

Gift Card Gauge:

How digital integration & loyalty programs power gift card growth

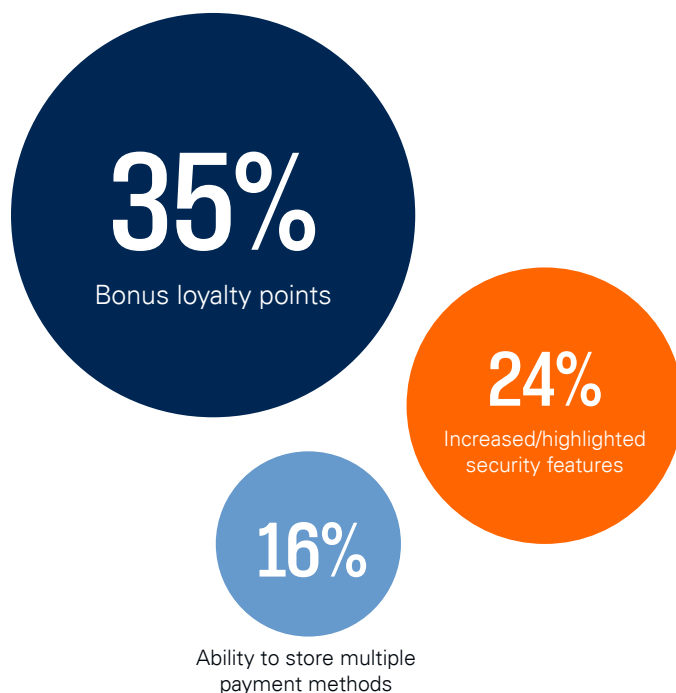
Convenience is being redefined. While 70% of consumers in 2024 cited instant delivery as a key reason for going digital, only 43% agree today. The result? Ease of use is about the full customer journey, not just speed.

Gift cards, loyalty programs, and digital wallets reinforce each other as drivers of mobile adoption and repeat engagement. When brought together, they create a seamless ecosystem that fosters deeper merchant-consumer relationships. According to Fiserv's 23rd Annual Prepaid Consumer Insights Survey, preference for digital gift cards continues to climb, with 68% of consumers now choosing digital over physical, up from 66% in 2024.

Digital wallet adoption and awareness increase

Digital wallet usage remains strong, with 90% of consumers using one in 2025. Gen Z and Gen X lead the charge at 68%, followed closely by Millennials at 65%. Among those who haven't adopted digital wallets, more than half (53%) simply haven't set one up.

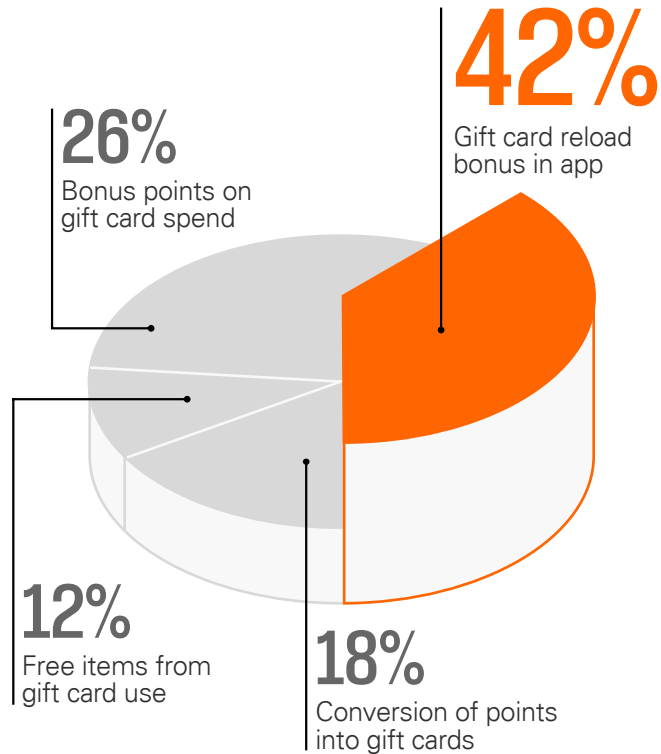
Merchants can overcome this hurdle by offering top-ranked incentives, including:



Personalization drives loyalty engagement

Personalization is a clear priority for shoppers. Birthday and anniversary rewards appeal to nearly half of consumers (48%), while 37% prefer custom perks tailored to their habits.

Loyalty engagement is strong as seven in 10 consumers leveraged gift card-related loyalty incentives in the past year, including:



Digital Integration Drives Engagement

Mobile apps dominate gift card redemption, accounting for 56% of usage compared to 24% in-store and 19% on websites. Merchants who invest in integrated digital experiences and loyalty programs are best positioned to build lasting relationships and drive repeat engagement.

To strengthen retention, merchants should focus on the loyalty rewards that resonate with consumers:



Sales tactics shift

Merchants can capture and retain today's digitally savvy consumers by prioritizing seamless, secure, and personalized omnichannel experiences. Combining loyalty programs and gift card offerings can drive mobile app usage and create repeat customers.

84%

of shoppers favor brands with smooth mobile, desktop and in-store experiences.

69%

of shoppers are increasingly willing to switch brands for a smoother experience.

Connect with us

Are you gift card ready?
We can help you get there.
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Data cited in this publication is the result of the 23rd Annual Prepaid Consumer Insights Survey, a poll of more than 1,000 U.S. consumers across all age groups, regions, and genders. All data cited in this publication was collected in November of 2025. Margin of error: +/- 3%.