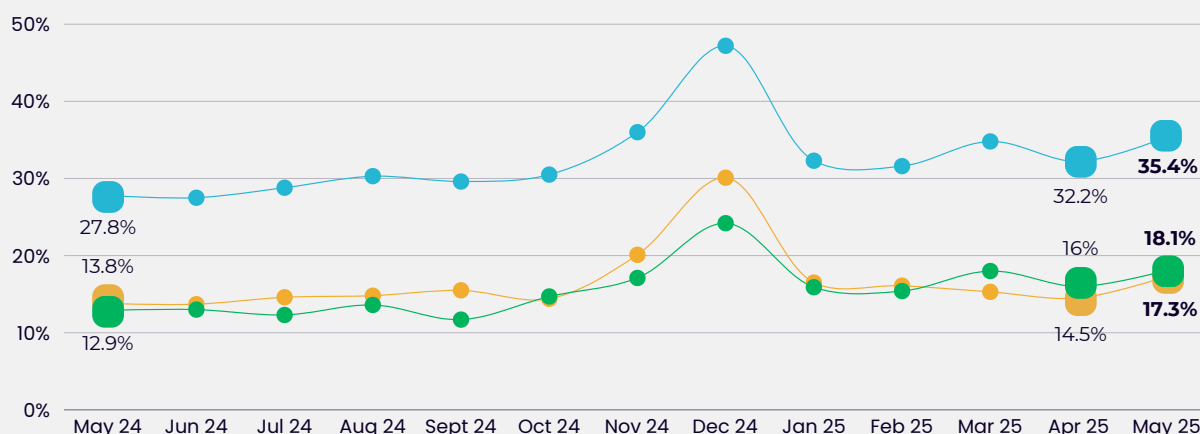
This uptick is reflective of a broader recovery in household finances, which is finally feeding through to a tangible parallel improvement in consumer sentiment. Moreover, while there were no significant seasonal events during the month, the good Spring weather encouraged physical, gift-giving gatherings.

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 May, 18.1% said they didn't because they have cut back significantly on non-essential spending, which was markedly higher than those citing this same reason in May 2024 (10.3%).

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



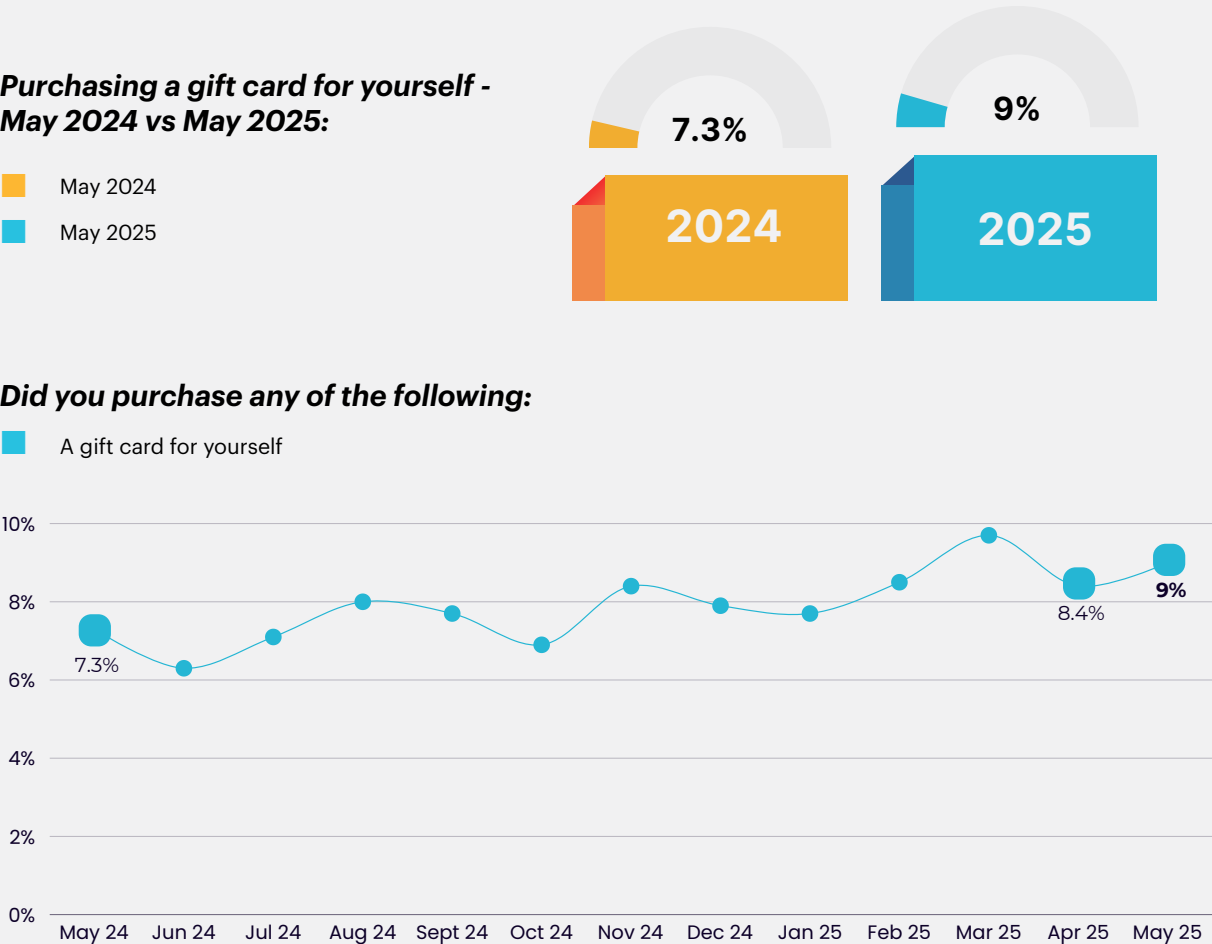
# Self-use purchasing rises again over May



9.0% of UK consumers said that they purchased gift cards for self-use over May 2025, which was an increase on the 7.3% doing the same in May 2024. 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 50.6% over May 2025.

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Figure 2:



# Physical gift cards outperformed over May



Physical gift cards purchased instore saw another strong performance over May, benefitting from the good weather encouraging physical gatherings. More generally, 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.

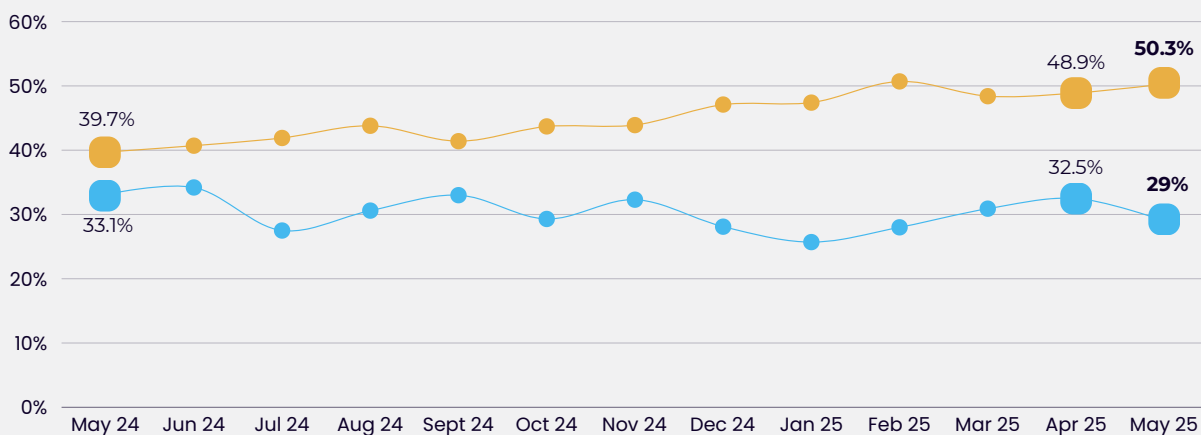
**Physical formats have benefitted from greater choice within physical stores**

When it came to online purchasing, there was a contrasting year-on-year performance across physical gift cards (38.5% of gift card buyers purchased vs. 34.2% in May 2024), and digital gift cards (29.0% purchased compared to 33.1% in May 2024). Shopper expectations continue to rise when it comes to cross-channel purchasing and redemption. In May 2025, 59.6% of respondents agreed with the statement “I expect all gift cards to be usable across all of the retailer’s sales channels”, compared to 41.2% who expressed the same sentiment in May 2024.

**Figure 3:**

## Which type of gift cards did you purchase?

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



# Multistore gift cards continue strong performance



Multistore gift cards again outperformed over May; the proportion of gift card shoppers purchasing multi-store gift cards (38.7%), increased vs. May 2024 (37.5%). In contrast, the proportion of gift card shoppers purchasing single brand gift cards (50.3%) slightly declined vs. May 2024 (50.4%).

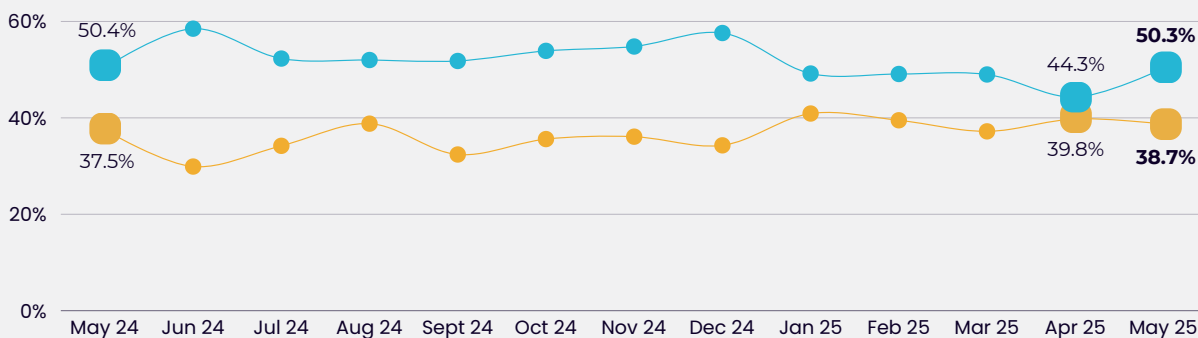
Multi-store cards have the potential to overcome lingering consumers concerns around the lack of flexibility that gift cards provide compared to other payment options

Multi-store 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 (includes gift cards, vouchers, digital, e-gift codes etc.), which types of gift cards did you purchase, either for yourself or someone else?  
Please select all that apply**

- A retail gift card – a gift card for a specific high street retailer or a store branded gift card
- A multi-store gift card– a single gift card which can be spend in multiple retailers, brands, outlets or businesses



# Experience and Leisure saw a particularly strong performance over May



The proportion of gift card buyers purchasing experience and leisure gift cards – for activities such as hotel stays, spa breaks, and restaurants – increased compared to May 2024. These card types benefitted from stronger demand due to being viewed as more thoughtful gifting options, particularly during a period of the year when many of mapping out their social activities and holidays. Demand has also been boosted by an increase in supply, with many national, regional, and local leisure and experience businesses introducing options.

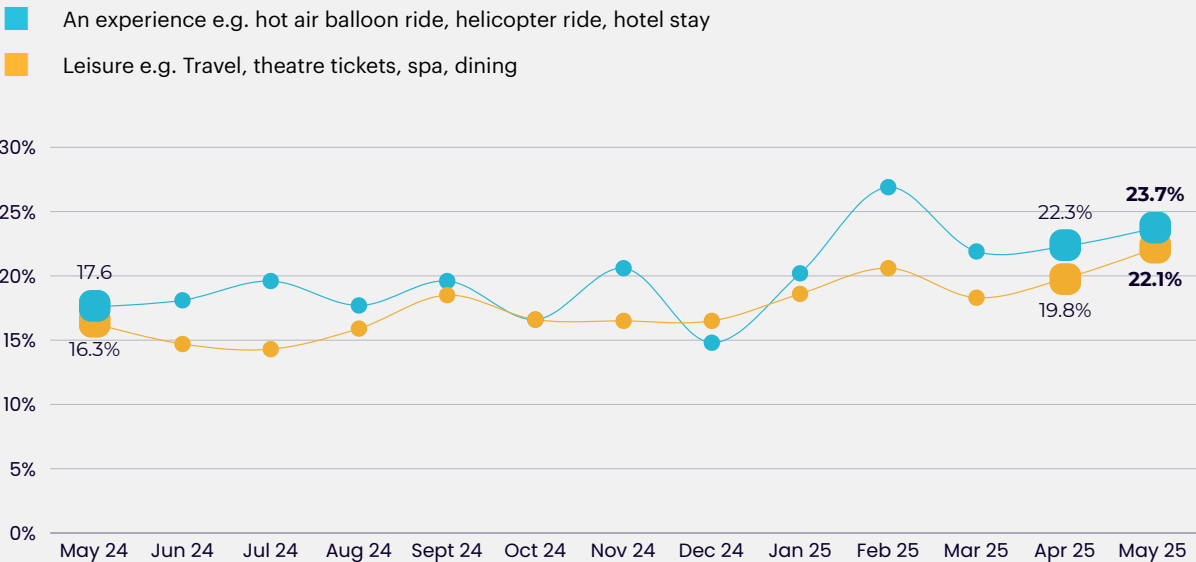
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Elsewhere, both Gaming and Music gift cards saw strong year-on-year purchasing. The popularity of these options is helping to drive self-use gift card purchasing. The second most cited reason for self-use

purchasing was ‘to make it easier to shop online’ highlighting the growing role of gift cards and digital wallets to facilitate spending in areas such as media subscription and in-game purchases.

Figure 5:

## Experience and Leisure saw a particularly strong performance over May



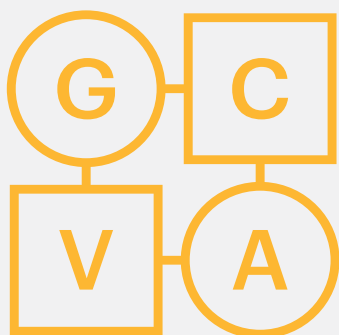


# UK consumers see gift cards as a medium for supporting local businesses



There continues to be evidence that many are being proactive in purchasing gift cards to funnel support to local companies. Over May 2025, 33.4% of UK consumers agreed with the statement “I have/will purchase gift cards with the intent of supporting companies that I like”. This is more than double the 13.2% who expressed this sentiment in May 2024.

**There continues to be evidence that many are being proactive in purchasing gift cards to funnel support to local companies**



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

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