

# 2024 Could Be a Shockingly Normal Year for Gift Cards

European shopper attitudes toward gift cards



# A Bit Better Every Day

Even as inflation shocks and market turmoil settle down, much of Europe is still undergoing one kind of economic challenge or another. Inflation is dropping—though it's still a concern for shoppers—and consumer confidence is steadily increasing. Economic growth forecasts are looking more stable. All of these bits of data add up to one surprising conclusion: 2024 might be a bit of a normal year for shoppers. Normal, at least, as compared to the dramatic swings up and down of the last few years since COVID.

To understand how shoppers across Europe feel about gift cards and gift-giving after so many years of economic confusion and anxiety, Blackhawk Network (BHN) commissioned a global research study including 14,000 shoppers across Europe. This guide is based on the results of that survey, and these insights are meant to help brands meet customers with empathy and understanding. Making this connection will help you build customer loyalty and deliver business growth during these (still) uncertain economic times.



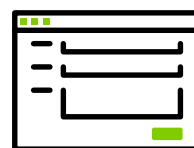
EQ

At BHN, we believe consumer insight should be more than facts and figures. Understanding what drives our customers helps us give our partners a clearer view of current and future trends.



## Objective

To understand today's consumer & gift card behaviour



## Survey

Online



## Sample

EMEA Consumers from 14 countries



## Dates

Completed Feb 3-8, 2023



## Completions

**Over 14,000**  
Ranging between 500-2,000 responses per country



UK



Ireland



Norway



Finland



Sweden



Denmark



Germany



Switzerland



Austria



Netherlands



France



Belgium



Spain



Italy



Poland



Romania

# More Gift Cards, More Often

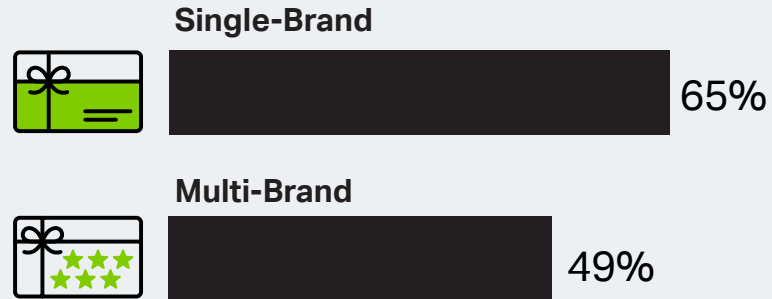
European shoppers have embraced gift cards. Across all of our research locations, shoppers report buying gift cards and eGift cards more times throughout the year. One of the largest increases is in buying gift cards for self-use, meaning that the gift cards are not being purchased as a gift. Instead, self-use gift cards are bought in order to take advantage of a special deal or hop online.



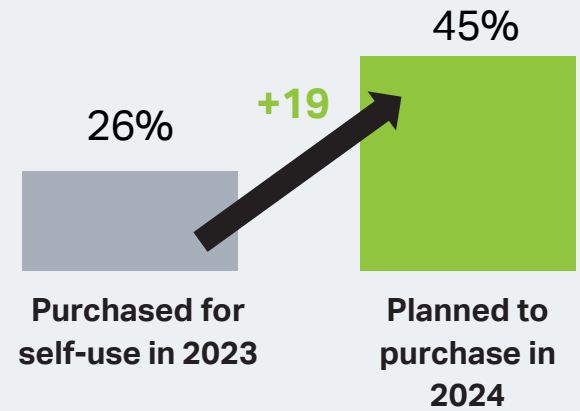
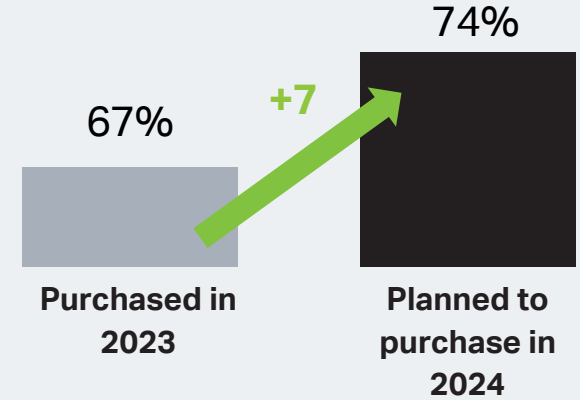
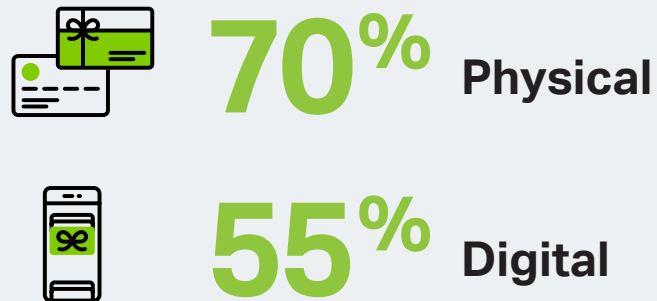
## The average EMEA gift card buyer:

- Married
- Children in the household
- Gen Z or Millennial
- Primarily responsible for purchasing gifts in the household

## Purchased in the past 12 months:



## Types of gift cards purchased:







# Expect Shoppers to Buy 5 Gift Cards Outside of Christmas

All of these planned gift card purchases add up to some concrete numbers. Between birthdays and gifting occasions like Valentine's Day and Mother's Day, our respondents plan to buy about five gift cards throughout the year. This pattern shows how gifting is a repeatable, consistent way to bring in loyal customers over time.

## Average number of gift cards purchased beyond peak

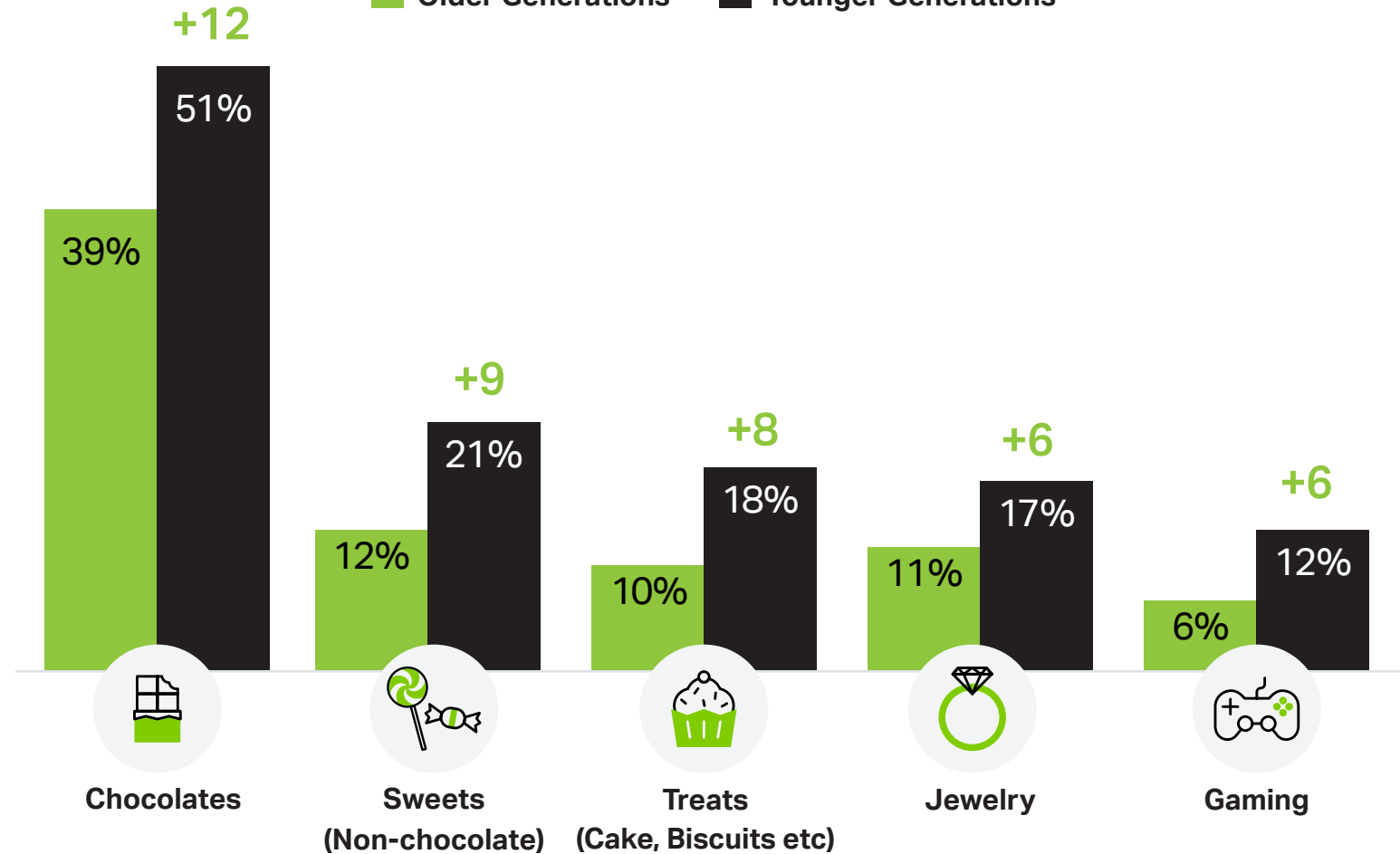
Occasion	# of Gift Cards	% Buy Gift Cards
Birthdays	2.5	69%
Valentine's Day	0.5	74%
Easter	0.5	69%
Mother's Day	0.5	66%
Father's Day	0.3	66%
Thank you	0.5	82%
<b>Total:</b>	<b>5</b>	

# Gift Cards Pair Well With Chocolates

One trend that has emerged across Europe: it is almost universal to give a gift card paired with another gift. Our survey respondents—especially our younger shoppers—paired gift cards with something else, like chocolates or sweets.

## Top 5 Gifts Given with Gift Cards

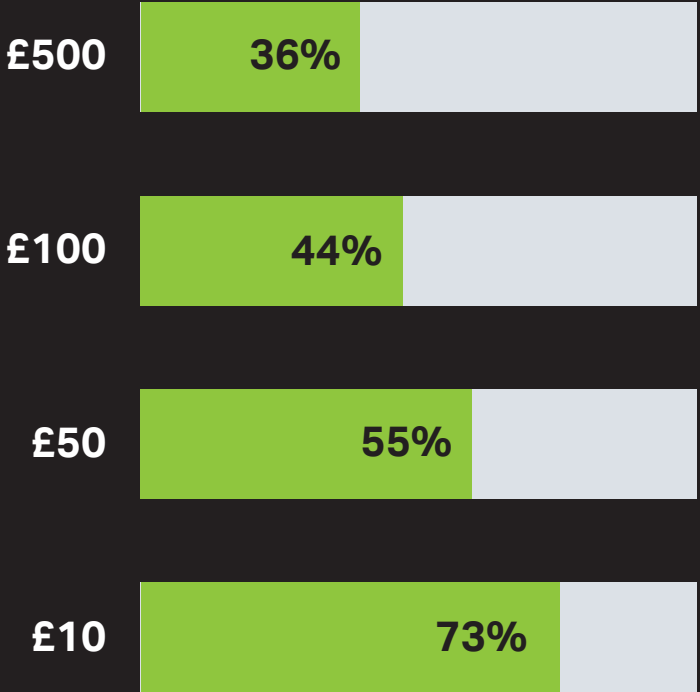
■ Older Generations ■ Younger Generations



# Gift Card Recipients Routinely Spend Beyond Their Gift Card's Value

Over the years, gift card spenders have remained remarkably consistent. The amount varies, but recipients of every denomination of gift card are willing to spend more than the gift card's value. The gift card essentially becomes a discount or helping hand toward a larger purchase. For retailers, this pattern shows how offering gift cards can attract new customers—shoppers who stop by specifically because they have a gift card—and increase sales.

## Willingness to Spend More than the Gift Card Value\*



## £ Spent Beyond Gift Card Value







# Meet Consumers with Gift Cards Online and In Stores

The majority of European shoppers still prefer to buy gift cards in stores—usually from a gift card display rack. Online sales continue to grow, however, and our respondents said that they buy gift cards from retailers they already trust and frequent.

## Where Do You Typically Buy Gift Cards?

In-Store (71%)

Online (55%)



54%

31%

36%

32%

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

In a store, directly from the brand

Online, directly from a brand's website

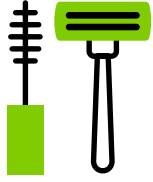
Online, from a site that sells a variety of brands (3rd party)



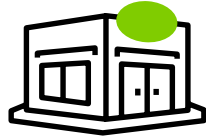
## Top 5 Places Where Consumers Purchased Gift Cards



**1**  
Grocery  
Store



**2**  
Beauty  
Store



**3**  
Department  
Store



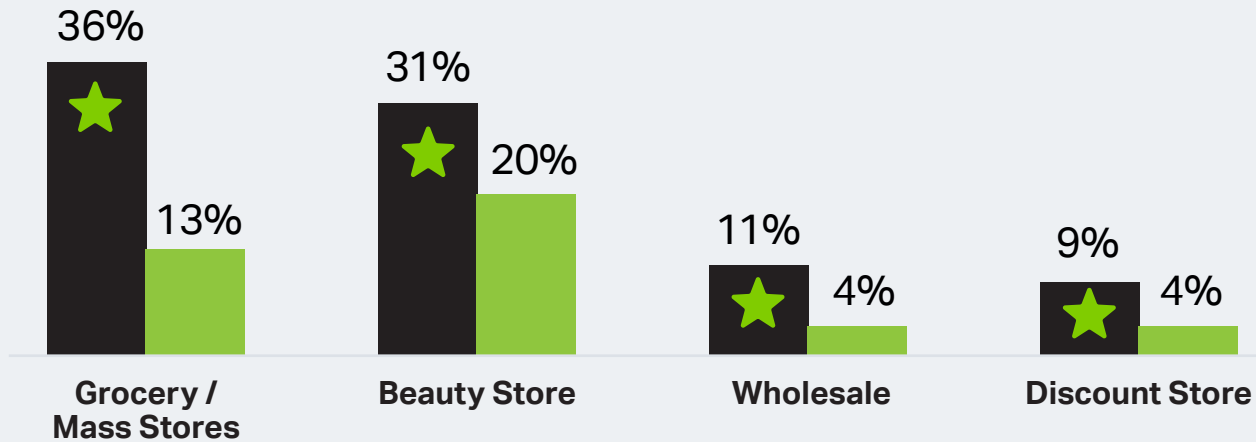
**4**  
Fashion  
Store



**5**  
Restaurant

## Notable Gift Shopping Differences

■ Younger Generations ■ Older Generations





# Shoppers are Aware of Gift Card Fraud

Fraud in the gift card space is a growing problem. European shoppers are more aware of gift card fraud and have heard stories, either in the news or from friends and family, of several different types of fraud.



of EMEA consumers are aware of gift card fraud

Type of Gift Card Fraud	Jan 2024
The gift card was not fully usable, because while it had a balance, it was significantly less than what was indicated on the card (and less than just the minor cost of any transaction fees, etc.)	59%
The gift card was not usable because it had a \$0 balance even though it had not yet been redeemed	33%
The gift card was counterfeit/fake	11%

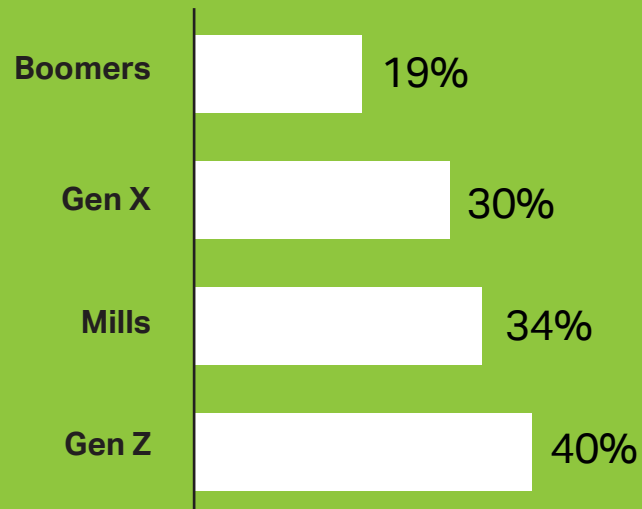
# Last-minute Gifters

No one is immune from sometimes forgetting an important birthday or occasion, but this habit seems to mostly afflict younger shoppers. Most gift card purchases are planned ahead (68%), but a last-minute buyer is more likely to be young. Younger shoppers are also more likely to buy gift cards while queuing at a till.

## Planned Purchases



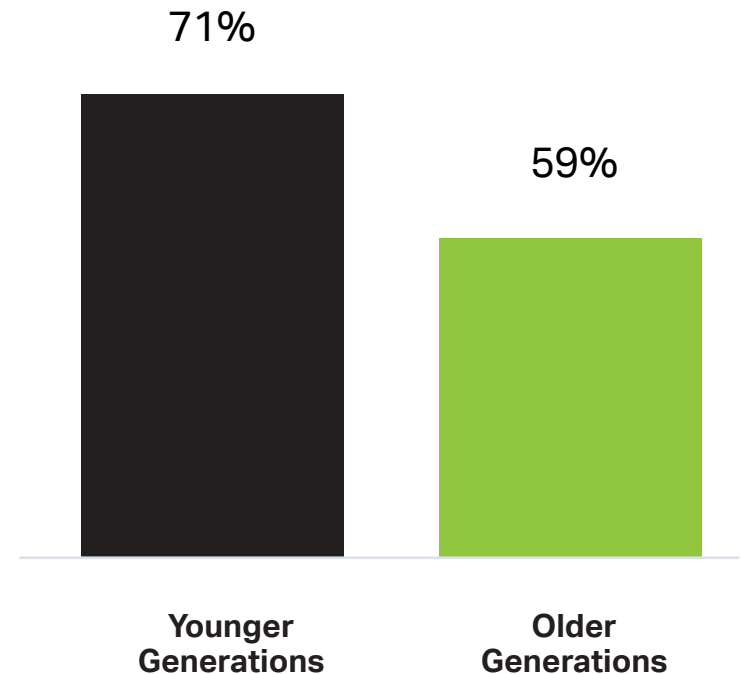
## Last Minute Shoppers



## EQ Insight:

Till point gift cards stands should appeal to your younger customers

## Purchase Cards While Queuing at Till



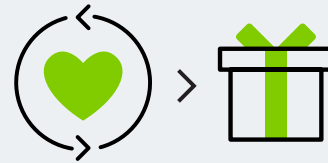
Shoppers Say:

# I Want to Buy with Loyalty Points

The idea of using loyalty points to make purchases is still pretty niche—only 10% of European shoppers have made this exchange for gifts—but it is growing in popularity. Remember that inflation does remain a concern for shoppers, and everyone is particularly motivated by deals and getting extra value from purchases these days. Loyalty programmes, and the points they generate, are a reflection of that thrifty attitude.

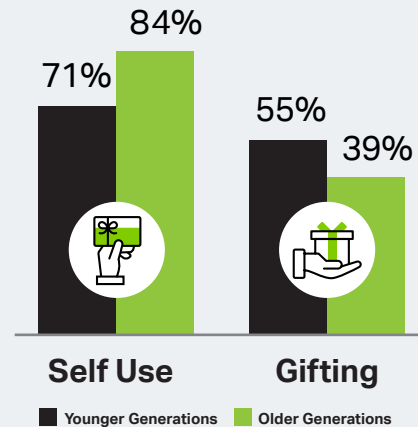
# 10%

## Exchanged Loyalty Points for Gifts

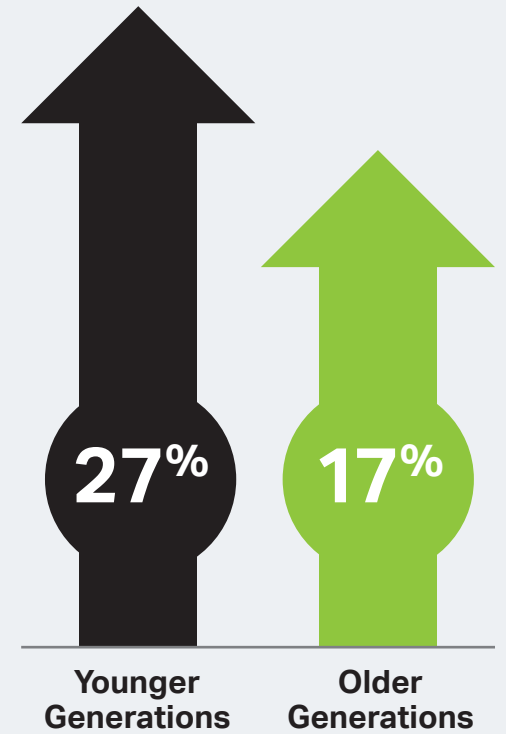


(Includes credit cards, travel, hotels, airlines, etc.)

## Exchanged / Redeemed For



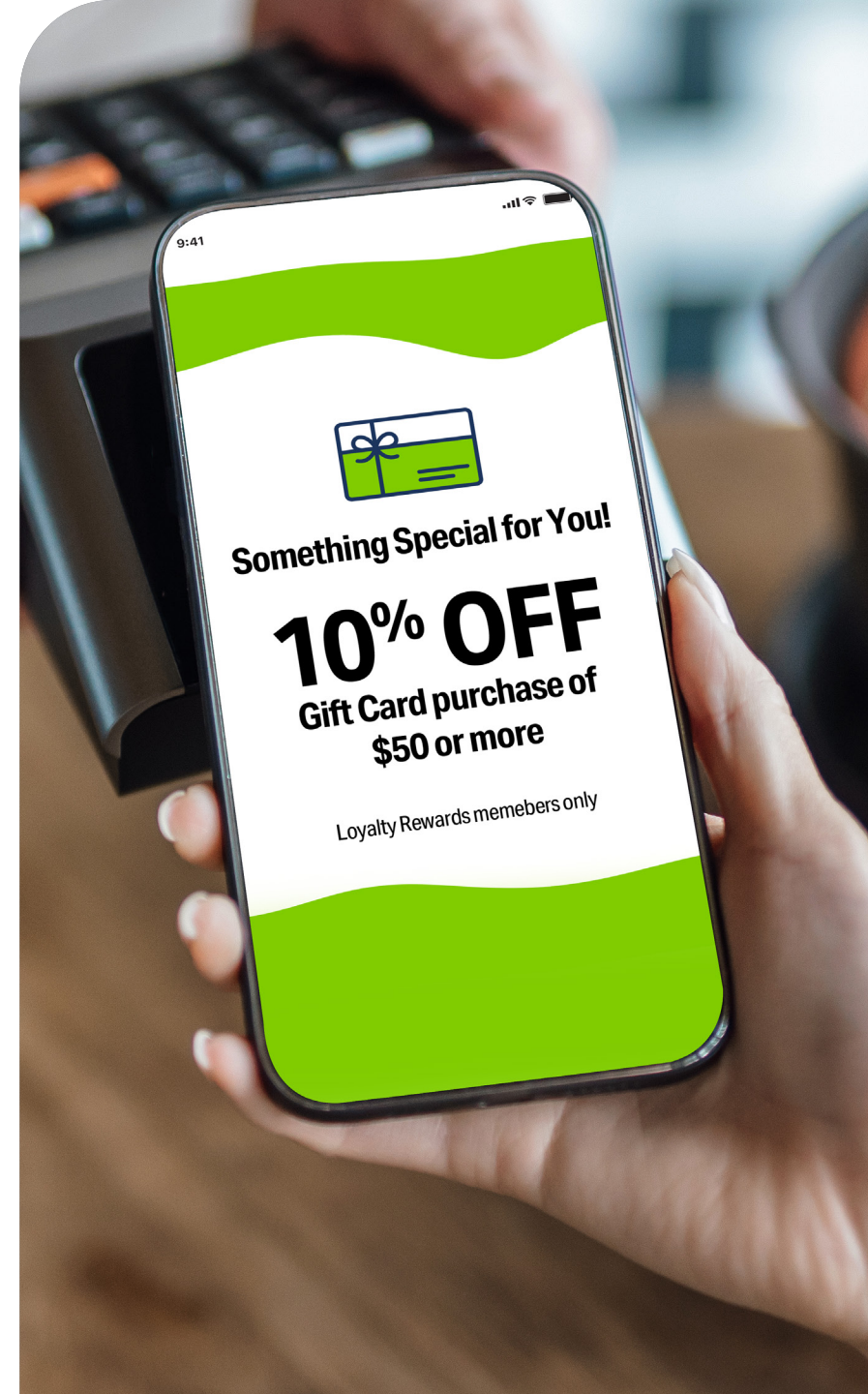
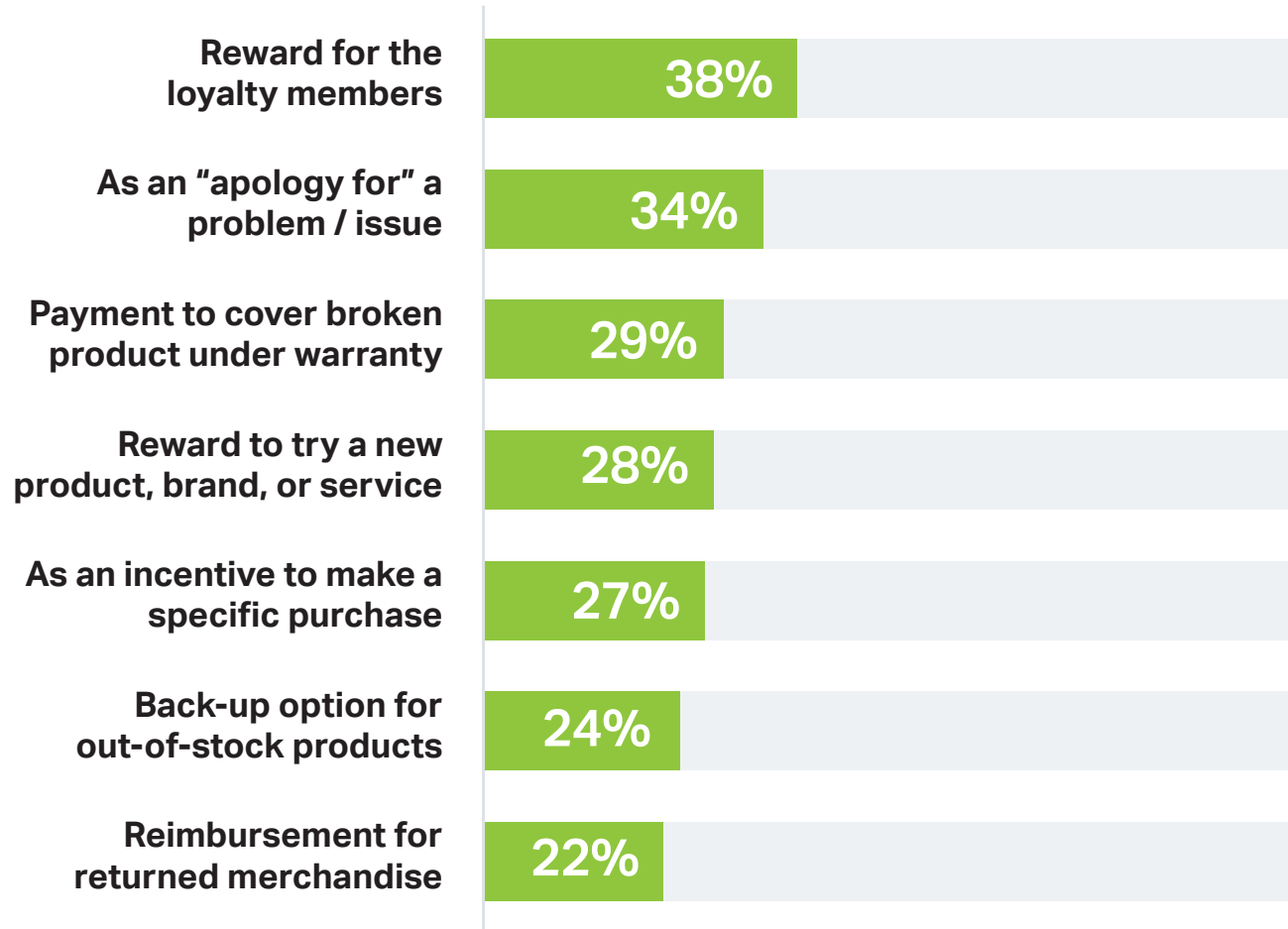
Compared to last year EMEA consumers are planning to **increase redemption for gift cards** from their loyalty programmes





# Build Customer Loyalty with Gift Cards Throughout the Customer Journey

A Gift Card is a Good Option for...



## Emerging Trend

# Gift Now, Pay Later

The Buy Now, Pay Later (BNPL) marketplace emerged a few years ago and has taken off, especially for bigger ticket items like electronics. Buying gift cards through BNPL platforms like Klarna® and Affirm® is still relatively rare, but we expect it to continue to grow.

Purchased Gift  
Cards Through:

**Klarna**

15%

**affirm**

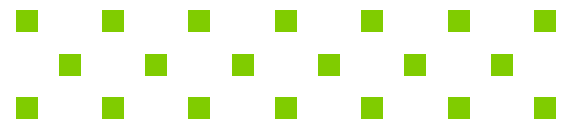
4%

**bitpay**

4%

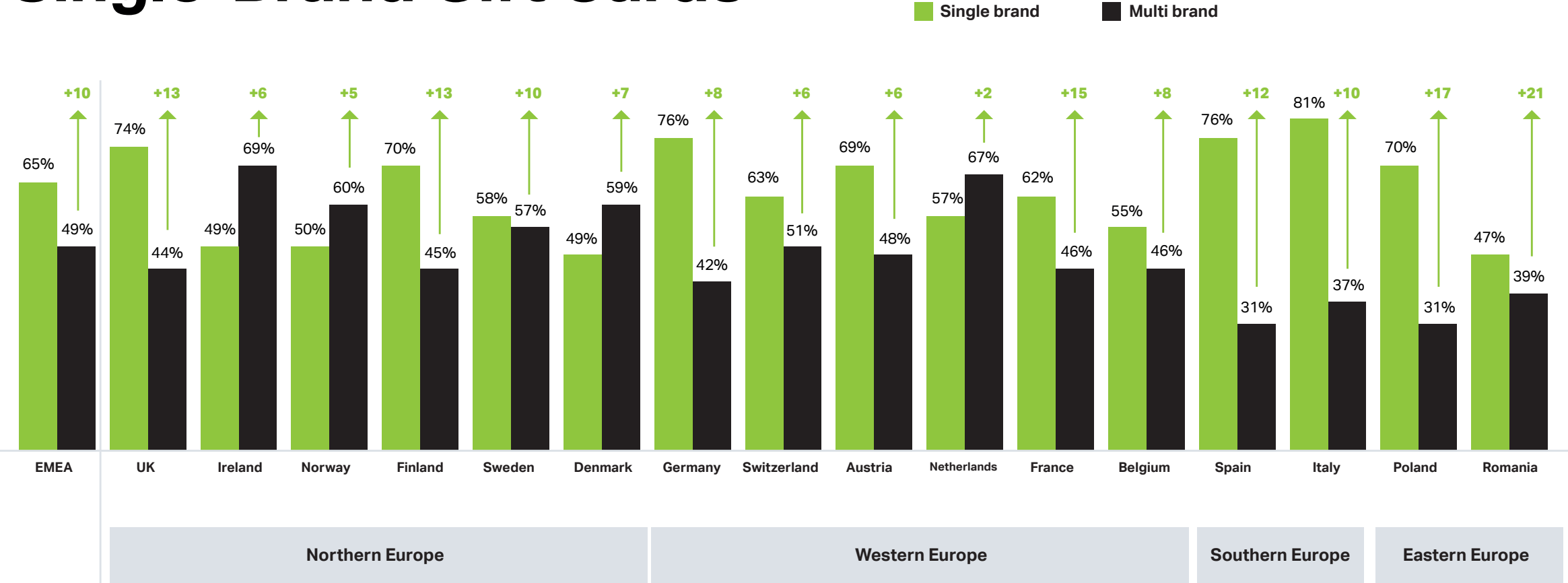
**afterpay**

4%



# The Gap Narrows Between Multi-Brand and Single-Brand Gift Cards

Across Europe, shoppers have embraced multi-brand gift cards. There's now little difference in preference between the multi-brand and single-brand gift cards, which shows the growth of multi-brand gift cards in the marketplace. Almost all of Europe still prefers to choose a single brand for its gifts, though multi-brand gift cards are more popular in Ireland, Norway and the Netherlands.





# Gift Cards are Getting Greener and More Digital

Every aspect of life is getting more digital and more environmentally conscious—often at the same time. For gift cards, this is reflected in the growth of digital eGift cards and paper-based gift cards. Digital options are especially appealing to young people, who want to be able to purchase eGifts directly within messaging apps to send to friends.

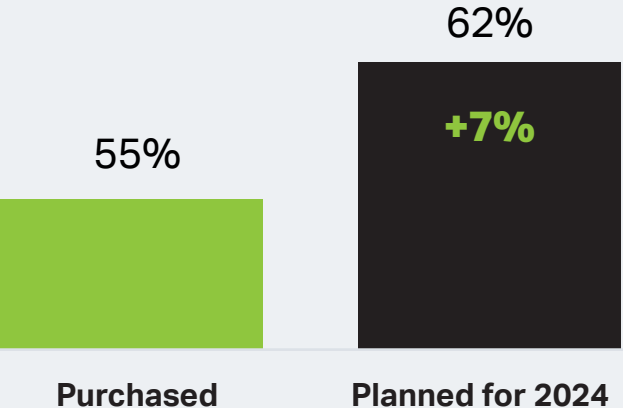


**53%**

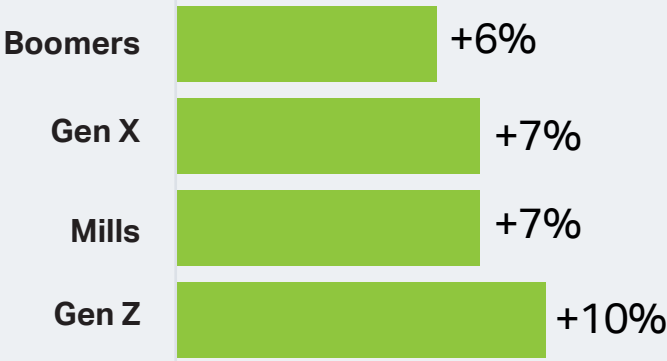
**of EMEA purchased a paper gift card**



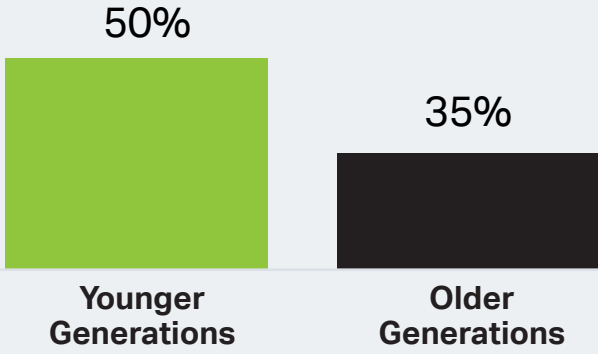
## Digital Gift Cards



## Generational Breakout



## Interest in purchasing a gift card through a messaging app\*

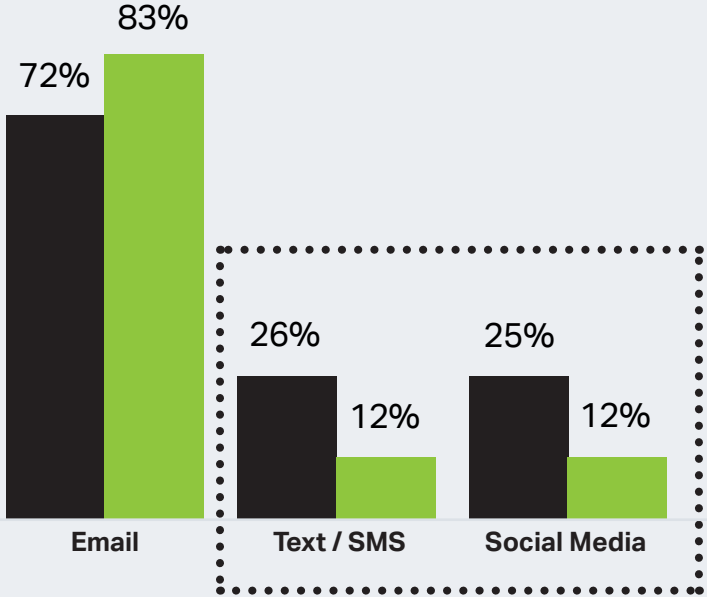


\*Google Message, WhatsApp, Android Message, iMessage etc.

# Younger Shoppers Embrace Social eGift Delivery

Digital gift cards are most often sent by email, but other options are becoming more common. Compared to older shoppers, younger shoppers were twice as likely to deliver eGifts by text or social media.

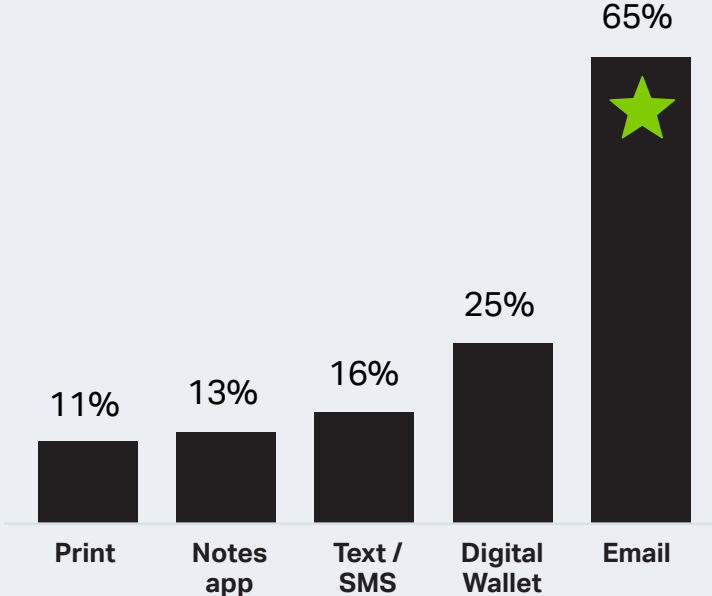
### How the Digital Gift Cards Were Sent...



■ Younger Generations ■ Older Generations



### Digital Gift Card Storage





# Key Takeaways for Your 2024

What does a “normal” year look like for gift cards? We know that Christmas is the focus for most retailers, but shoppers are ready to be enticed back more often. Be ready for gifting occasions throughout the year and beyond—driven by people wanting to connect to family and friends.

- 1. Prepare for economic growth to fuel gift card demand, especially for self-use.**
- 2. Inflation is still a concern. Shoppers are looking for deals and extra value.**
- 3. Protect your sales and stay ahead of fraud to be a trusted gifting destination.**
- 4. Birthdays are the primary gift card occasion. Stock gift cards near other gifts and gifting supplies!**
- 5. Watch emerging channels like social media, loyalty programmes and BNPL to help you grow.**



# Need Help Navigating your Gift Card Programme in 2024?

**Talk to BHN.**

Our gift card experts can help.

**For more information,  
email [salesenquiries@bhn.com](mailto:salesenquiries@bhn.com).**

