

Gift Card Gauge

The Future Looks Bright for Gift Cards

Supply chain woes, labor shortages and inflation has meant empty shelves, fewer employees and higher prices for retailers across all industries. However, many consumers see these shortages as opportunities for more gift card purchases.

According to the Q1 2022 Gift Card Gauge, **58%** of consumers plan to purchase more gift cards as an alternative to tangible products due to inventory shortages, while **46%** look at gift cards as their “go-to” alternatives to tangible gifts.

Consumer purchasing trends for gift cards remain high

Gift cards continue to show their value to consumers, with **80%** saying they plan on making gift card purchases in 2022.

19%

plan on buying more physical gift cards than in previous years

16%

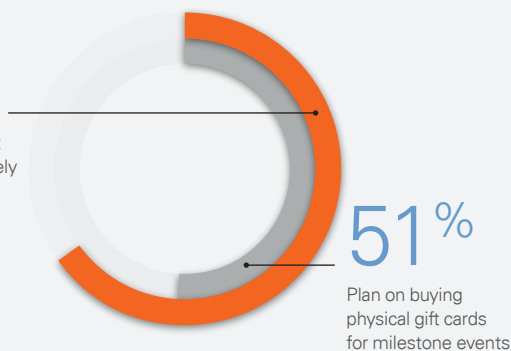
plan on buying more digital gift cards than in previous years

And retailers should plan for increases in physical gift cards sales to drive 2022.

The reason?

65%

Feel physical gift cards are not likely to be fraudulent



Consumers are looking to gift cards for milestone events

Milestone events and gift cards continue to go hand in hand for consumers, with **72%** noting that gift cards are an appropriate gift for these events.

For what 2022 events are they most likely to purchase gift cards?



57%

Birthdays



37%

Graduation



37%

Thank you



33%

Winter holidays

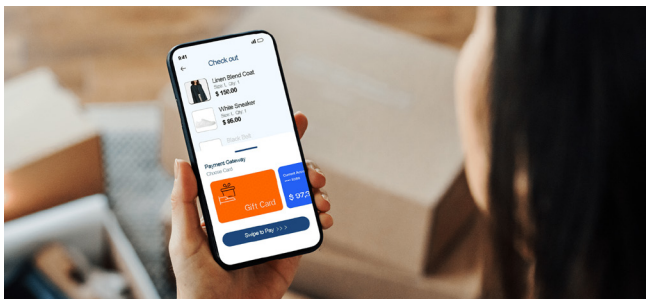
With graduations just a few months away, what gift cards are consumer most likely to buy?

20% Prepaid (AMEX/Visa)

18% Online only merchants (Amazon, eBay)

13% Discount/Big box stores (Walmart, Target)

12% Coffee shops (Dunkin, Starbucks)



Gift card promotions will continue to drive sales

Consumers love getting a little extra with their purchase. In fact, **62%** of consumers said they plan on taking advantage of a gift card promotion in 2022.

What promotions do they prefer?

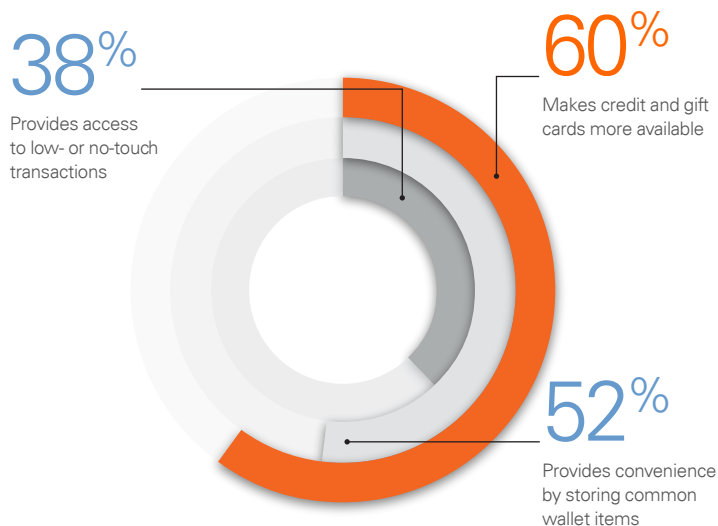
- 33%** Bonus amount added to card
- 28%** Bonus gift with the purchase of a card
- 24%** Free item with the purchase of a card

How are they made aware of promotions?

- 35%** Advertising/marketing
- 23%** In-store point-of-sale marketing
- 17%** Merchant pro-active communications

Merchants must be prepared for mobile purchases

The growth of digital wallets and tap to pay functionalities over the last 2 years has no intention of stopping, as **35%** of consumers plan on using their mobile wallets more this year compared to 2021, with another **35%** suggesting their usage will remain the same.



Why do consumers prefer digital wallets?

53% of consumers say they will be storing gift cards on their mobile devices

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Are you gift card ready?
We can help get you there.

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Data cited in this publication is the result of the Q1 2022 Gift Card Gauge conducted by Fiserv. This information is being provided for informational purposes only. The Gift Card Gauge from Fiserv is a quarterly poll of over 1,000 U.S. consumers. Respondents cover all age groups (18 and older), regions and genders. The margin of error for this Gauge is +/- 3%.