



EMEA Prepaid Consumer Insights Survey

**Gift
Solutions**

EMEA Prepaid Consumer Insights Survey

The EMEA Prepaid Consumer Insights Survey from Fiserv explores the impact of digital adoption on European consumers from France, Germany, Poland and the United Kingdom as they increasingly use gift cards to integrate with mobile apps, earn loyalty points, support small businesses and even communicate value to employees. Over 1,000 EMEA consumers participated in the study, conducted in December 2021, covering all age groups (18 and older), regions and genders. The margin of error on the study is +/- 3%.



Highlights

Physical Gift Cards Reign Supreme

While digital gift card spending is on the rise, physical, tangible gift cards are still preferred by nearly half of consumers.

Gift Cards Are Great for the Giver and the Receiver

Consumers love the flexibility of gift cards, as it allows them to purchase what they want.

Most Consumers Can't Wait to Spend Their Gift Cards

Gift card sales lead to quick spending, as over two-thirds of recipients spend the full gift card amount within 2 months.

Employees Think Their Companies Should Consider Gift Cards

Although most consumers feel gift cards would be an appropriate reward from their employers, more than half of respondents said they have never received one.

Gift Cards have Remained Outside of COVID's Grasp

While COVID has found a way to impact many aspects of daily life, gift cards remain untouched as most consumers noted little difference in their gift card purchasing and spending habits.



Gift Card Trends Remain Steady

European consumers are quick to jump on the latest trends, whether fashion, electronics, or even the latest mobile apps. However, one thing that remains constant is their love of gift cards.

In fact, consumers show little variance in their gift card purchasing habits, as 65% purchased the same number of gift cards or more in 2021 compared to 2020.

While overall purchases remained steady, consumers denoted preferences in their gift card types.

Why the lean towards digital?

72%

Immediate delivery

44%

Easier to send

40%

Easier to purchase

Why the lean towards physical?

61%

Give a tangible gift

45%

Feel digital cards are too impersonal

43%

Unwrap something



Consumers Have a Set Plan When It Comes to Gift Cards

While there's no blueprint regarding when, where and for what occasion to deliver a gift card, most consumers seem to have a set plan in their delivery. Specifically, almost 70% of consumers primarily buy gift cards for other people. As for the milestone driving the purchase, holidays (63%) and special events (60%) remain the most popular reasons.

What retailers are benefitting the most from gift cards?

More than three-fifths of consumers prefer to purchase single merchant gift cards and are most likely to turn to specialty retailers and department stores to make their purchases.





The Love Language of Giving and Receiving Gifts

Nearly 40% of consumers agree that a gift card is their go-to last-minute gift or their primary alternative when they don't know what else to get, but that doesn't matter to the recipients. In fact, more than half of consumers say they prefer getting a gift card because they can use it to purchase what they want.

Celebrate good times come on

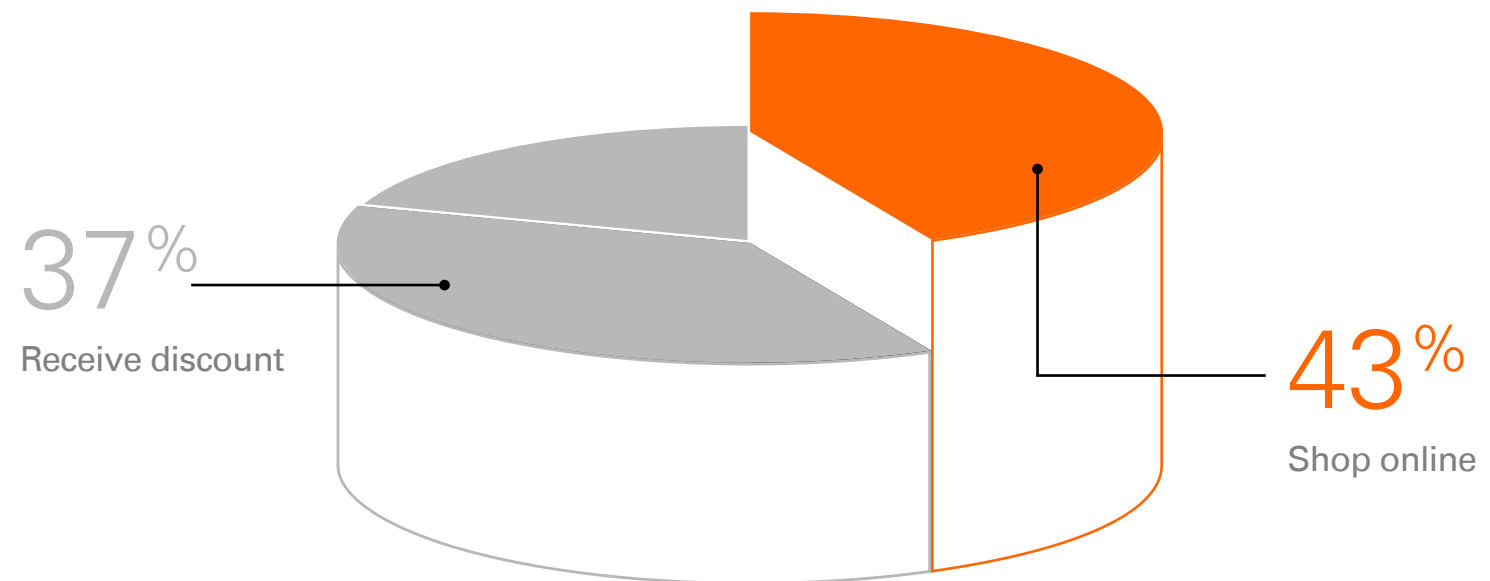
When purchasing a gift card for others, 33% give a gift card as a holiday present, while 56% give one to celebrate another occasion or event.



Give Yourself a Gift

While most gift card purchases are traditionally made for others, consumers still like to treat themselves.

Why do consumers buy themselves gift cards?



Let's get flexible

Over half of consumers like gift cards for their flexibility.



Mobile Storage is Taking Hold

While most consumers admit to having a place where all of their gift cards gather together – whether a dresser drawer, a wallet or even a glove box – mobile storage options are on the rise. Nearly one-third of consumers say when they receive a gift card, they load it into a mobile or digital wallet.

68%

Store it with
other cards

28%

Load into a
mobile wallet

Regardless of where gift cards are stored, roughly one-third of consumers don't seem to hang on to them very long.

72%

Redeem in
0-3 months

69%

Redeem in
1-2 purchases

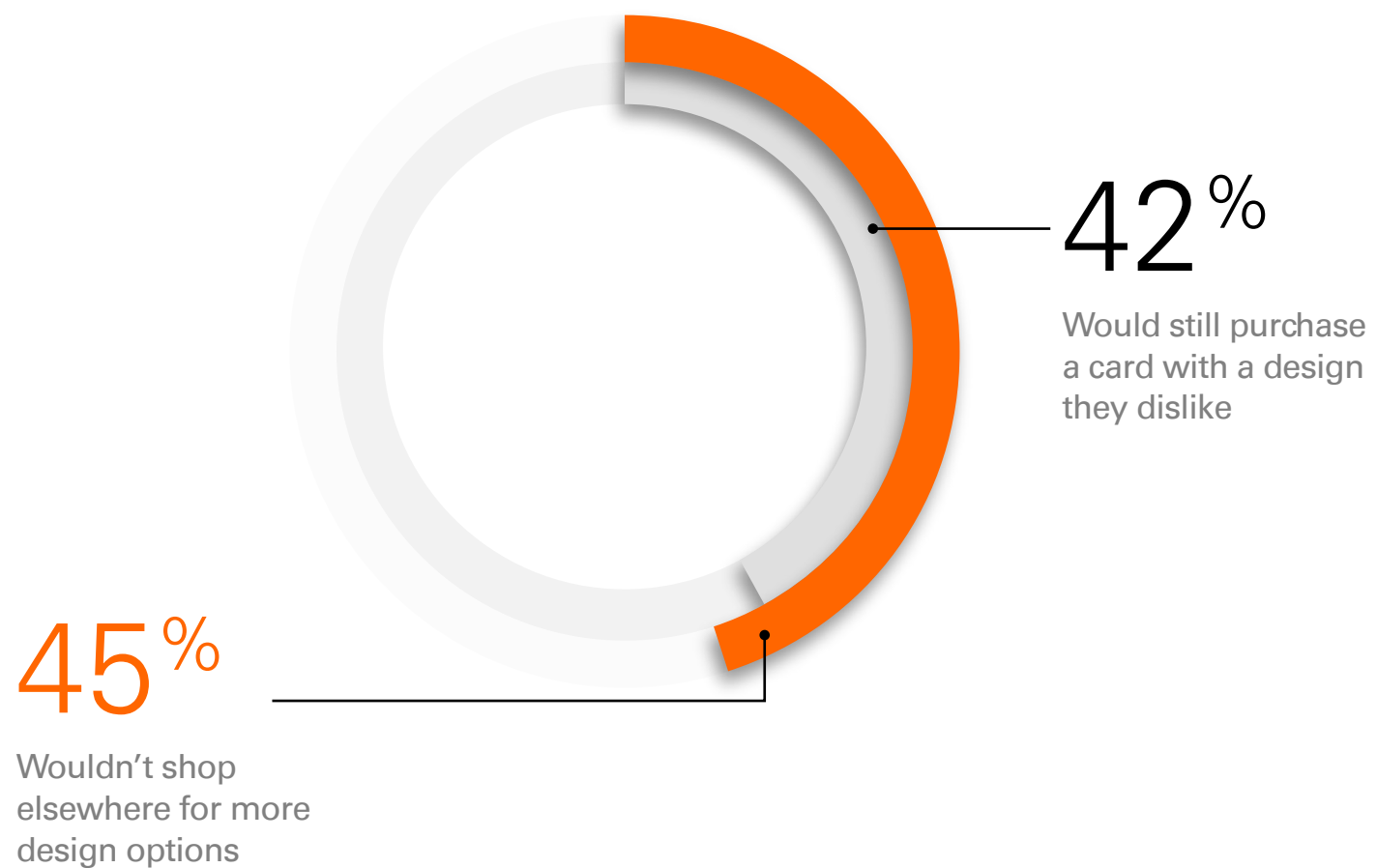
The quick turn on gift card purchases means more opportunities for merchants, especially when consumers will typically spend above the gift card value.

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Appearances Matter

The look and feel of a tangible gift can be the difference between a good one and a bad one, as more than half of consumers focus on gift card designs when making purchases. 54% say gift card design influences their purchasing decision.



But, while pretty designs are preferred, they won't make or break a purchase, as convenience often beats design.

Despite the look of the gift card, consumers know they can always dress it up with a nice box or card, though consumers would also welcome more gift card packaging options. Specifically, 62% agree more attractive packaging would eliminate the need to purchase a separate greeting card to accompany the gift card.



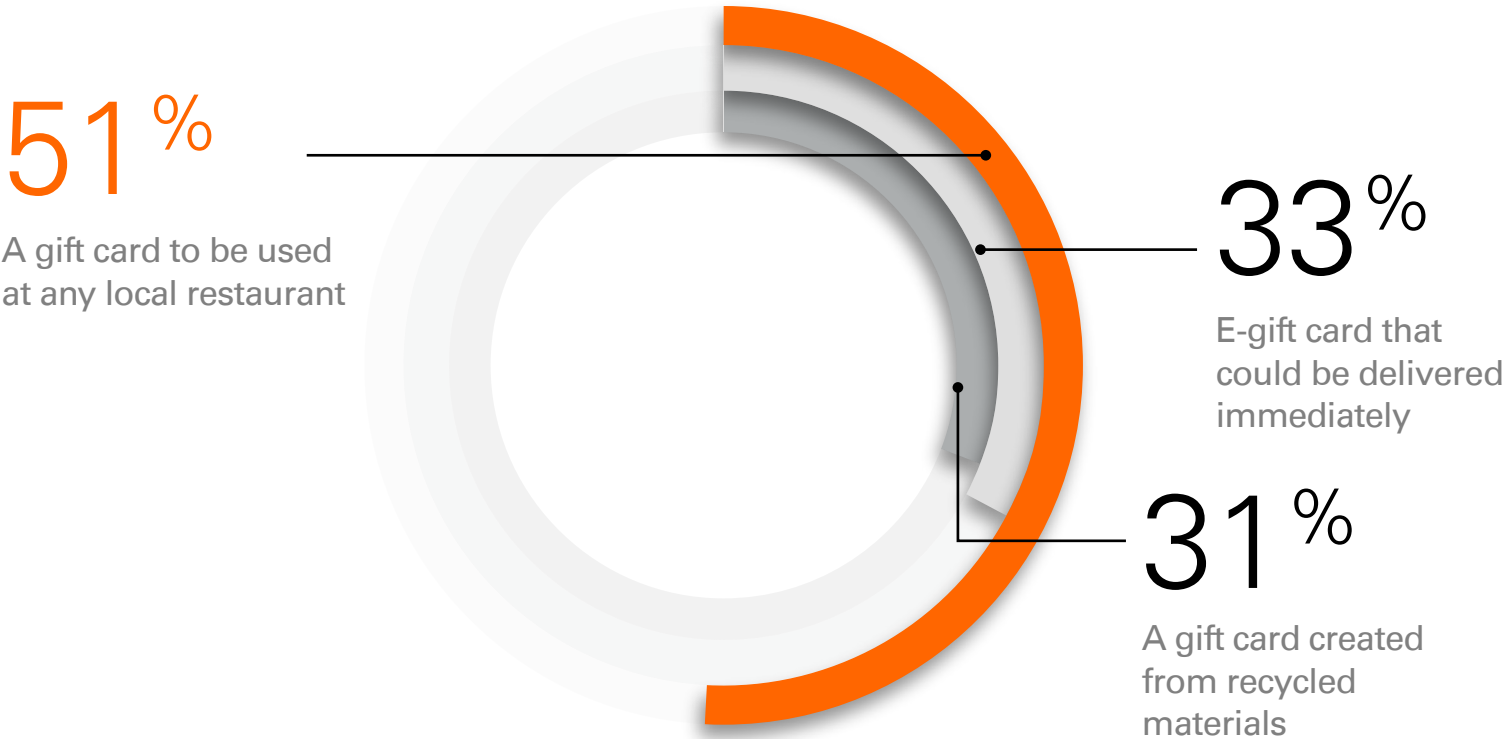
Most Customers Will Pay for New Innovations

Merchants are always looking for ways to improve the customer experience and often do so through innovation. Gift cards are no exception, as we've seen a recent wave of gift card innovations, including scheduled delivery, full customization of digital gift cards using personal photos and even slightly nicer packaging with high-level brands.

The good news for merchants is that more than half of consumers surveyed would spend more on an innovative gift card, especially for personalization options like gift wrap or customized messages, photos, videos or design.

When asked what future innovations consumers want from gift cards, their focus was geared toward the actual card experience and usage over areas like looks and functions.

Which of the following gift card innovations would you be interested in?





Do Rewards Really Create Loyalty?

Consumers say yes, loyalty's the best. They shop where they do because they like it, and a loyalty program that provides discounts and other incentives keeps them coming back for more. 76% join loyalty or frequent shopper programs for merchants they shop at.

Money talks – so do discounts and giveaways

When it comes to incentives for purchasing gift cards, most consumers are motivated by increased euro value. If purchasing a gift card stretches those hard-earned euros, they'll take it.

28%

Want a bonus gift card

26%

Want a free item with purchase

24%

Want a euro amount discount

When it comes to loyalty points for purchases, consumers are still looking for value. "Discount me or give me something free" seems to be their sentiment. The more merchants are willing to give to entice a purchase, the more likely they are to sell gift cards.

44%

Want a discount for points

35%

Want a free item for points

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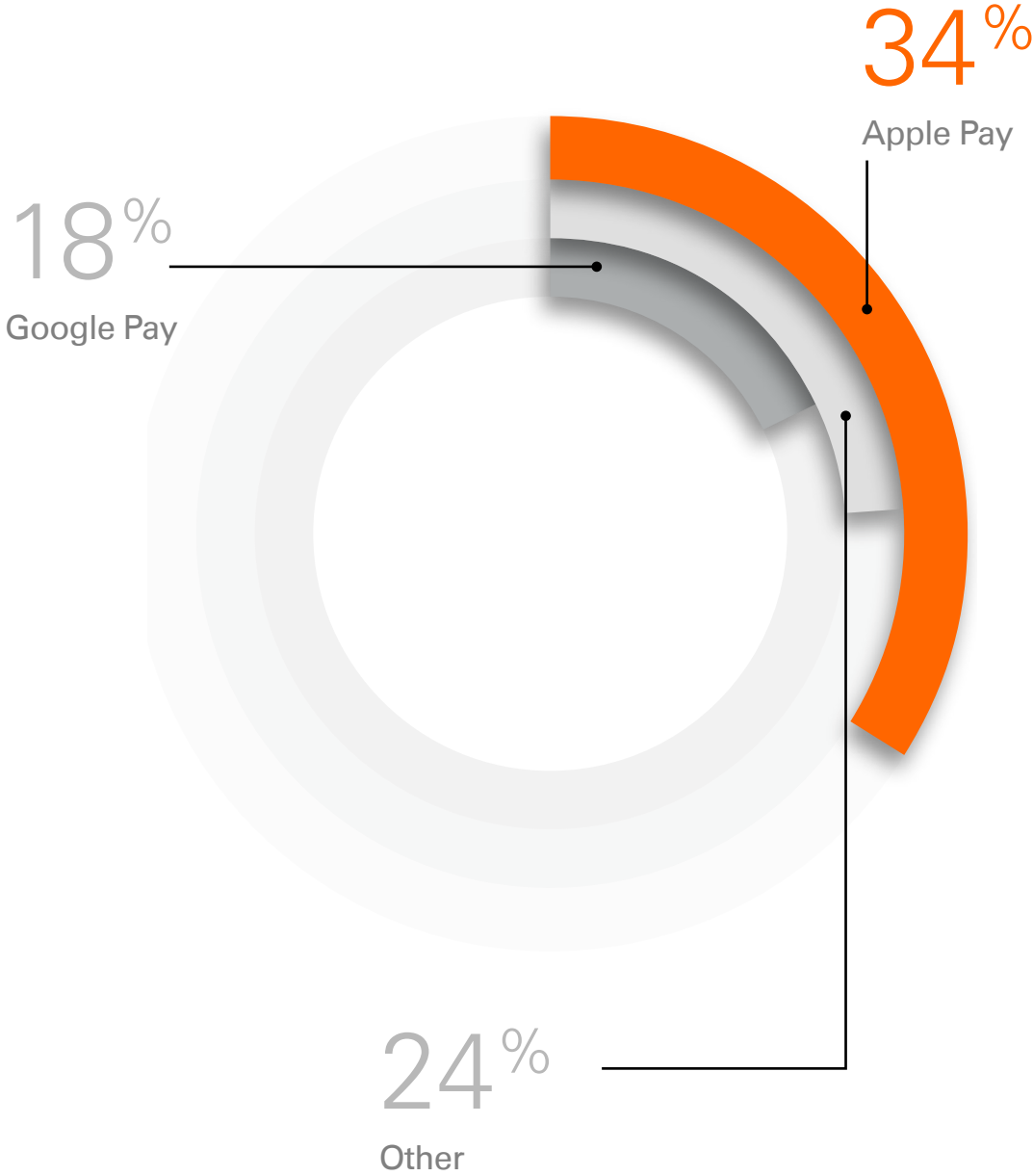
Consumers Aren't Quite Ready to Access Cards via Their Phone

When it comes to gift cards and mobile apps, 42% of consumers are aware they can use mobile apps to store gift cards, but many don't use the functionality. Although their phones are many consumers' lifeline, just 21% use a mobile app to store a gift card.

Consumers are not only aware of the mobile gift card options that are out there, but many are also putting them into practice amidst the growth of mobile payment options. solutions to meet these shifting needs.

The apple of their eye

Although consumers using digital wallets are split, Apple Pay stands above the rest.





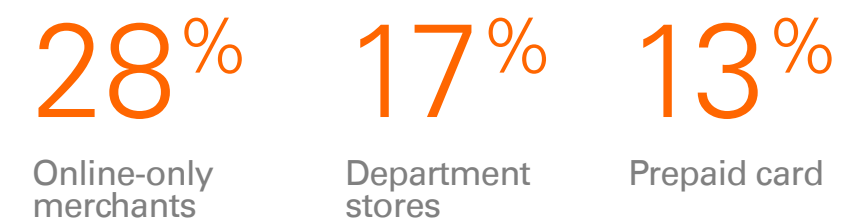
Tackling the Labor Shortage with Stellar Workplace Incentives

As employers continue to navigate a labor shortage in many European countries, employee retention has never been more important. One means of keeping employees happy is by rewarding them for a job well done. To do so, many employers are turning to gift cards.

Just how common are gift cards in the workplace? Although more than 80% of consumers believe a gift card is an appropriate business gift, 55% haven't received one as an incentive or award from their employer.

What do employees want?

Most employees prefer online-only cards and gift cards to single merchant or prepaid cards.



As for value, 71% of employees believe that at least 20€ is required, while 1 in 3 believe employers need to aim toward 50€ or more.

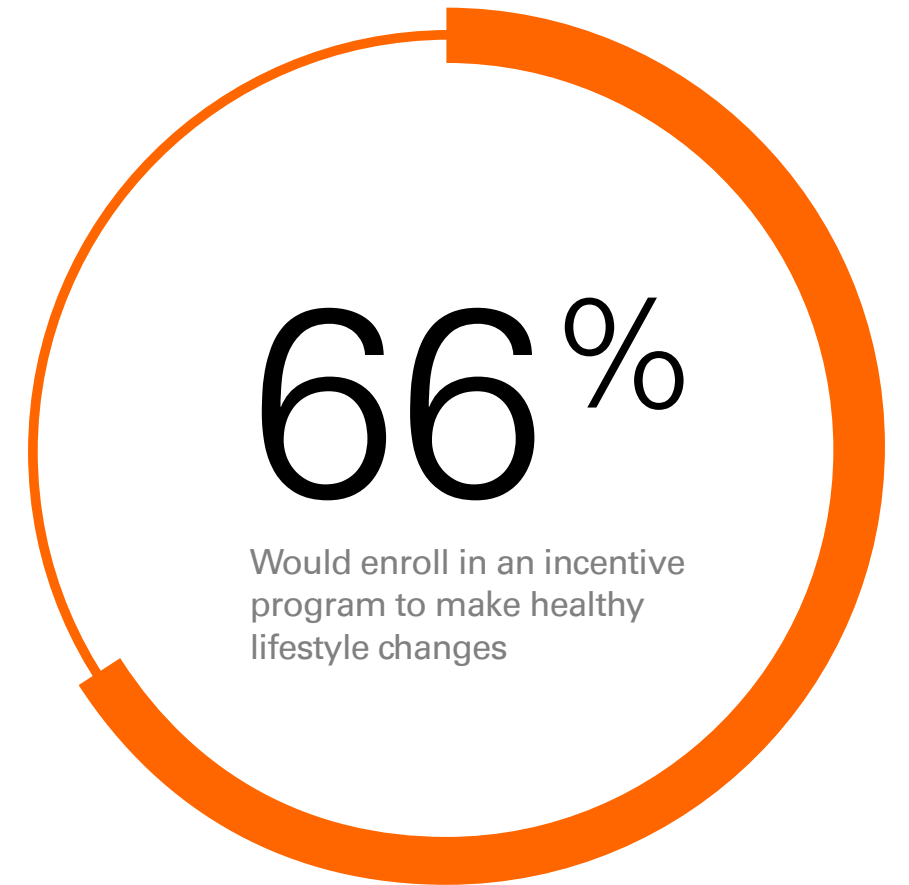




New Year New Me

Nearly two-thirds of employees are willing to improve their lifestyle habits in favor of an incentive program. Whether exploring weight loss programs, better eating habits or reducing their vices (drinking and smoking), the majority of consumers are willing to make changes if there is money involved.

For employers, these programs can bring long-lasting benefits to both employee health and corporate bottom line.





Covid's Impact On the Gift Card Market

COVID seemed to impact every aspect of life as we know it, except gift card purchasing. Most consumers say that their gift card purchasing habits remained unchanged over the last 2 years, a move that is likely due to the rise of digital purchasing and delivery. With more options available to buy digital gift cards during potential lockdowns and send them through contactless options, the gift card market remained steady during an economy where many were struggling.

62% Didn't receive more gift cards as gifts because of COVID-19

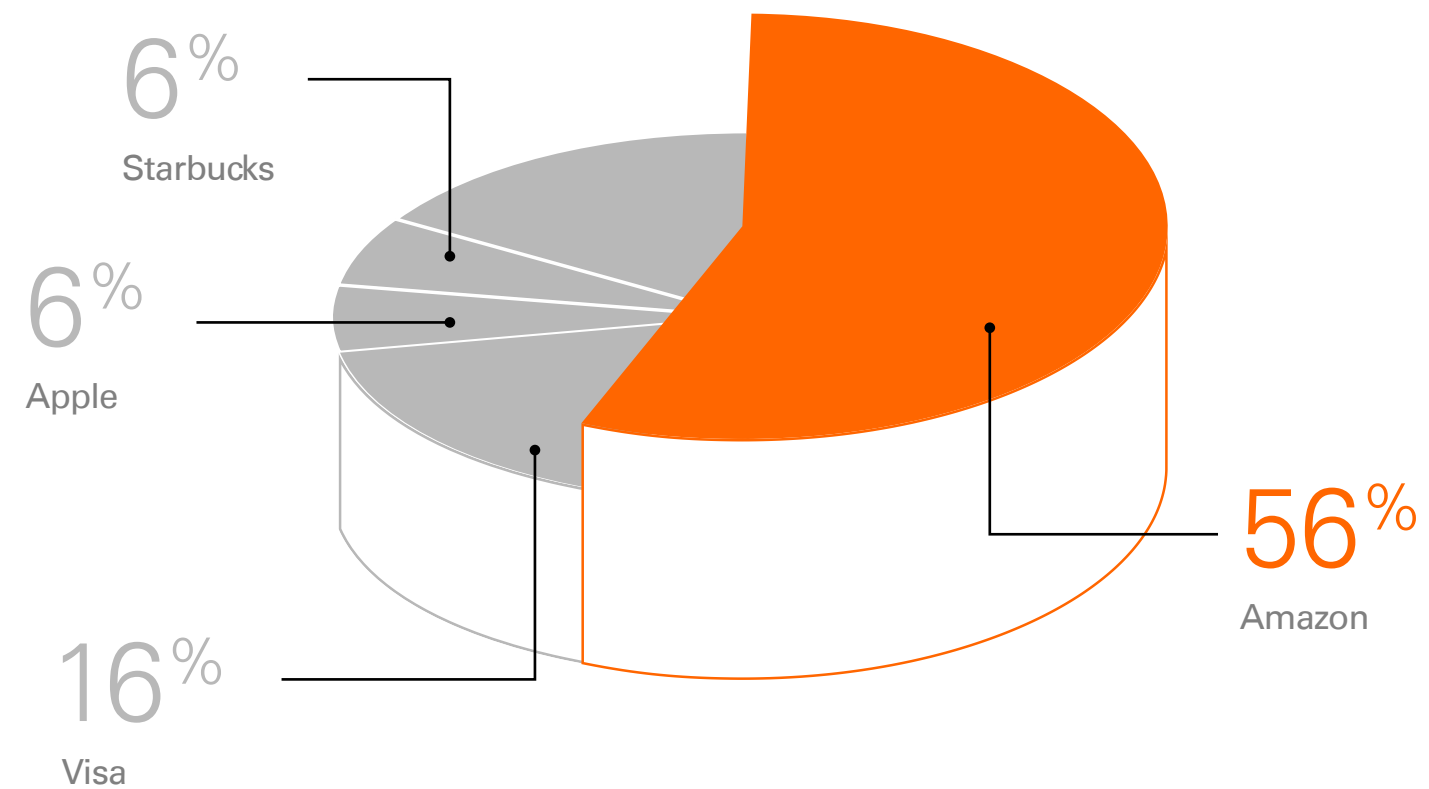
61% Didn't give more gift cards as gifts because of COVID-19

54% Agree COVID-19 did not impact gift card purchasing habits



Amazon is King

Of the consumers surveyed, most would choose a 25€ gift card to Amazon. It really is the everything store.




Clearly, convenient, contactless, coronavirus-less shopping – plus other benefits – keep the retail behemoth on top as more than half of consumers would choose Amazon gift cards.

Connect With Us

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

 GiftSolutionsEMEA@Fiserv.com

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