



Australia gift card research insights

Stretched thin

How affordability pressures are reshaping
consumer spending and gift card preferences



2026 shoppers are more digital, more deal-motivated and more cautious

Shoppers around the world are bracing for upheaval, and that downward pressure on spending is emerging in ways that could be critical for your gift card program. In this year's consumer research survey, we found that **economic fears and price spikes are causing shoppers to exercise what we call "defensive spending."** Everything is mostly normal, but people are a little more careful and much more deal-motivated.



We explore a lot of different trends in this ebook, but they are all, in one way or another, a reflection of this core anxiety. **Shoppers are more interested in loyalty points**, eager to buy gift cards over physical gifts to manage budgets, and using AI assistants to find the best prices. Different trends, but all different ways of getting maximum value out of every pound, dollar, or euro.

This economic uncertainty is also pushing some shoppers toward gift cards even more than previous years. **Gift cards represent a safe, flexible gift option** with a set price that helps shoppers plan ahead.

Taken together, this research suggests that in a constrained economy, gift cards aren't a nice-to-have—they're a strategic advantage for your business.



**The Australian gift card market
is expected to grow to**

\$65 billion
by 2030.¹

three-quarters
of Australian shoppers
buy gift cards



Insights at the
heart of payments

Proprietary gifting research

From January to February, BHN conducted a global research survey across 24 countries to better understand consumers' gift card preferences and shopping habits. In Australia, this survey counted **1,226 Australia adults**. Unless otherwise noted, all statistics and figures in this ebook come from this survey.



The Australian gift card consumer

Gift cards are still overwhelmingly used for gifts—purchased in advance and given to other people. Very few shoppers report buying gift cards only to use themselves. The demographics of each group of gift card buyer differ slightly, but younger shoppers are most likely to use gift cards for self-use as well as for gifting.

Gift card use



Gifting only

- Older generations
- Household income under \$75K
- Married with no children in the household



Self-use only

- All generations
- Household income under \$75K
- Single, no children

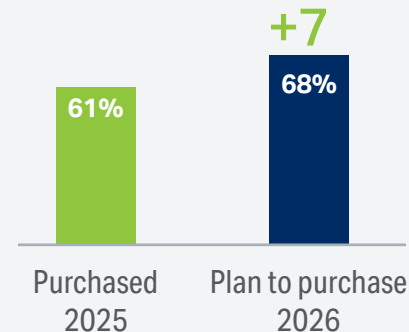


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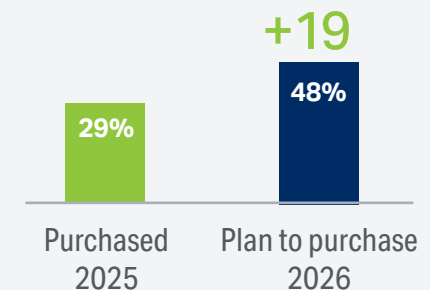
- Younger generations
- Household income over \$100K
- Married with children

Gift card purchases expected to rise

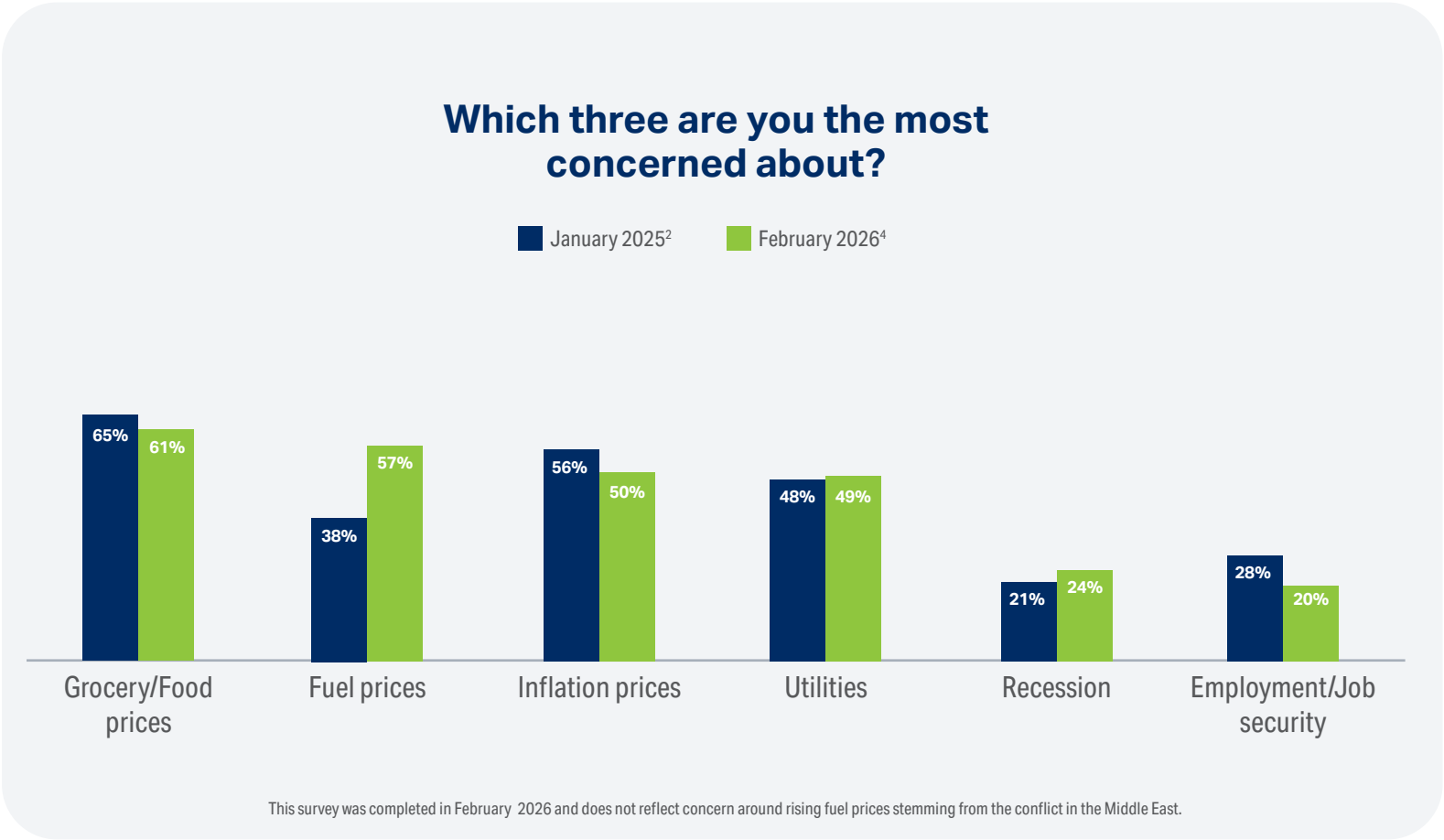
Gift card purchases expected to rise



Buying gift cards for self-use is almost doubling



Affordability concerns put pressure on shoppers



Gift cards offer a safe option for defensive spenders

One pattern emerging among shoppers feeling economic pressure: many are choosing to give gift cards instead of physical gifts. This may be in part because the cost of a gift card is fixed—a \$50 gift card today will still be a \$50 gift card tomorrow, no matter what happens with inflation.

As economic instability grows, a strong gift card program could be more important for shoppers, not less.

Shoppers purchased a gift card instead of a physical gift due to price concerns

68%

Younger generations

33%

Older generations

Top gift card categories shoppers chose in place of physical gifts²



Grocery



Clothing/
accessories



Auto



Electronics



Furniture

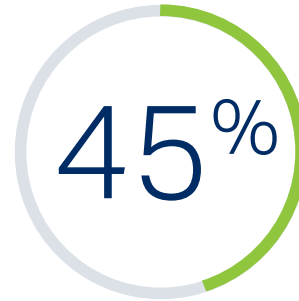


Appliances



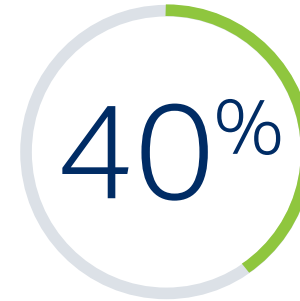
Toys

Why consumers are choosing gift cards over physical gifts



Lets recipient buy what they truly need

"Gift cards enable the recipients to do what is best for themselves — whether it's purchasing necessities or splurges."



Helps give control & stick to a fixed budget

"A gift card allows me to make a particular budget... and still give a really nice gift."



Avoids waste on unwanted or hard-to-return gifts

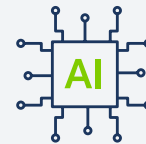
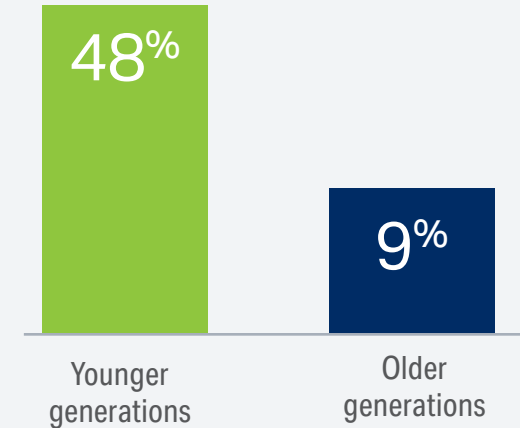
"I think it's better to get a gift card so I don't waste money on something that the recipient doesn't want or need."



AI-powered shopping continues to grow

The technology behind AI chatbots like ChatGPT continues to mature and permeate, especially among younger shoppers. Since last year, there has been a **4,700% increase** in AI-driven traffic to retail sites. Gift shoppers are coming to rely on AI-powered searches to find great deals and compare products.

Shoppers that use AI for help with gift shopping



Top uses for an AI assistant

Comparing products or brands

Finding the best prices

Make sure you have an AEO strategy to maximise visibility from AI searches.

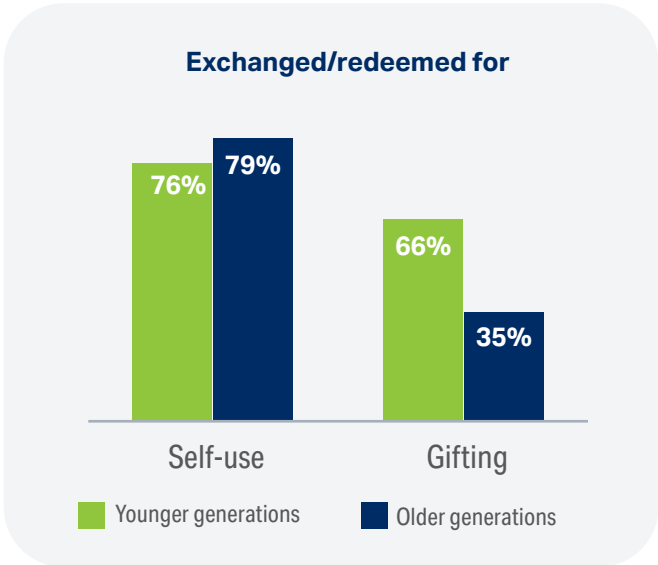


Shoppers continue to find new ways to pay

In the search for great deals, alternative payment options like loyalty points and Buy Now Pay Later programs continue to grow. Shoppers are looking for extra value and are intensely motivated by a good deal. More shoppers are paying for gift cards using loyalty points, especially for self-use.



Letting customers pay with loyalty points unlocks incremental spending for brands that they may not have been able to capture in the past.



Buy Now Pay Later programs in Australia are expected to grow annually by

29%⁸
CAGR '24 - '30

Gift cards remain an opportunity to overspend

Despite economic pressures and a defensive mindset, shoppers continue to see a gift card as a chance to treat themselves. Shoppers say they expect to spend more than the value of a gift card when they go shopping—and the amount of overspending continues to grow over time.

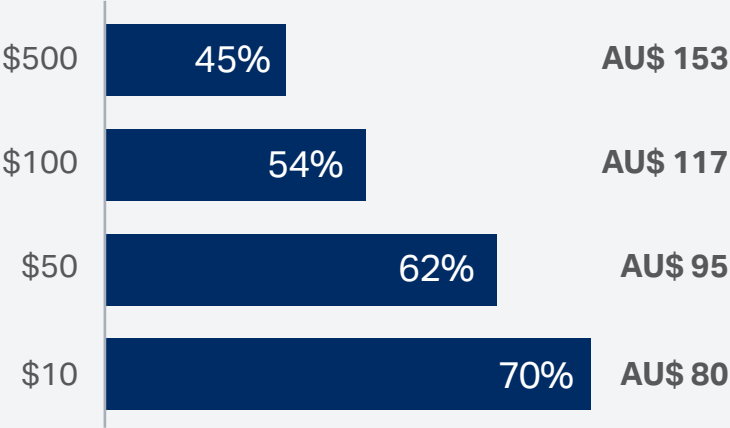


of shoppers would spend more than the gift card value



Average overspend
AU\$ 107
(2026)

Willingness to spend more than the gift card value



Australian shoppers still prefer buying gift cards in-store

Wherever shoppers prefer to go for their gift cards, a great gift card program should meet them there. This includes both online and in-store options, and should include loyalty and rewards channels as well.

Where do you typically buy gift cards?



In-store: 76%

64%

In a store that sells gift cards for a variety of brands (3rd party)

26%

In a store, directly from the brand



Online: 42%

27%

Online from a site that sells a variety of brands (3rd party)

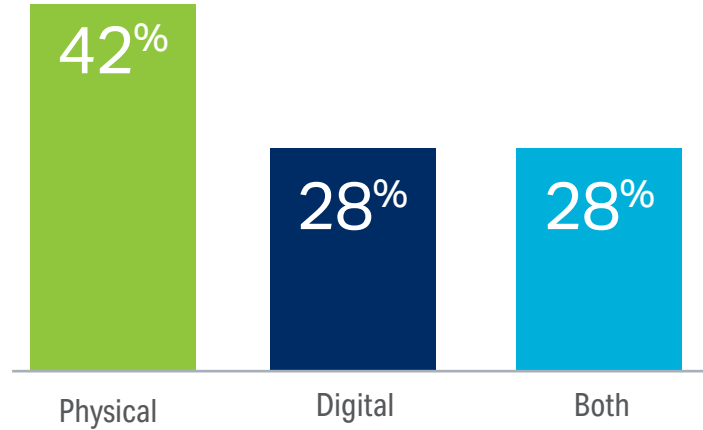
26%

Online, directly from a brand's website

Physical gift cards remain the preferred standard

Digital gift cards have experienced strong growth for years, but the classic physical gift card is still the preferred option overall. However, many Australian shoppers state an equal preference for either format.

Gift card format preference



This overall average is also hiding a generational shift: younger shoppers are significantly more likely to purchase, receive, and prefer digital gift cards. Over the longer term—or for businesses marketing to younger buyers right now—digital could already be the preferred format.



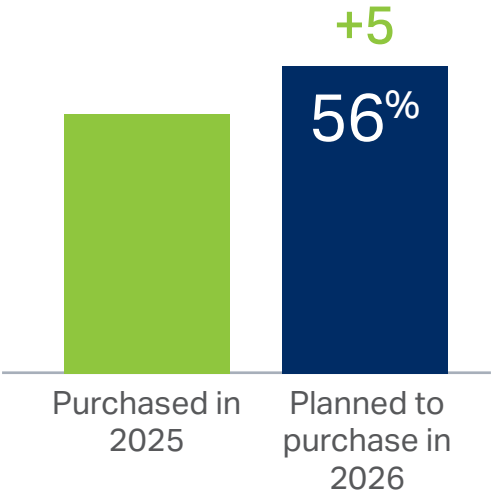
Social streaming events are a new source of growth for digital gift cards

Live-streaming of events like concerts, sports competitions, and festivals has become must-watch viewing for shoppers. Last year, billions of people logged on to watch major events. For example, the Tomorrowland Belgium 2025 electronic music festival was viewed 2.4 billion times on TikTok.⁹

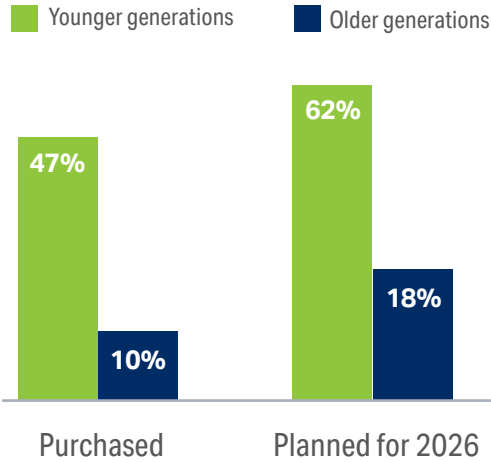
Digital gift cards have emerged as a crowd-favourite way of connecting with these massive audiences. Younger shoppers are especially interested in becoming part of these events.



Digital gift cards



Purchase gift cards during a social channel streaming event

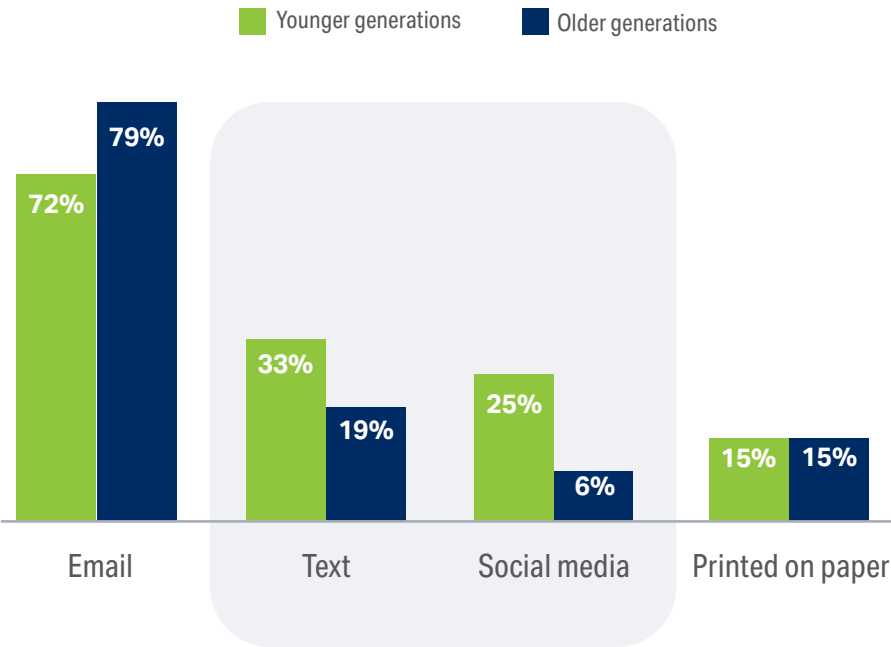


Shoppers want to send digital gift cards the same way they talk to loved ones

Email is still by far the most popular way to send and receive digital gift cards. Shoppers also showed a strong preference for text and social media delivery, but they aren't exercising these preferences just for fun. What shoppers really want is to send digital gift cards via the same channels they already use for communicating with friends and family.

For a gift card to grandma, that might mean email. But for friends from school, delivery by social media messenger might make more sense. To reduce gifting friction, gift card programs should let shoppers choose their favorite channels, whatever that might be.

How do you want to receive your digital gift cards?



EQ

Digital gift card recipients are more likely to open and use gift cards sent directly from trusted friends through familiar channels.





3 key takeaways for 2026

Our survey of Australian shoppers this year leads us to these three essential truths for gift card programs this year:

- 1 Economic pressure is fueling gift card demand**
- 2 Gift card demand is growing—especially self-use, which unlocks incremental funds in loyalty programs**
- 3 Digital and social continue to be emerging channels, especially for younger generations**

Business customers are the center of our world





Talk to BHN

Are you ready to use your gift cards to engage with Australian shoppers? BHN can help show you how. Whether you need to start a gift card program or want to see stronger results out of the gift cards you already have, BHN has the scope and scale to make it happen.

1300.833.667

[BHN.com/au-en](https://www.bhn.com/au-en)

1. BHN EQ Global Spring Gifting n=2,098, US, 18+, Jan 2025;
2. Gift Card Community n=388, US 18+ purchased gift cards in the past 12 months, April 2025,
3. BHN EQ Global Spring Gifting, n=2,138, US, 18+, Feb 2026,
4. Gift Card Community n=398, US 18+, purchased gift cards in the past 12 months, April 2026
5. BHN EQ 2025 Post Holiday Research, Jan 2026, n=386, US Gift Card Community, 18+, purchased a holiday gift
6. 2026 Deloitte Consumer Loyalty Program Survey, n=5,564, US, 18+, Oct 2025
7. 2023 Gartner, Customer Loyalty Programs: The Next Generation
8. Market Data Forecast Analysis, Europe Buy Now Pay Later (BNPL) Market, Feb 2026.
9. Stream Charts, "Major livestreaming viewership records in 2025," January 29, 2026.
10. Allied Market Research Global Prepaid Card Market Report (March 2026) global prepaid-card market data, represented as 2025 TDV, with prepaid products that exclude GPR cards and include gift cards, government benefit/disbursement cards, incentive/payroll cards, and others.

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