

2022

**MERCHANT GIFT CARD
OMNICOMMERCE
EVALUATION – US Edition** 



Who We Are

ABOUT OUR SPONSOR



Blackhawk Network delivers branded payment solutions through the prepaid products, technologies and network that connect brands and people. We collaborate with our partners to innovate, translating market trends in branded payments to increase reach, loyalty and revenue. Serving partners, we reliably execute security-minded solutions worldwide. Join us as we shape the future of global branded payments.

Consumer insights are so much more than facts and figures. It's about emotional intelligence and understanding the thoughts and feelings that drive their actions.

Blackhawk Network EQ helps brands build lasting relationships through payments.

Learn more at blackhawknetwork.com.

ABOUT US



NAPCO Research crafts custom, data-centric solutions that leverage our highly engaged audiences across the markets in which we operate, our industry subject matter experts and in-house research expertise. We partner with our clients to identify their unique business problem and create solutions that enable deeply informed decision-making. NAPCO Research can help with:

- Business goal prioritization
- Opportunity discovery
- Market segmentation
- Landscape insight
- User needs and wants
- Product features and functionality
- Content marketing strategy
- Sales strategy and tactics
- Market conditions
- Benchmarking
- Industry trends
- Brand awareness

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Why Read This Report

The fifth annual Merchant Gift Card Omncommerce Evaluation from NAPCO Research and Blackhawk Network provides a comprehensive review of U.S.-based merchants' gift card programs. The 2022 report includes an assessment of merchants' **e-commerce/digital, mobile, and in-store gift card offerings**, scoring them on both the consumer purchase and recipient experience. In addition to the US merchants, the NAPCO Research team assessed merchants in the UK & Australia. Trends and insights from all three countries can be found in the [2022 Multinational Merchant Gift Card Omncommerce Evaluation](#).

The gift card market in the United States is expected to grow by 9.5 percent year-over-year to reach

US\$188.8 billion

in 2022, according to a [report from Research and Markets](#). That positive momentum is expected to continue, with the report forecasting a compound annual growth rate of 8.3 percent during 2022-2026. As these numbers show us, gift cards represent a significant revenue opportunity for merchants.

This report will help merchants capitalize on the gift card opportunity. In addition to providing benchmark data and rankings on U.S. merchants' gift card programs, the report features analysis and best practices that can help retailers optimize their gift card programs.

Methodology



Objective

To provide a holistic assessment of the omnicommerce gift card programs of leading retailers in the U.S. using publicly accessible information.



Assessment

176 criteria were designed to evaluate expected and emerging capabilities for merchants' digital and physical gift card offerings through desktop e-commerce/digital, mobile website, mobile app, and brick-and-mortar stores, with a focus on the consumer and recipient experience, as well as the B-to-B buyer experience. Merchants with an app could earn 340 points within the evaluation; merchants without an app could earn 293 points.



Retailers

100 U.S.-based retailers were evaluated in the omnicommerce assessment, representing a wide range of product verticals. Each retailer had a physical store presence and a digital/e-commerce presence. In addition, 25 small and midsize businesses were evaluated on a limited digital assessment.



Dates

Assessments were conducted from November 2021 to February 2022

Methodology

Total Omncommerce Score



Digital Score

e.g., ease of discoverability,
payment and delivery options



In-Store Score

e.g., checkstand and fixture
stock levels, how helpful was
staff and signage



Mobile Score

e.g., mobile payment options
and functionality

All steps possible were taken to ensure that gift card purchases typified actual consumer transactions, both in-store and online. Our analysts went through the research, buying and recipient experience, purchasing physical and/or digital gift cards from each of the 100 retailers evaluated.

Please see the Appendix at the end of this report for more details on methodology.

US Merchants Evaluated

For the 2022 U.S. omnicommerce gift card evaluation, 100 merchants were selected from across the following 11 product verticals:



Apparel



Department Store



General Merchandise



Grocery



Health/Beauty



Home Furnishings



Home Improvement



Restaurant - Casual



Restaurant - Quick Serve



Specialty



Sporting

US Rankings and Results

Overall US Results

TOTAL
OMNICOMMERCE
AVERAGE SCORE
64%

Average scores reveal that there is still a lot of opportunity for improvement in each channel.



E-Commerce/Digital
Average Score = **60%**



In-Store Average Score = **65%**



Mobile Average Score = **65%**

US Rankings and Results



OVERALL TOP 10

Amazon.com	107%
Target	101%
Subway	88%
Kroger	85%
lululemon athletica	83%
Bath & Body Works	82%
IHOP	82%
Nordstrom	82%
Best Buy	80%
Dunkin'	80%



TOP 10 - E-COMMERCE/DIGITAL

Amazon.com	90%
The Home Depot	87%
Target	86%
Dunkin'	83%
Bed Bath & Beyond	82%
The Children's Place	81%
Best Buy	80%
REI	80%
The Cheesecake Factory	80%
Williams-Sonoma	80%



TOP 10 - IN-STORE

H-E-B	110%
Red Lobster	108%
Target	101%
Dairy Queen	100%
Harbor Freight Tools	100%
lululemon	100%
Michaels	94%
IHOP	92%
Kroger	92%
Lowe's	91%



TOP 10 - MOBILE

Amazon	155%
Target	115%
Publix	111%
Subway	107%
Nordstrom	99%
Macy's	90%
Bath & Body Works	89%
Kroger	89%
Abercrombie & Fitch	86%
REI	86%



Optimizing Your Digital Gift Card Program

E-Commerce/Digital

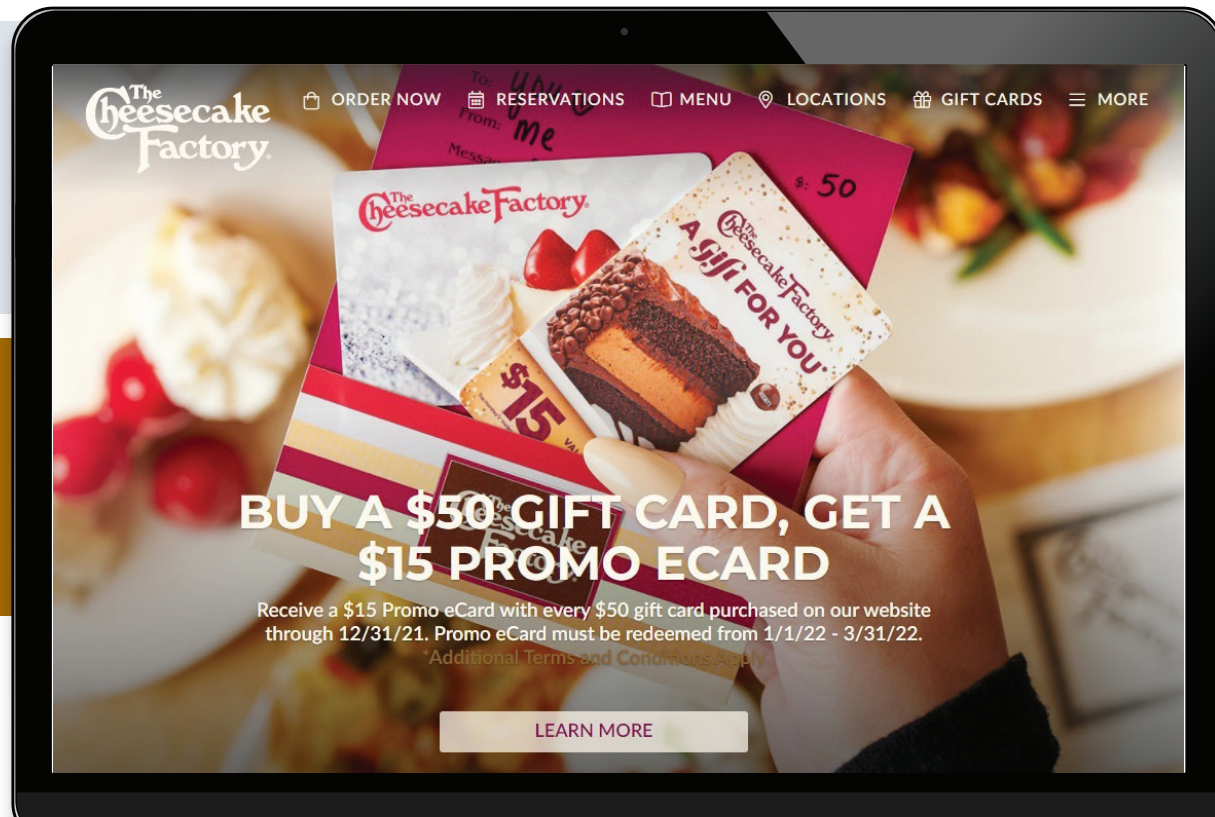
Strengths: Discoverability; faceplate options for digital cards; payment options; self-use

Opportunities: Flexibility (denomination, delivery time); physical card integration with BOPIS; advanced personalization; recipient experience

Discoverability was a relative strength of the merchants' websites evaluated, earning an average score of 59 percent. (Discoverability accounted for 45 of the 211 total digital assessment points.) Here's an example from The Cheesecake Factory, which has not only added gift cards to its top navigation on its homepage, but called further attention to the category with a special promotion highlighted.

BEST PRACTICES:

- Add Gift Cards section to your homepage, preferably in the top navigation.
- Create an aesthetically pleasing gift card landing page that features relevant/up-to-date information and markets the benefits of gift cards





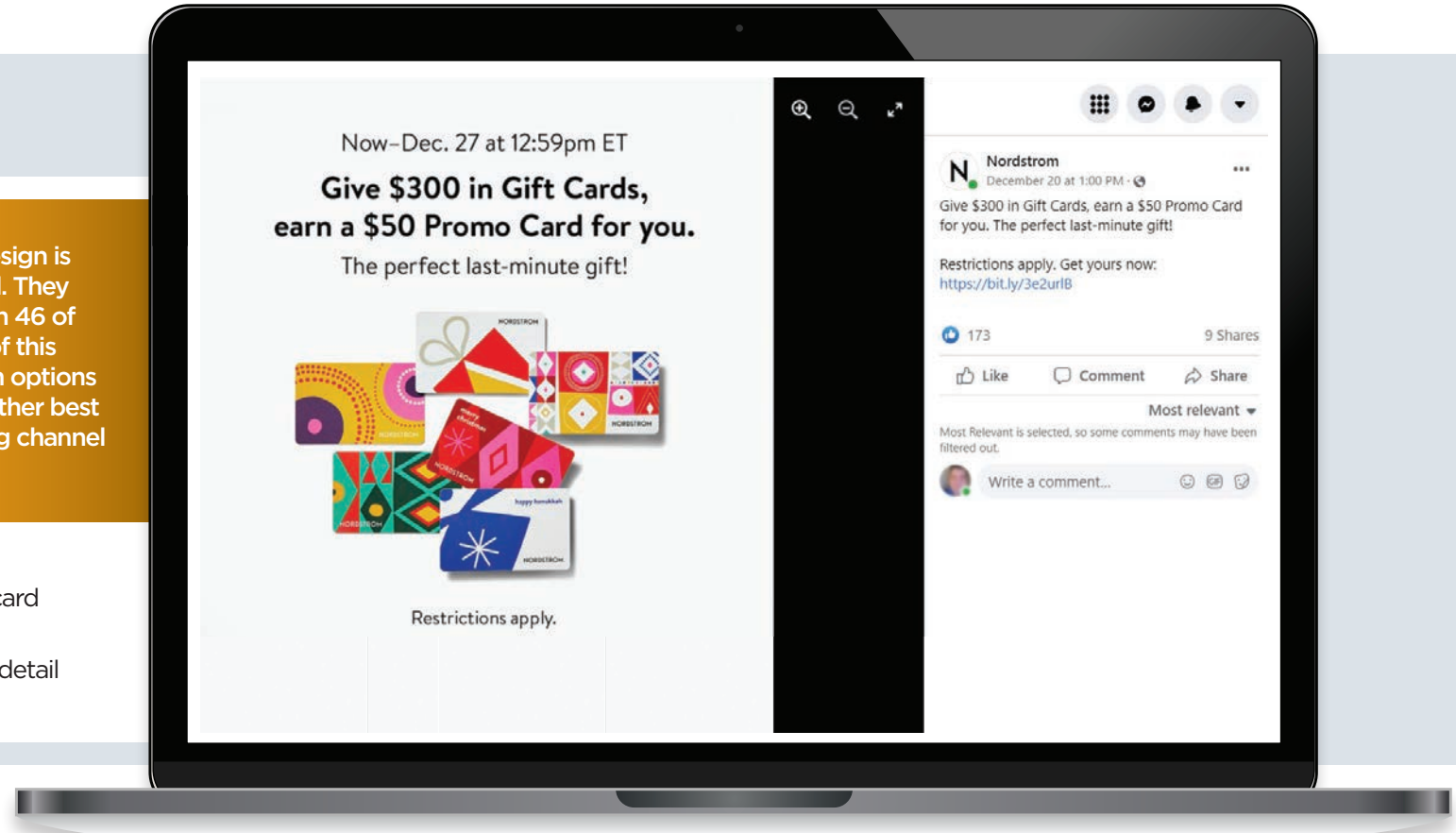
Optimizing Your Digital Gift Card Program

E-Commerce/Digital *continued*

Giving consumers multiple faceplate options for gift card design is a nice personalization touch, and retailers are doing this well. They achieved an average score of 79 percent for this criteria, with 46 of the 100 retailers earning perfect scores. Here's an example of this from Nordstrom, which showcases multiple faceplate design options in this Facebook post from the department store chain (another best practice, by the way – leveraging social media as a marketing channel for its gift card program).

BEST PRACTICES:

- Give consumers choice and the option to customize their gift card purchase, including design and messaging.
- Upsell gift cards to shoppers in all channels, targeting product detail pages and checkout pages.





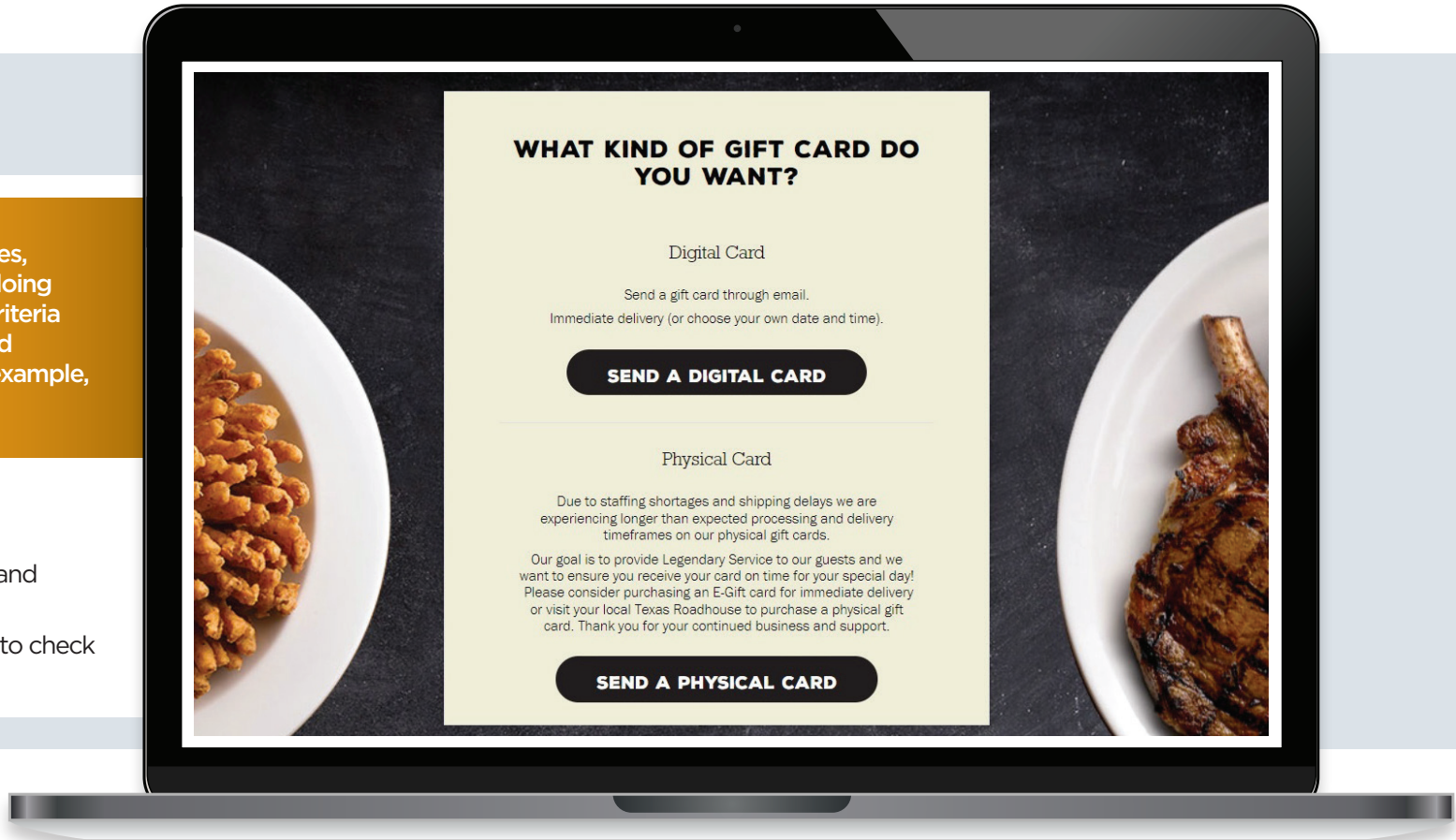
Optimizing Your Digital Gift Card Program

E-Commerce/Digital *continued*

Be transparent with gift card customers on delivery timelines, particularly for physical cards. Not enough merchants are doing this well, with 30 merchants receiving zero points for this criteria category. Texas Roadhouse wisely turns a negative (delayed delivery for physical cards) into a potential positive in this example, incentivizing visitors to purchase a digital gift card.

BEST PRACTICES:

- Offer flexibility within delivery timelines.
- Be transparent on delivery timelines by sending notifications and messages to purchasers and recipients.
- Optimize the gift card recipient experience by making it easy to check the card's balance, reload funds, and re-gift it to others





Optimizing Your In-Store Gift Card Program

In-Store

Strengths: Staff knowledgeability; ability to add custom dollar amounts to gift cards; well-stocked and tidy gift card displays (checkstands and fixtures)

Opportunities: Reloading physical cards; carrying other brands' gift cards; integrating loyalty programs into gift cards; cross-merchandising gift cards with relevant products

While it's important to promote your own brand's gift cards first and foremost, too many retailers are missing the opportunity to carry other brands' gift cards (average score of just 21 percent for this criteria). In particular, department stores, grocery stores and other big-box merchants that are selling multiple brands' products should be carrying other brands' gift cards. Conversely, restaurants would not be expected to carry other brands' gift cards (Note: restaurants were not docked points for this criteria in the assessment).

BEST PRACTICES:

- Carry other brands' gift cards in your stores.
- Accommodate custom dollar amounts for your own brand's gift cards.
- Cross-merchandise gift cards by relevant category (e.g., Restaurant - Casual; Restaurant - Quick Serve) to make the in-store gift card shopping experience quick and easy.





Optimizing Your In-Store Gift Card Program

In-Store *continued*

The usage of clear and informative signage is an important tool for driving in-store gift card sales. This example shows a checkstand gift card display, but it lacks signage to draw customers' attention, negating its effectiveness.

BEST PRACTICES:

- Ensure that your staff is knowledgeable and well-trained on your company's gift card program.
- Provide informative and visually engaging signage in-store to drive shoppers to your gift card offerings.





Optimizing Your In-Store Gift Card Program

In-Store *continued*

The retailers evaluated are doing a good job of keeping well-stocked (75 percent average score for checkstands, 68 percent average score for fixtures), and tidy (81 percent for checkstands, 91 percent for fixtures) gift card displays in their stores. Here's an example of a fixture in a Guitar Center store that meets those criteria.

BEST PRACTICES:

- Ensure gift card fixtures and checkstands are well-stocked.
- Ensure gift card fixtures and checkstands are neat and tidy.
- Offer multiple varieties of your store's own gift cards both on fixtures and checkstands.





Optimizing Your Mobile Gift Card Program

Mobile

Strengths: Mobile payments acceptance in-store; ability to purchase in-store with e-gift card; upselling

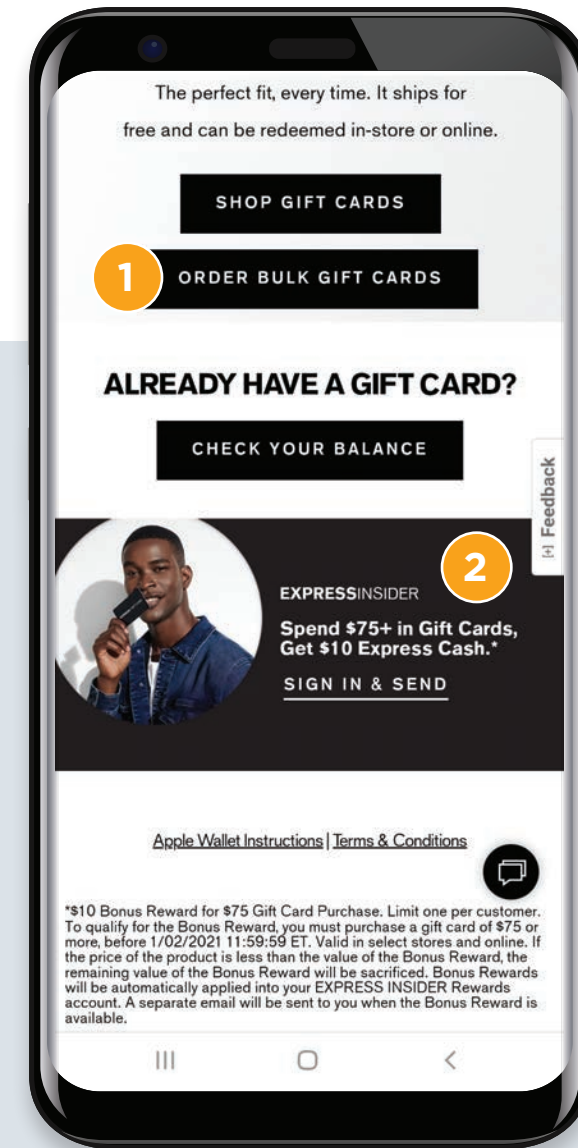
Opportunities: Signage for mobile payments in-store; adoption of advanced mobile features (e.g., NFC notifications, QR scanning, in-store payment via app and mobile wallet); discoverability, including site search; integrated cart across channels (e.g., desktop, mobile app and web)

In this example from Express' mobile app, the fashion retailer does a couple of things well:

- 1 It targets the B-to-B buyer with a call-to-action button to purchase gift cards in bulk;
- 2 There's a promo offered to the retailer's loyalty program members, incentivizing users to sign up for the program.

BEST PRACTICES:

- Make gift cards available for purchase in bulk, targeting B2B customers.
- Integrate your brand's loyalty program (e.g., earn points, rewards) into gift card promotions.
- Ensure that gift cards are available for sale within your mobile app. Remember, people that are downloading your app are typically a brand's most loyal customers.





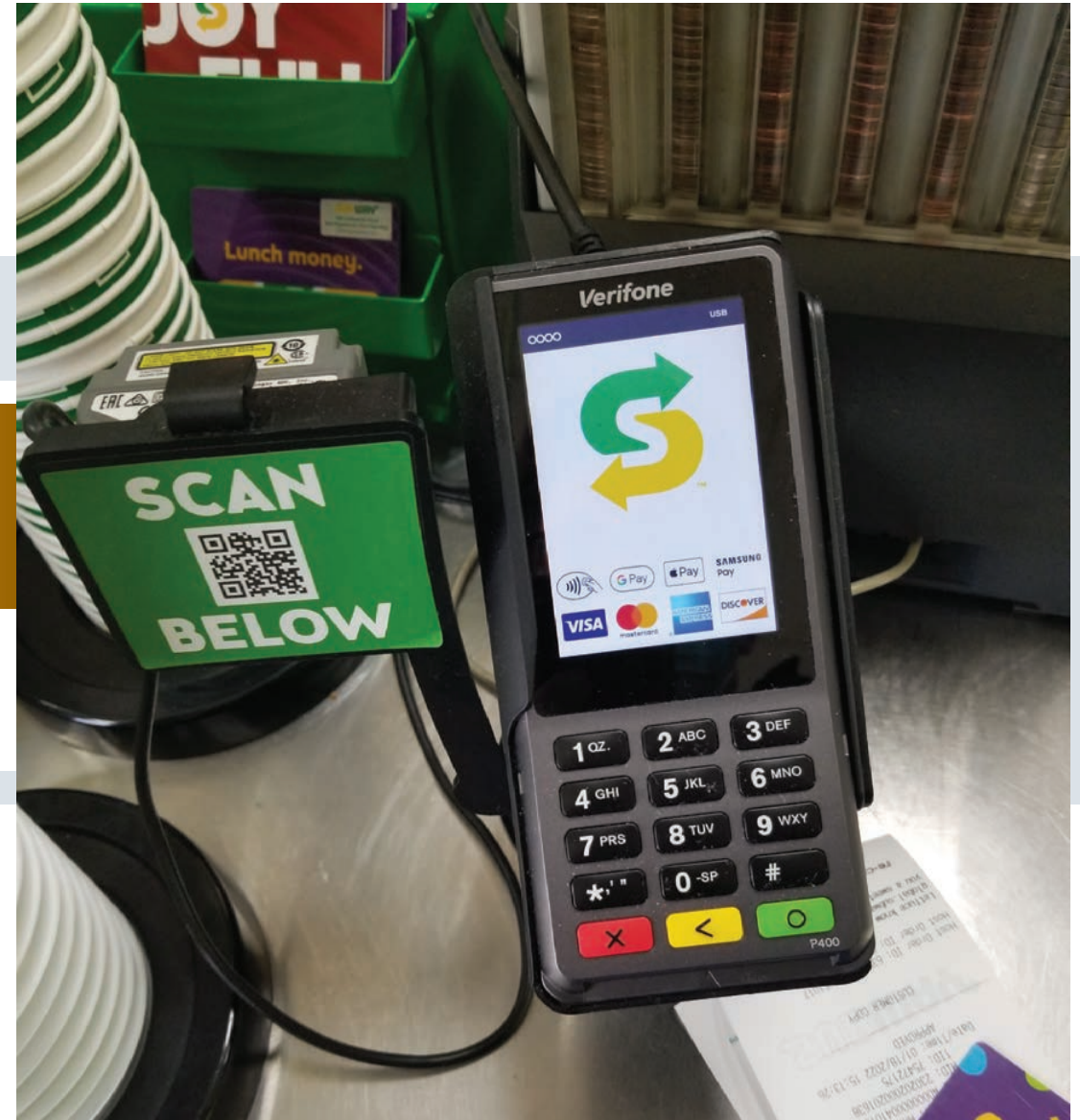
Optimizing Your Mobile Gift Card Program

Mobile *continued*

Retailers earned nearly three-quarters of the available points (74 percent) for the acceptance of mobile payments in-store. It's best practice to give consumers multiple ways to pay for their purchases, including via their phones, which Subway offers here with the scanning of a QR code.

BEST PRACTICES:

- Offer multiple ways for customers to pay for gift cards, including via their phones.
- Allow customers to purchase gift cards with credit card reward points.





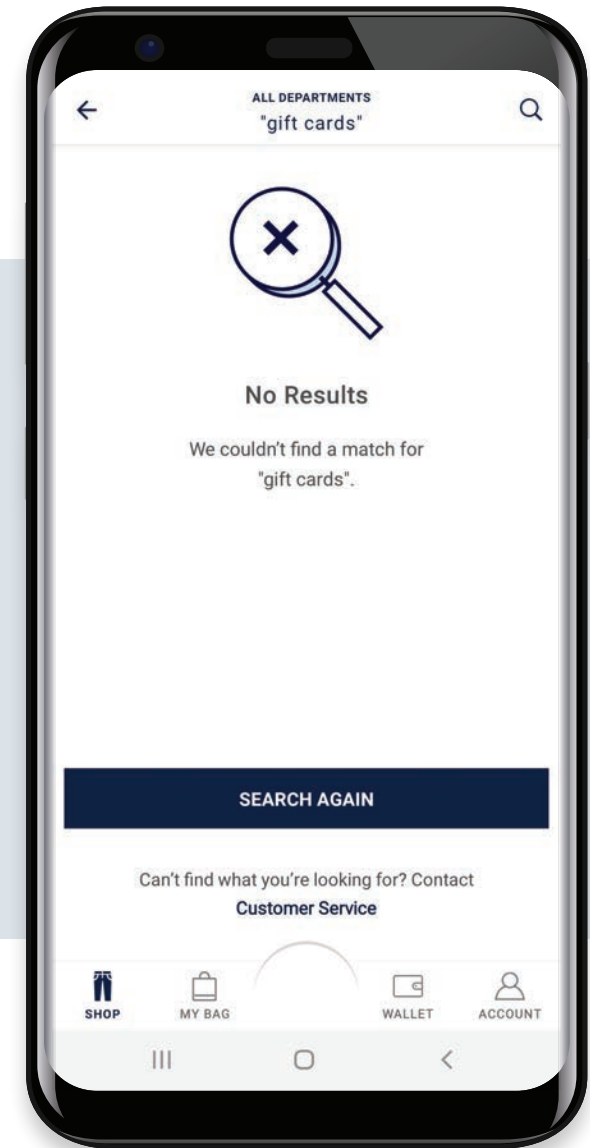
Optimizing Your Mobile Gift Card Program

Mobile *continued*

Site search is an area of retailers' mobile websites and apps that should be optimized given consumers lack of propensity to browse these channels. However, the retailers evaluated have room for improvement in this area, earning an average score of 63 percent on mobile web and 71 percent on mobile app. This is the type of experience you want to avoid for shoppers searching for gift cards.

BEST PRACTICES:

- Optimize site search results for the variation of the term "gift cards," including "gifts."
- Offer multiple ways for consumers to contact your business with questions related to gift cards, including phone, email, live chat, SMS, etc.
- Respond promptly and accurately to customer service requests.



Product Vertical Scores

The good news for retailers is that year-over-year (YoY) scores on an industry basis increased 7 percent, led by gains in the home improvement and grocery sectors. Regarding the latter, Kroger, H-E-B, and Publix all posted a 20 percent or more improvement in total omnicommerce score YoY. The gains in the home improvement industry were largely driven by significant YoY improvement from Harbor Freight (35 percent YoY) and Tractor Supply Co. (26 percent).

Conversely, the merchants in the Restaurant - Casual and Health/Beauty industries saw their scores improve the least YoY (1 percent and 3 percent, respectively). For Restaurant - Casual the decrease can be attributed to a 7 percent YoY decline in its overall in-store score; for Health/Beauty, the struggles were concentrated in the mobile criteria, which saw YoY scores decrease 5 percent.

NOTE: Due to changes to this year's assessment, we expected to see improvements in retailer scores overall. The most significant change to this year's assessment is that retailers were no longer penalized for not offering certain gift card program features. For more details, please see the notes on criteria exclusions in Appendix C: Methodology Addendum.

Vertical	TOTAL 2022 Omnicommerce Score	YoY Analysis	
		2020 Score	Difference (2022 minus 2020)
General Merch	71%	66%	5%
Department Store	69%	59%	10%
Grocery	69%	51%	18%
Sporting	67%	58%	9%
Home Improvement	68%	48%	19%
Apparel	66%	60%	5%
Specialty	63%	59%	4%
Home Furnishings	63%	55%	8%
Health/Beauty	58%	55%	3%
Restaurant - Quick Serve	57%	48%	9%
Restaurant - Casual	57%	56%	1%
All Retailers	64%	56%	7%

Overall Scores YoY

Year	In-Store Scores			Digital Scores									Total Scores			
	In-Store: General	In-Store: Checkstand	In-Store: Fixture	Mobile In-Store	Digital Cards	Physical Cards	Mobile App	Mobile Web	Mobile Digital	Desktop	Device Agnostic	Ecomm Digital (Including Mobile)	In-Store	Mobile	Ecomm Digital (Excluding Mobile)	TOTAL Omncommerce Score
2020	66%	56%	64%	69%	47%	47%	37%	54%	46%	58%	47%	49%	63%	58%	51%	57%
2022	71%	57%	61%	77%	64%	59%	42%	65%	58%	70%	55%	60%	65%	67%	60%	64%
Difference (2022 minus 2020)	5%	2%	-3%	8%	17%	12%	5%	11%	12%	12%	8%	11%	2%	10%	9%	7%

- Encouraging improvement in digital and mobile, with gains of 11 percent and 10 percent, respectively, across the 100 retailers evaluated.
- Slower rate of improvement for in-store analysis. This is potentially the result of retailers investing more resources and focus on their digital businesses as traffic to those channels grows while in-store traffic slows.
- Mobile app represents significant area of opportunity for retailers. While YoY scores for this channel increased 5 percent, the overall average score of 42 percent tells us that more work needs to be done – particularly as customers that download a retailer’s mobile app tend to be their most valuable customers.

69 RETAILERS
IMPROVED THEIR OVERALL
OMNICOMMERCE SCORE YOY

Experience Rating

As part of this year's report, we've compiled an "Experience Rating." This rating is a subset of the overall criteria that's intended to encompass the overall gift card purchaser and recipient experience across in-store and digital channels. The following criteria were included:

IN-STORE

- Staff knowledgeability
- Gift wrapping
- Checkstands/fixtures neat and tidy
- Informative signage on checkstands/fixtures
- Buying gift card in-store with mobile gift card
- Mobile transaction going through

DIGITAL

- Easy to find gift cards on site
- Gift card landing page is aesthetically pleasing
- Checkout is easy, appropriate and secure
- Customer service
- Ease of gift card redemption
- Enjoyable, branded recipient experience with mobile wallet-friendly gift card

BEST PRACTICE:

Don't neglect the customer experience when building out your omnichannel gift card program. Test the purchaser and recipient experience to identify points of friction in the process (discovery, purchase, post-purchase), then find solutions to address them.



OVERALL EXPERIENCE
RATING OF 56 PERCENT
LAGS BEHIND THE
OVERALL OMNICOMMERCE
AVERAGE SCORE OF

64%

← Bass Pro Shops makes the in-store gift card purchase experience convenient and easy by cross-merchandising with other products and placing right at checkout.

Evaluating Mid-Market/SMBs' Gift Card Programs

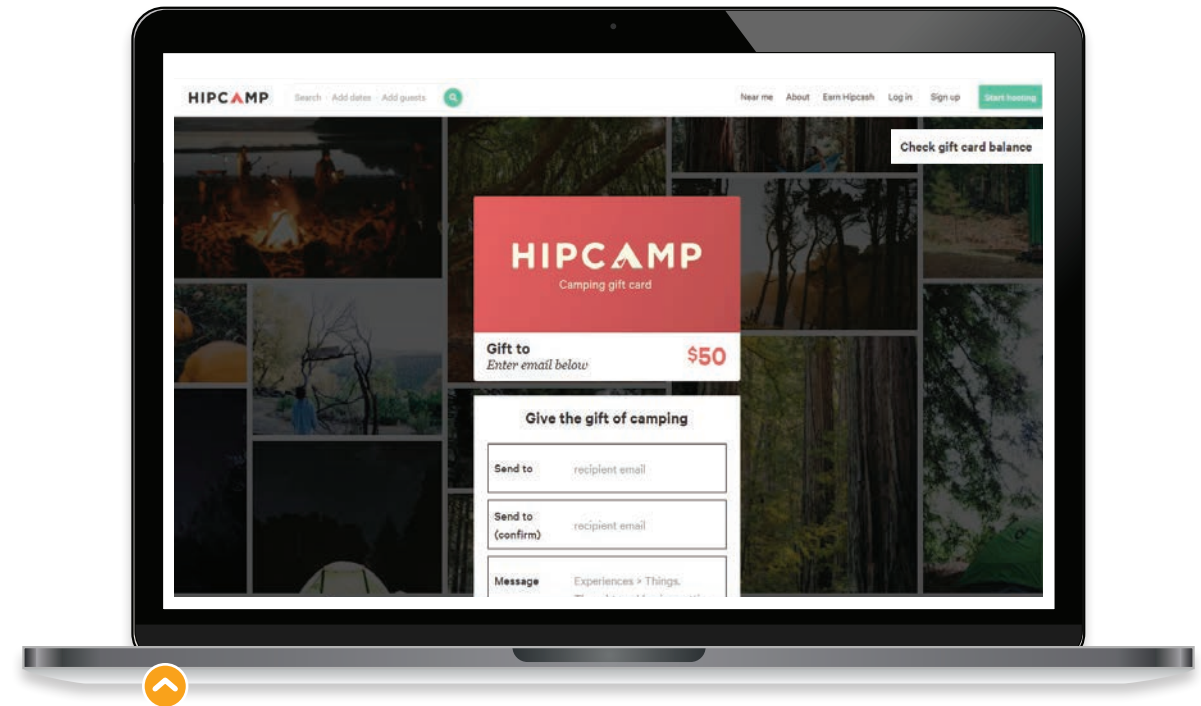
For the first time, the 2022 assessment included a special analysis of small and midsize businesses' (SMBs) gift card programs. In addition to the 100 merchants included in the full omnicommerce assessment, 25 SMB merchants were included in a limited digital assessment. (We started the assessment with a list of 50 SMB merchants; that list was culled to the 25 that had an online gift card program.) All of the SMBs were assessed on their digital programs only, and that digital assessment was pared down from the full digital assessment that.

When comparing scores for criteria that were included in both the full digital assessment and the pared-down SMB digital assessment, SMBs had significantly lower scores than all of the other retailers assessed. **Factors that led to those lower scores included:**

- lack of corporate/B2B gift card programs (6 percent vs. 49 percent); and
- a lack of faceplate options for digital gift cards.

Areas where SMBs excelled included:

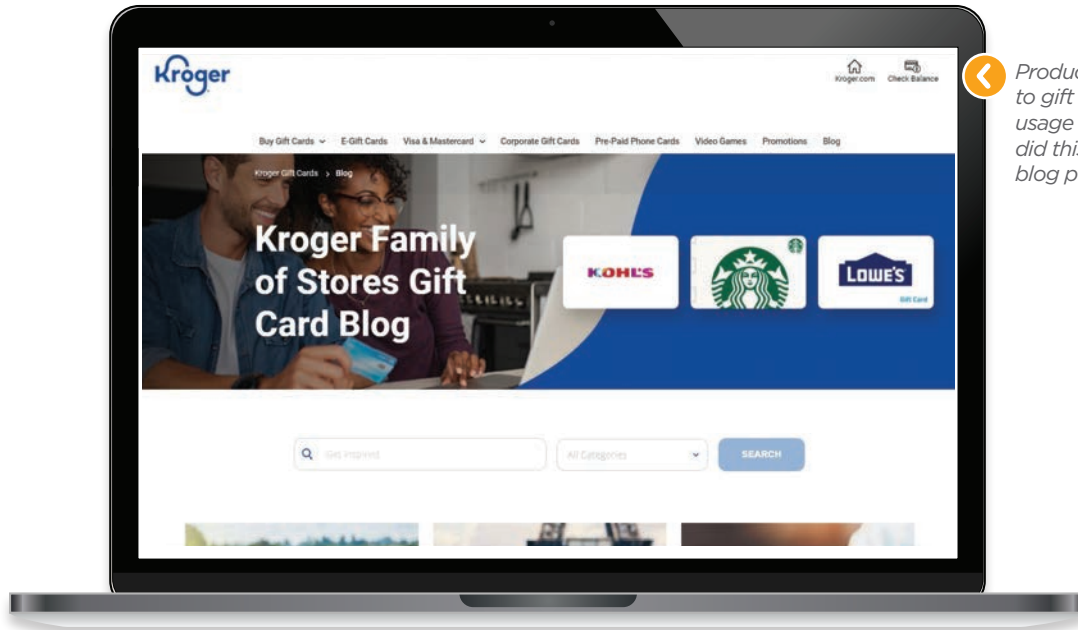
- selling gift cards in their mobile apps (they were twice as likely to do so than the rest of the retailers); and
- aesthetically pleasing landing pages with those apps (earning a perfect average score for the criteria).



Above is an example of an aesthetically pleasing gift card landing page on the website of Hipcamp.

Innovation

Retailers need to continue to think about ways they can innovate the gift card purchase and recipient experience. Just 15 of the 100 retailers in the 2022 assessment earned points for the innovation category. Here are some ideas to consider.



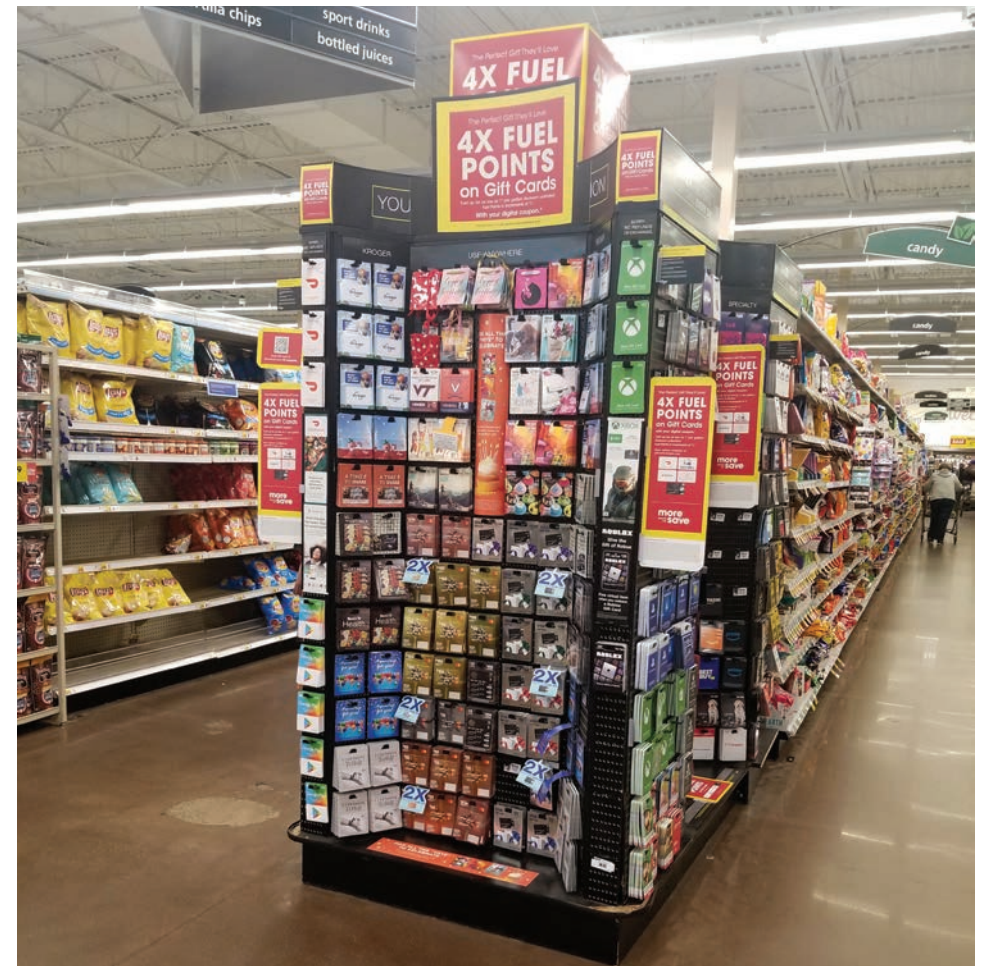
← Produce content related to gift card giving and usage ideas. Kroger did this effectively via a blog post.

→ Partner with a charitable organization to donate money through the sale of gift cards. In this example from Dunkin', the customer is able to add a \$5 donation to the Dunkin' Joy in Childhood Foundation with their gift card purchase.



Takeaway Tips

- **Make gift cards easily discoverable in all channels.** Focus on signage in stores and site search for digital channels.
- **Offer flexibility to the gift card purchaser,** including personalization options (faceplates, messaging to recipients)
- **Integrate the gift card purchase and recipient experience into your loyalty program.**
- **Optimize the self-use purchase experience** (i.e., minimize data collection).
- **Use gift cards as a promotional tool for purchase activity and other calls to action.**
- **Market your gift card program on your brand's social channels.**
- **Offer multiple ways for customers to pay for their gift cards,** including via their phones in-store.
- **Cater to B2B buyers with bulk purchase discounts and other offers.**
- **Offer other brands' gift cards for sale in your stores and digital channels.**
- **Cross-merchandise gift cards with other relevant items** (e.g., greeting cards, gift bags) as well as by product industry.



Appendix A:

Ranking of Merchants by Overall Score



RANK	BRAND	TOTAL OMNICOMMERCE SCORE	CRITERIA CATEGORY		
			In-Store	Mobile	E-Commerce/Digital
1	Amazon	107%	76%	155%	90%
2	Target	101%	101%	115%	86%
3	Subway	88%	82%	107%	76%
4	Kroger	85%	92%	89%	74%
5	lululemon	83%	100%	78%	71%
6	Nordstrom	82%	70%	99%	77%
6	Bath & Body Works	82%	89%	89%	67%
6	IHOP	82%	92%	74%	79%
9	Dunkin'	80%	74%	83%	83%
9	Best Buy	80%	75%	84%	80%
11	Gap	78%	76%	81%	77%
11	Staples	78%	77%	80%	77%
13	TJ Maxx	76%	76%	80%	70%
14	Dairy Queen	75%	100%	70%	57%
14	H-E-B	75%	110%	66%	51%
14	Harbor Freight Tools	75%	100%	79%	46%
14	REI	75%	59%	86%	80%
14	Ann Taylor/Ascena	75%	79%	82%	64%
14	Sephora	75%	64%	82%	78%

Appendix A:

Ranking of Merchants by Overall Score



RANK	BRAND	TOTAL OMNICOMMERCE SCORE	CRITERIA CATEGORY		
			In-Store	Mobile	E-Commerce/Digital
20	Lowe's	74%	91%	58%	75%
20	The Childrens Place	74%	62%	79%	81%
20	Starbucks	74%	81%	70%	70%
20	Bass Pro Shops	74%	89%	69%	63%
20	H&M	74%	81%	74%	65%
25	Nike	73%	69%	83%	67%
26	Uniqlo	72%	84%	75%	58%
26	Kohl's	72%	67%	78%	72%
26	Publix	72%	75%	111%	30%
29	Ulta Beauty	71%	53%	82%	79%
29	Bed Bath & Beyond	71%	56%	76%	82%
29	Burlington Coat Factory	71%	65%	75%	73%
29	Dick's Sporting Goods	71%	66%	82%	65%
29	The Home Depot	71%	64%	61%	87%
34	Wawa	70%	71%	76%	63%
34	Williams-Sonoma	70%	54%	76%	80%
34	Walt Disney	70%	69%	74%	66%
34	Tractor Supply Co.	70%	64%	81%	64%
34	Carter's	70%	63%	75%	71%
39	Macy's	69%	51%	90%	66%
39	JCPenney	69%	56%	80%	71%

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RANK	BRAND	TOTAL OMNICOMMERCE SCORE	CRITERIA CATEGORY		
			In-Store	Mobile	E-Commerce/Digital
39	Abercrombie & Fitch	69%	55%	86%	65%
42	Red Robin	68%	79%	52%	74%
43	Papa John's	67%	75%	62%	65%
43	Guitar Center	67%	72%	60%	70%
45	Urban Outfitters	66%	73%	70%	56%
45	Petco	66%	56%	74%	68%
45	Victoria's Secret/L Brands	66%	82%	75%	41%
48	Belk	65%	59%	73%	64%
48	Olive Garden	65%	67%	68%	61%
48	Crate & Barrel	65%	52%	74%	68%
51	American Eagle Outfitters	64%	45%	74%	73%
51	Ikea	64%	64%	62%	67%
51	Express	64%	69%	63%	60%
54	The North Face/VF Corp.	63%	49%	76%	63%
55	CVS	62%	60%	62%	63%
55	L.L. Bean	62%	51%	79%	55%
55	The Cheesecake Factory	62%	52%	53%	80%
58	Foot Locker	61%	61%	74%	49%
58	Office Depot	61%	45%	69%	69%
58	Adidas	61%	40%	73%	69%
58	Walmart	61%	43%	65%	74%

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Ranking of Merchants by Overall Score



RANK	BRAND	TOTAL OMNICOMMERCE SCORE	CRITERIA CATEGORY		
			In-Store	Mobile	E-Commerce/Digital
58	Land's End	61%	68%	55%	58%
63	Outback Steakhouse	60%	57%	54%	69%
63	Barnes & Noble	60%	74%	60%	45%
63	Panera Bread	60%	50%	69%	61%
63	Red Lobster	60%	108%	27%	43%
67	Domino's	59%	77%	63%	37%
68	Chipotle Mexican Grill	57%	75%	58%	39%
68	Under Armour	57%	48%	64%	59%
68	Five Guys	57%	40%	69%	61%
71	Texas Roadhouse	56%	37%	55%	78%
71	PetSmart	56%	51%	71%	45%
73	GameStop	55%	52%	50%	64%
73	Finish Line	55%	66%	59%	40%
73	Denny's	55%	58%	60%	48%
76	Taco Bell	54%	59%	64%	40%
76	Buffalo Wild Wings	54%	58%	63%	41%
76	Applebee's Neighborhood Grill & Bar	54%	32%	52%	78%
76	Jersey Mikes	54%	60%	63%	38%
80	Fabletics	53%	75%	52%	30%
81	Chili's Grill & Bar	51%	60%	56%	38%
81	Michaels	51%	94%	22%	38%

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Ranking of Merchants by Overall Score



RANK	BRAND	TOTAL OMNICOMMERCE SCORE	CRITERIA CATEGORY		
			In-Store	Mobile	E-Commerce/Digital
81	LongHorn Steakhouse	51%	74%	28%	50%
84	Dave & Buster's	50%	58%	26%	67%
84	TGI Friday's	50%	37%	49%	65%
84	Hobby Lobby	50%	73%	28%	49%
84	Golden Corral	50%	37%	62%	51%
88	True Value	49%	59%	29%	58%
89	Dollar Tree	48%	34%	65%	44%
90	Neiman Marcus	46%	47%	52%	40%
90	Restoration Hardware	46%	58%	30%	51%
92	Giant Food Stores/Ahold Delhaize	45%	50%	54%	32%
93	Talbots	41%	58%	32%	34%
93	Cracker Barrel Old Country Store	41%	57%	24%	42%
95	Arby's	40%	58%	38%	23%
96	Burger King	39%	58%	23%	37%
96	Sonic	39%	53%	25%	41%
98	Costco	36%	29%	28%	51%
99	Wendy's	26%	33%	14%	29%
100	Walgreens	25%	70%	7%	0%

Appendix B:

Merchant Scores Ranked by Product Vertical



RANK	BRAND	TOTAL OMNICOMMERCE SCORE	CRITERIA CATEGORY		
			In-Store	Mobile	E-Commerce/Digital
APPAREL					
1	Gap	78%	76%	81%	77%
2	Ann Taylor/Ascena	75%	79%	82%	64%
3	The Childrens Place	74%	62%	79%	81%
DEPARTMENT STORE					
1	Nordstrom	82%	70%	99%	77%
2	TJ Maxx	76%	76%	80%	70%
3	Kohl's	72%	67%	78%	72%
GENERAL MERCH					
1	Amazon	107%	76%	155%	90%
2	Target	101%	76%	81%	77%
3	Best Buy	80%	75%	84%	80%
GROCERY					
1	Kroger	85%	92%	89%	74%
2	H-E-B	75%	110%	66%	51%
3	Publix	72%	75%	111%	30%

Appendix B:

Merchant Scores Ranked by Product Vertical



RANK	BRAND	TOTAL OMNICOMMERCE SCORE	CRITERIA CATEGORY		
			In-Store	Mobile	E-Commerce/Digital
HEALTH/BEAUTY					
1	Sephora	75%	64%	82%	78%
2	Ulta Beauty	71%	53%	82%	79%
3	CVS	62%	60%	62%	63%
HOME FURNISHINGS					
1	Bed Bath & Beyond	71%	56%	76%	82%
2	Williams-Sonoma	70%	54%	76%	80%
3	Ikea	64%	64%	62%	67%
HOME IMPROVEMENT					
1	Harbor Freight Tools	75%	100%	79%	46%
2	Lowe's	74%	91%	58%	75%
3	The Home Depot	71%	64%	61%	87%
RESTAURANT - CASUAL					
1	IHOP	82%	92%	74%	79%
1	Red Robin	68%	79%	52%	74%
3	Olive Garden	65%	67%	68%	61%
RESTAURANT - QUICK SERVE					
1	Subway	88%	82%	107%	76%
2	Dunkin'	80%	74%	83%	83%
3	Dairy Queen	75%	100%	70%	57%

Appendix B:

Merchant Scores Ranked by Product Vertical



RANK	BRAND	TOTAL OMNICOMMERCE SCORE	CRITERIA CATEGORY		
			In-Store	Mobile	E-Commerce/ Digital
SPECIALTY					
1	Bath & Body Works	82%	89%	89%	67%
2	Staples	78%	77%	80%	77%
3	Walt Disney	70%	69%	74%	66%
SPORTING					
1	lululemon	83%	100%	78%	71%
2	REI	75%	59%	86%	80%
3	Bass Pro Shops	74%	89%	69%	63%

Appendix C:

Methodology Addendum

DIGITAL ASSESSMENT: 126 Evaluation Criteria, 211 Max Points (164- w/out App)

DISCOVERABILITY/AWARENESS 45 POINTS (30 POINTS W/OUT APP)	CHECKOUT/POST PURCHASE 34 POINTS (30 W/OUT APP)	B-TO-B PROGRAM 8 POINTS
<ul style="list-style-type: none"> Findability – home page/menu Findability – search Landing page info/aesthetics Availability of digital and physical cards Carrying other brands’ gift cards 	<ul style="list-style-type: none"> Integrated cart Loyalty program support Payment options Checkout and order completion Post-purchase communication 	<ul style="list-style-type: none"> B-to-B program findability/details B-to-B program registration B-to-B available card types
		CREDIT CARD REWARDS (US ONLY) 5 POINTS
		<ul style="list-style-type: none"> Card availability in top credit card loyalty programs
GIFT CARD OFFERING FLEXIBILITY 61 POINTS (42 W/OUT APP)	RECIPIENT EXPERIENCE 42 POINTS (34 W/OUT APP)	MARKETING 12 POINTS (11 W/OUT APP)
<ul style="list-style-type: none"> Faceplate options Personal message Advanced personalization (BONUS POINTS ONLY) Denominations Delivery time Self purchase flow (desktop only) Physical card form factors / packaging options (BONUS POINTS ONLY) Upsell eGifting (BONUS POINTS ONLY) 	<ul style="list-style-type: none"> Delivery Brand experience Redemption options Mobile friendly (digital) Security (digital) Balance check Reload Regift (BONUS POINTS ONLY) 	<ul style="list-style-type: none"> Marketing of gift cards (retailer website, email, social media, Google search results) Sales promotions leveraging gift cards
		CUSTOMER SERVICE 3 POINTS
		<ul style="list-style-type: none"> Self-service customer service Email (responsiveness & accuracy) Facebook (responsiveness & accuracy)
		INNOVATION 1 POINT
		<ul style="list-style-type: none"> Innovative concepts

Digital Assessment Notes

• CRITERIA WEIGHTING

Varying number of points per criteria based on importance (ranging from 1 point to 5 points)

• CRITERIA EXCLUSIONS

Retailers were not scored on criteria related to certain gift card program features that they do not offer online. The exception are six digital assessment criteria that are worth 1 point each covering each permutation of selling physical and digital gift cards on each digital channel: desktop, mobile web, and mobile app. In this way, retailers are not overly penalized for not offering digital gift cards, physical gift cards, a commerce-oriented mobile app, gift cards on an app, or a loyalty program. Only retailers in the department store, general merchandise, and grocery verticals were penalized for not carrying other brands’ gift cards online.

• INNOVATION

Merchants received a point for innovative initiatives in the purchase, delivery, or fulfillment of gift cards at the discretion of the researcher.

• PURCHASE GIFT CARDS WITH CREDIT CARD POINTS

Merchants received points for enabling customers to exchange credit card loyalty points for gift cards. The top five credit card loyalty programs evaluated were American Express, Discover, Citibank, Chase, and Capital One.

• MARKETING

Merchants were evaluated based on their gift card marketing activity and awareness of that marketing (website, email, social media, Google search). Data was collected two times for each retailer with at least two weeks between each collection.

• B-TO-B

Merchants were evaluated based on whether they had a B-to-B gift card program (i.e., sell gift cards in bulk to corporate clients). Points were awarded based on the ease of finding the program on the merchant’s website, ease of signing up, and whether the program was available for both digital and physical cards. All retailers were scored on B-to-B gift card program criteria regardless of whether or not they had a B-to-B program.

Appendix C:

Methodology Addendum

IN-STORE ASSESSMENT: 50 Evaluation Criteria, 129 Max Points

MOBILE IN-STORE 11.5 POINTS	IN-STORE: GENERAL 10.5 POINTS
<ul style="list-style-type: none"> Transaction completion QR code payment & signage (BONUS POINTS ONLY) In-app mobile wallet payment & signage (BONUS POINTS ONLY) NFC payment & signage (BONUS POINTS ONLY) Innovation: other methods to enhance customer mobile experience (BONUS POINTS ONLY) Buy merchandise in-store with digital card on mobile device 	<ul style="list-style-type: none"> Custom amounts for store cards Gift wrapping options Re-load physical card in-store Buy card with loyalty points Staff knowledge/helpfulness Gift card included as part of a sales promotion (BONUS POINTS ONLY) Gift card marketing related to theme or season (BONUS POINTS ONLY) Carrying other brands' gift cards
IN-STORE: CHECKSTAND 51 POINTS	IN-STORE: FIXTURE 56 POINTS
<ul style="list-style-type: none"> Number of checkstand fixtures Impulse purchases Variety of cards Number of pegs Variety of store cards Number of out-of-stock pegs Tidiness of checkstand Size of gift card marketing signage Eye appeal of gift card marketing signage Store cards marketed over other brands Square footage of checkstand Informative signage 	<ul style="list-style-type: none"> Number of non-checkstand fixtures Impulse purchases Variety of cards Number of pegs Visibility of fixture Variety of store cards Number of out-of-stock pegs Tidiness of fixture Size of gift card marketing signage Eye appeal of gift card marketing signage Store cards marketed over other brands Organization by category (BONUS POINTS ONLY) Fixture near relevant items (BONUS POINTS ONLY) Square footage of fixture Informative signage

In-Store Assessment Notes

• CRITERIA WEIGHTING

Varying number of points per criteria based on importance (ranging from 1 point to 10 points)

• CRITERIA EXCLUSIONS

Retailers were not scored on criteria related to certain gift card program features that they do not offer in-store. In this way, retailers are not overly penalized for not offering digital gift cards, physical gift cards, a commerce-oriented mobile app, gift cards on an app, a loyalty program, gift card checkstands, or gift card fixtures. Only retailers in the department store, general merchandise, and grocery verticals were penalized for not carrying other brands' gift cards in-store, not having checkstands, and not having fixtures.

• CHECKSTAND FIXTURES VS NON-CHECKSTAND FIXTURES

The "In-Store: Checkstand" category contains criteria that evaluated gift card fixtures located in the store's checkout/register areas. The "In-Store: Fixture" category contains criteria that evaluated gift card fixtures located throughout the store, not including the checkstand area. If a store did not have checkstand gift card fixtures, that retailer was not scored in the "In-Store: Checkstand" category; and if a store did not have gift card fixtures located elsewhere in the store, that retailer was not scored in the "In-Store: Fixture" category. In this way, retailers were only evaluated on the gift card fixtures that were present, and were not penalized for not having checkstand or non-checkstand fixtures. The exception is Department Stores, General Merch, and Grocery retailers: these retailers were expected to have both checkstand and non-checkstand gift card fixtures and were docked points for not having one or both.

• STORE SIZE

Store sizes (sq. ft.) were estimated for all store locations visited using publicly available information. A mathematical model was used to determine the number of points awarded for the size (sq. ft.) and number of pegs for checkstand and non-checkstand fixtures depending on the store size (sq. ft.) and store type. Department Stores, General Merch, and Grocery retailers were expected to have checkstand and non-checkstand fixtures that are larger and contain more pegs.

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