

# Gift Card Gauge

Q1 2024

## New Era of Gift Cards:

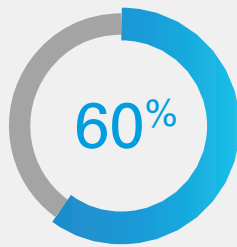
### Rise of digital, urban trends and emerging industries

From birthdays to graduations, milestone events have been the backbone of gift card sales. While this trend is expected to continue in 2024, with **56%** of consumers planning to purchase a gift card for milestone events, including weddings (**36%**), anniversaries (**35%**) and new family additions (**31%**), they are not the only driving factor for gift card sales anymore. Fiserv recently surveyed 1000 US consumers on their purchasing patterns and trends that will define the 2024 gift card market. Let's dive into what merchants need to know.



### Expect continued digital growth

With more consumers embracing the digital wave, merchants must ensure their digital processes meet and exceed users' expectations. This is especially critical when it comes to digital wallets, as three out of four consumers are using digital wallets and **60%** plan on using them more in 2024.



60% of respondents plan on using digital wallets more in 2024

#### Why consumers prefer digital wallets?

**60%**

convenience

**41%**

fast

**40%**

secure

### Understand consumer characteristics based on where they live

While national merchants can create consistent experiences across various regions, don't expect consumer preferences to be as consistent. This is especially true in urban environments, where merchants must cater to consumers' on-the-go, need-based lifestyles.

#### Urban characteristics compared to suburban and rural consumers:



**2x** more likely to use a P2P app to purchase a gift card



**2x** more likely to have shopping anxiety



**17%** more likely to use a digital wallet.



**16%** more likely to purchase a gift card from the health and wellness industry

## Don't overlook online gaming gift cards

While retail stores (57%) and restaurants (52%) remain the biggest industries for gift card purchases, online gaming is seeing significant growth. Merchants in the online gaming sector or those who sell multiple gift cards in their stores should take advantage of the growing industry and what it can mean for their sales.

From what growing industry did you purchase a gift card in 2023?

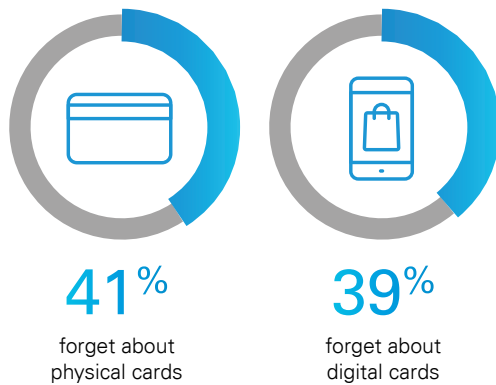


Of those who bought their first online gaming gift card in 2023, 84% plan on purchasing more in 2024.

## Remind consumers of unused balances

While unused gift card balances mean profits for retailers, even greater profits can be found through subsequent consumer purchases. Merchants can capitalize on this by being more proactive with balance reminders.

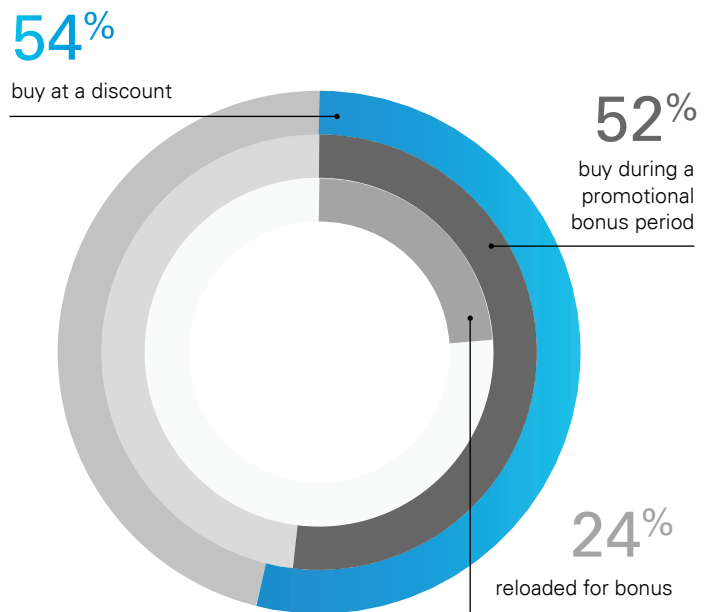
Four in 10 consumers forget about unused gift cards, including:



## Use promotions to drive gift card sales

Although milestone events and last-minute gifts drive most gift card sales, merchants cannot overlook the importance of promotional events, which are frequented by 50% of consumers. Why the focus on promotional events? They allow consumers to stretch their gift card purchases, whether for themselves or others.

What have you done in the past to get more out of a gift card purchase?



## Connect With Us

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 2024 Gift Card Gauge conducted by Fiserv in February 2024. 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 +/- 3.04%.

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