

Gift Card Gauge

Consumers are Feeling the Inflation Burn, are Gift Cards the Extinguisher?

With the U.S. inflation rate closing in on **7%**, consumers are pulling back on their spending as prices for groceries, gas, clothing and more soar.

According to the Q2 2022 Gift Card Gauge, **51%** are significantly reducing their impulse shopping and **46%** are purchasing only what is necessary. Despite shifts in spending, gift cards appear to be largely unaffected, with only **23%** of consumers saying they are purchasing fewer gift cards due to inflation.

Understanding consumer behaviors amidst inflation

As inflation continues to hit consumers, they are looking for ways to get more for less...and it's time for businesses to take notice.

25%

Shopping sales more than previous months

19%

Using coupons more than in previous months

These changes also extend into their dining habits.

10%

Migrating to more casual dining over formal dining

55%

Eating at home more

16%

Dining out less

Despite inflation, gift cards remain strong

While inflation has caused consumers to evaluate their spending habits, **51%** say that their gift card usage has not been impacted. For those that have seen a change, they are shopping smarter with their gift cards.

17%

Relying on gift cards to counteract higher prices

16%

Using gift cards to purchase items of necessity over wants

Although consumers are split on whether inflation has influenced their card usage, they agree that the most "valuable" gift cards are for retail locations where they can make everyday purchases, a stark departure from their 2021 preferred cards.

April 2021

51%

Online-only retailer

39%

Discount store/big box

33%

Coffee Shop

April 2022

49%

Discount store/big box

38%

Food supermarket or grocery store

36%

Gas stations



Gift cards are still preferred for milestone events, but with a caveat

Despite inflation, as we enter graduation season and, eventually, winter holidays, consumers will still rely on gift cards to cater to milestone events.

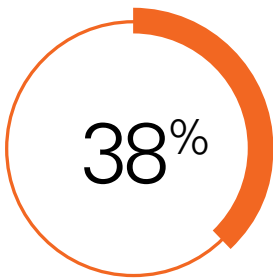
1 in 4

favor giving gift cards over traditional gifts

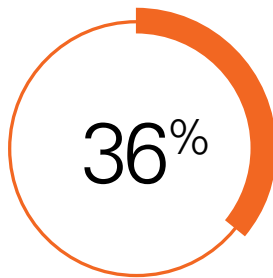
2 in 5

favor receiving gift cards over traditional gifts

While the consumer preference towards gift cards should lead to more sales, **74%** note that inflation will reduce the amount of money they put on a gift card.



Reduce by 1-19%

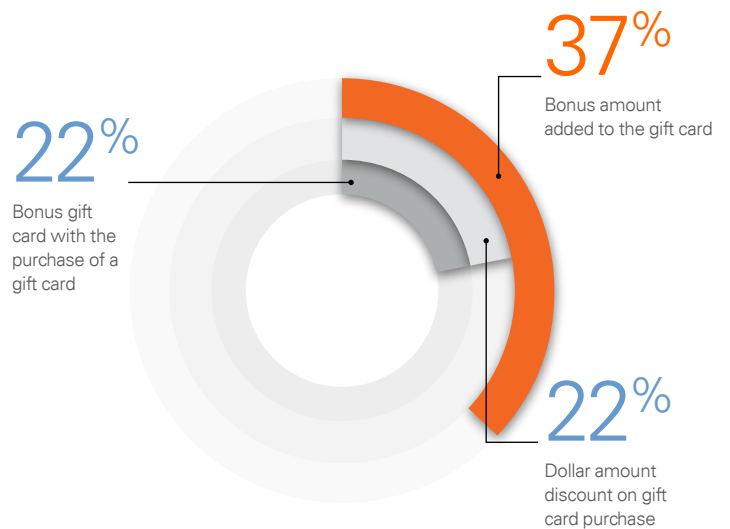


Reduce by 20% or more

Stoke gift card sales through promotions

Gift card promotions are a popular way for consumers to stretch their spending power. In fact, **37%** of consumers say they have already taken advantage of a gift card promotion this year, and **58%** say that gift card promotions will motivate them to buy more gift cards during this inflation period.

What gift card promotions would most motivate them to buy?



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We can help get you there.

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Data cited in this publication is the result of the Q2 2022 Gift Card Gauge conducted by Fiserv. This information is being provided for informational purposes only. The Gift Card Gauge from Fiserv is a bi-monthly 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 +/- 3.059%.