Gift Card & Voucher Association

KPMG

# GCVA DATA ANALYSIS H2 2020 - UK

**The gift card and voucher sector is resilient with overall rolling year growth of 4.6%, despite the ongoing impacts of the Covid-19 pandemic.**

## Executive Summary

Despite the Covid-19 pandemic continuing to exert its grip on the UK through the second half of 2020, the Gift Card & Voucher Association data submitting membership collectively reported a resilient performance with volumes rising by 4.6% for the year as a whole, and by 10.8% on a like-for-like basis in H2 - a commendable achievement. With the pandemic affecting Retailers and Leisure businesses differently, the gap between the two continued to widen – Retailers registering a rise in volumes while Leisure sales fell significantly. As might be expected at a time when physical outlets were closed for extended periods, it was digital sales that led the way while physical and paper declined. A significant rise in B2B sales bolstered volumes and offset a drop in sales to consumers.
As per H1, member submissions exclude Free School Meals

29
Contributors

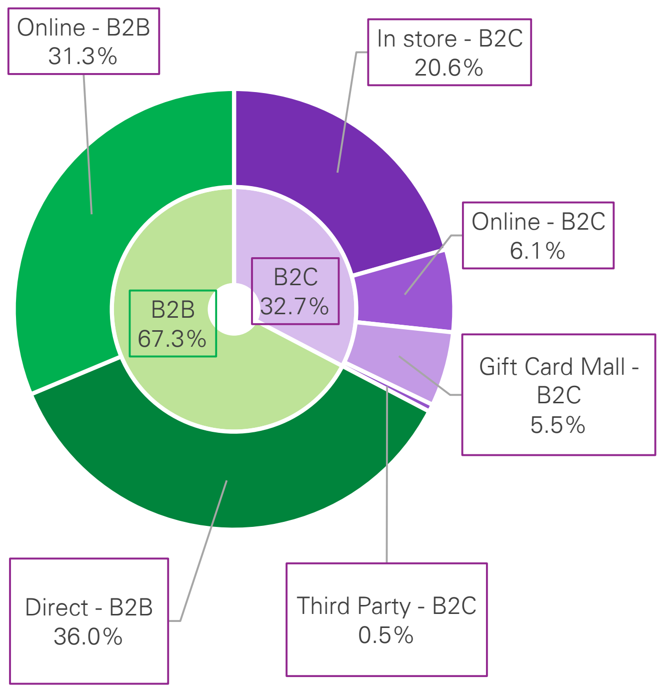
£1,845.7m
Total H2 2020 sales

4.6%
Rolling year
growth

24.9% B2B
Rolling year
growth

B2C 21.6%
Rolling year
contraction

**Market share by sales channel (Rolling year volumes)**



@gcva
info@gcva.co.uk

GCVA
www.gcva.co.uk

**Gail Cohen, director general at the Gift Card and Voucher Association:**

"There is no doubt that gift cards and vouchers have grown in stature over the last 12 months, with digital vouchers coming to the rescue of consumers looking to purchase that special something for loved ones in a challenging time. "

''We have seen an impressive growth story in the gift card and voucher market over the last 4-5 years, and this £7bn UK industry presents a real opportunity for retail and leisure businesses, as well as the wider economy, to grow. They also had a key part to play in delivering free school meal programmes across the country."

**Don Williams, Retail Partner at KPMG UK, added:**

"Performance in the gift card and vouchers market very much mirrors the activity that we have seen on the high street over the last year, with sales of physical cards bought in store falling as digital gifting saw impressive growth.

''There has been a change in the status of gift cards which have re-purposed themselves, particularly with Generation Z consumers with their passion for technology and gaming. Digital innovation has been significantly fast-tracked allowing consumers to manage balances and is proving to be a useful tool in establishing a direct relationship between operators and their consumers."

**Methodology**

The Gift Card & Voucher Association (GCVA) and KPMG UK analysed six months of gift and voucher sales data from 29 members of the GCVA. KPMG UK then aggregated and analysed the data, sorting by market (business-to-consumer or business-to-business), by sector (leisure or retail), by product (physical card, paper voucher, digital or e-voucher), by channel (direct, online, gift card malls or via third party), and also by method of redemption (closed loop, multi-choice or open loop).



Gift Card & Voucher Association

KPMG