

PRESS RELEASE

Multi-channel strategy key to gift card success

New research from the <u>UK Gift Card and Voucher Association (UKGCVA)</u> has revealed that consumers are demanding greater cross-channel flexibility when it comes to purchasing and redeeming gift cards.

<u>The State of the Nation report</u>, compiled by GlobalData and sponsored by First Data, found that 56% of shoppers said that they would like gift cards to be redeemable across the retail channel of their preference.

Reflecting the recent rise of eCommerce, 58.6% of 2,000 UK consumers would want to spend gift cards online, compared to 51% of shoppers who favour spending gift cards instore.

And when it comes to buying gift cards, although half of shoppers are still more likely to purchase a gift card from a retailer in-store, a steadily increasing proportion of shoppers now prefer to buy them online. In 2019, 34.3% of respondents cited online as their preferred purchasing channel, compared with 25.8% in 2017, when this research was last undertaken.

The rise of digital channels is also facilitating a new trend in gift cards – personalisation. Some digital gift cards now allow shoppers to create custom designs and bespoke packaging, often by uploading their own photos. And in some instances can also be delivered to the recipient accompanied by personal video content recorded by the purchaser.

According to the research, this trend is becoming more popular amongst consumers, with 58.6% of shoppers saying they want to be able to purchase fully personalised gift card products like these.

Gail Cohen, director general of the UKGCVA, commented: "This year's State of the Nation report has clearly shown that gift cards remain very popular amongst shoppers of all ages, and can be a very useful tool for retailers looking to attract new customers or increase customer loyalty.





"However, it has also highlighted that if businesses are to leverage these benefits to their full effect, they must ensure that their gift card programmes are keeping up with changing consumer demands and expectations, particularly when it comes to the rising popularity of digital channels."

For more information, visit http://www.ukgcva.co.uk/

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About UKGCVA

The UK Gift Card & Voucher Association (www.ukgcva.co.uk) was established as a trade body in 1991 to represent the key players in what is today a c£6 billion gift card and stored value solutions market. With 90 members representing key retailers, issuers and suppliers the UKGCVA provides an information and reference point for the Gift Card industry and is at the forefront of the issues affecting the sector.

Its main objective is to provide a platform and infrastructure for the industry and to raise the profile and use of gift cards within the UK, promoting the industry to consumers, businesses, government and other interested parties.





The UKGCVA's annual conference is a key date in the industry calendar. Bringing together all stakeholders in the sector to learn, debate, promote and network, it is a day for members, non-members and organisations keen to know more about the industry. It is a platform to share new ideas, innovate and promote best practice with the UK gift card industry.

About First Data

First Data (NYSE: FDC) is a global leader in commerce-enabling technology and solutions, serving approximately six million business locations and more than 3,700 financial institutions in more than 100 countries around the world. The Company's 19,000 owner-associates are dedicated to helping companies, from start-ups to the world's largest corporations, conduct commerce every day by securing and processing more than 3,000 transactions per second and \$2.6 trillion per year. For more information, visit www.firstdata.com and follow us on Twitter at @FirstData and LinkedIn.

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