



Nearly Half of Brits Combatting Inflation with Gift Card Promotions

February 28, 2023

About 1 in 5 Brits are buying more gift cards for themselves than for others, using them to receive discounts, budget and earn loyalty rewards

Retailers, restaurants and entertainment venues are most popular gift card brands

LONDON - February 28, 2023 -- The cost-of-living crisis is changing how consumers purchase and use gift cards, with almost half (47%) of British consumers taking advantage of gift card promotions such as bonus card value or discounts to combat inflation, according to [The UK Prepaid Consumer Insights Survey](#) released today by [Fiserv, Inc.](#), a leading global provider of payments and financial technology solutions.

"The rising cost of living is having a direct impact on the gift card market. The way people are buying and using gift cards is changing, with consumers turning to gift cards to budget and to take advantage of discounts and loyalty rewards," said Sam Lituchy, Vice President and Head of Gift Solutions at Fiserv.

Despite a looming recession and the squeeze on consumer purse strings, gift card purchasing remains steady in the UK. In 2022, 58% of UK consumers purchased the same amount or more gift cards as they did in 2021. Inflation is impacting consumer use of gift cards, with 20% of consumers saying they are using gift cards to help counteract higher prices, and 19% saying inflation is prompting them to use gift cards to purchase items of necessity rather than wants.

At a time when discretionary consumer spending is constrained, with a substantial impact on retail, hospitality and leisure businesses, brands that help customers get more for their money when purchasing gift cards can support purchasing activity and boost retention. Two thirds of Brits (67%) say promotions would motivate them to purchase more gift cards in future. According to the study, the top incentives for consumers to purchase gift cards include bonus gift cards with a purchase of a gift card (33%), a free item with a purchase (27%), a bonus amount added to the gift card (24%) and monetary discounts (15%).

Gift Cards for You...and Me

Consumers are also looking to gift cards as a present that provides financial freedom to the recipient. Birthdays are the most popular time to give a gift card, with 85% of UK consumers selecting birthdays as a top-three gift card buying occasion, and 56% believing that gift cards are better than giving someone a gift that might be returned.

While the majority of gift cards are purchased for others, consumers are also buying gift cards for themselves. British consumers who purchase gift cards for self-use do so to reap the benefits of a discount (39%), to budget their money (24%), or to participate in loyalty and rewards programmes (32%). Self-gifting is a popular way for consumers to treat themselves or friends and family, with almost one in five (18%) saying most of their gift card purchases were made for themselves rather than for other people.

Gift Card Hot Spots

Retailers, restaurants and entertainment venues were among the most popular brands from which consumers buy gift cards, including department stores (53%), online only merchants (41%), coffee shops (31%), discount and big box stores (26%), casual restaurants (26%) and entertainment venues such as movie theatres (24%).

"Gift cards are continuing to create opportunities for retailers, restaurants and entertainment brands, and are an excellent instrument for building loyalty, driving footfall and boosting sales," concluded Lituchy. "Businesses navigating difficult operating conditions can tap into changing demand and put a little extra money back into the pockets of consumers by amplifying promotions to support overall sales."

In a world moving faster than ever before, Fiserv helps clients deliver solutions in step with the way people live and work today – financial services at the speed of life. Learn more at [fiserv.com](https://www.fiserv.com).

Additional Resources:

- The UK Prepaid Consumer Insight Survey: [co/UKPrepaidSurvey](#)

About Fiserv

Fiserv, Inc. (NASDAQ: FISV) aspires to move money and information in a way that moves the world. As a global leader in payments and financial technology, the company helps clients achieve best-in-class results through a commitment to innovation and excellence in areas including account processing and digital banking solutions; card issuer processing and network services; payments; e-commerce; merchant acquiring and processing; and the Clover® cloud-based point-of-sale and business management platform. Fiserv is a member of the S&P 500® Index and one of *Fortune*® World's Most Admired Companies™. Visit

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