



Press release

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## Gifting Industry Reports Sharp Digital Rise as UK Seeks to Lift Spirits of Loved Ones in Isolation

- *Gift cards see significant rise as customers plan for weeks ahead*
- *At least 1 in 4 consumers will 'ping' rather than post a gift as digital giving rises*
- *Isolation is causing new gifting behaviour as social distancing creates new demand*

As the UK settles down to the current reality of isolation, while the response to COVID-19 takes effect, gifting is yet another area seeing a dramatic change in consumer behaviour according to the latest forecasts from the [Gift Card & Voucher Association \(GCVA\)](#).

With birthdays, Father's Day and Easter representing up to as much as 39% of the UK's annual £3.3 billion spend on gifting for others according to the [latest industry valuation](#), Brits face the challenge of finding ways to show loved ones how much they care while maintaining government-mandated social distancing practices.

Subsequently, gift card providers, including major retailers, hospitality brands and specialist digital and multi-store gift cards are experiencing a major surge in demand as people are needing to change their gifting habits in preparation for the weeks ahead.

As well as popular upcoming gifting occasions, such as Father's Day and Easter, 22.3 million UK birthdays are estimated in the next four months, according to ONS data. This, coupled with a rise in spontaneous gifting to show support for loved ones during the pandemic, means that gifting rates will surge in popularity over the coming months.

The arrival of new babies is also prompting a boost in gift card spending. With new mothers being told to avoid any visitors to their hospital ward or homes after the birth, an estimated [220,000 new babies](#) over the next four months are boosting sales of gift cards offering congratulations.

Due to the pandemic, consumers are increasingly opting for gifting solutions that minimise contact, can be sent instantly, and enjoyed at a later date. Because of this, at least one in four gifts received over the coming months are likely to be digitally 'pinged' rather than



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posted. Digital gifting already represents 26% of all UK gift cards according to GCVA research, rising to 50% accounting for all gift cards spent online. This figure is predicted to rise sharply as people seek to manage their gifting from home.

The outbreak has also given rise to a brand-new gifting trend known as “sunny day gifting”, referring to when a gift – usually a gift card - is purchased with the intention of being used at a later date once everyday life has returned to normal. This new means of gifting has already been adopted positively throughout the retail and hospitality industries, with consumers across the UK purchasing gift cards for their favourite shops, bars and restaurants.

**Gail Cohen, director general of the GCVA, commented:** “Life as we know it has changed beyond recognition over the past few weeks, however gift cards remain a wonderfully versatile way of both showing your loved ones how much you care – even if you’re not able to be with them – and brightening up their day.

“The rise of digital gifting solutions in particular is driving a major change in how we send and receive gifts, meaning they can be shared and enjoyed almost instantly, offering a safe way of gifting that still offers that truly personal touch.

“It’s also worth bearing in mind that many physical gift cards can be redeemed online from the comfort of your home, and can often be used to purchase the essentials people may need to see them through the coming weeks.”

**Aoife Davey, group marketing director at One4all Gift Cards, said:** “UK consumers are looking for ways now, more than ever before, to send tokens and gifts to loved ones. Whether it’s because they’re having to celebrate key occasions such as Mother’s Day, arrivals of new babies, wedding milestones and birthdays from afar due to social distancing, or whether it’s simply to let loved ones who are self-isolating know that they’re thinking of them, despite not being able to see them in person.

“It’s never been more important to connect with people from a distance and make sure loved ones know we care. We’ve seen increased demand for both physical gift cards and for our new, digital gift card which does not require anything to physically exchange hands, and we



are offering customers free postage to make it easier for people to connect with one another in this way during this time.”

**Jamie Mackenzie, director of marketing at Sodexo, said:** “As most of the UK adapts to the reality of social distancing, many are missing out on important events and milestones that they would normally celebrate with their loved ones.

“Employers are helping staff with increased Employee Assistance Programmes (EAPs), and employees are using their benefits to purchase digital gift cards for family or friends, or to support local business through such a challenging and unprecedented time. The amount of vouchers bought and donated to schools has increased, for example. People are taking heed of isolation advice, but they still want to support others; that’s what we’re seeing.”

For more information, visit [www.gcva.co.uk](http://www.gcva.co.uk)

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## **Notes to Editors**

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## **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 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.

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.



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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.