



Rostrum

UK **gift card**
& voucher association

Gift card industry insight

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CONFERENCE 2018

 **SVS** | Conference
Lead Sponsor

Aims and objectives

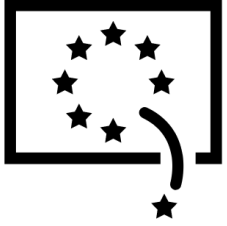
1. To provide the UKGCVA with statistics that highlight the current industry sentiment
2. To gauge an industry response on key issues affecting the market such as GDPR and Brexit
3. To gather opinions on the outlook for the sector as well as the stance towards B2B and B2C markets



Methodology

- Rostrum surveyed 200 people from the gift card industry
- From our sample of 200, we received 71 responses, 97% were from the UK
- We asked 15 questions based on gift card industry trends and external factors affecting the industry in general





24%

Think Brexit will have a negative impact on the gift card industry



65%

Are uncertain of the impact of the upcoming VAT legislation



90%

Are positive about the future of the gift card industry

Despite respondents being generally uncertain/negative about external factors such as Brexit or VAT, respondents are **extremely positive** about the future of the gift card industry



Demographic

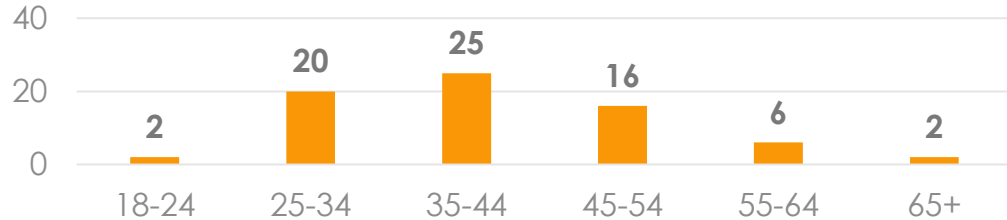


What is your gender?



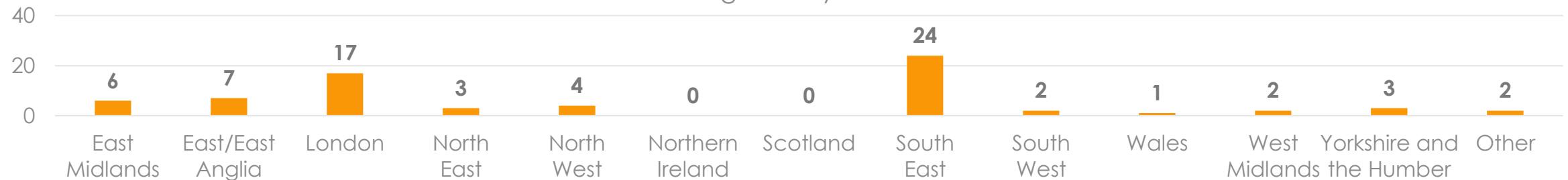
- Over two-thirds (**68%**) of respondents were male

Which of the following categories best describes your age?



- The highest number of respondents were between the ages of 35 – 44 (**35%**) and lived in the South East (**34%**)

What region do you live in?





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Internal industry factors for change



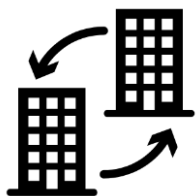
Internal industry key findings



38%

of respondents have seen an increase in senior level buy-in

- In 2017's State of the Nation report, the lack of senior level buy-in was a key issue, with only 20% of respondents reporting gift card results to the board. Since then, senior level buy-in has increased dramatically with 38% of respondents seeing an increase



58%

B2B

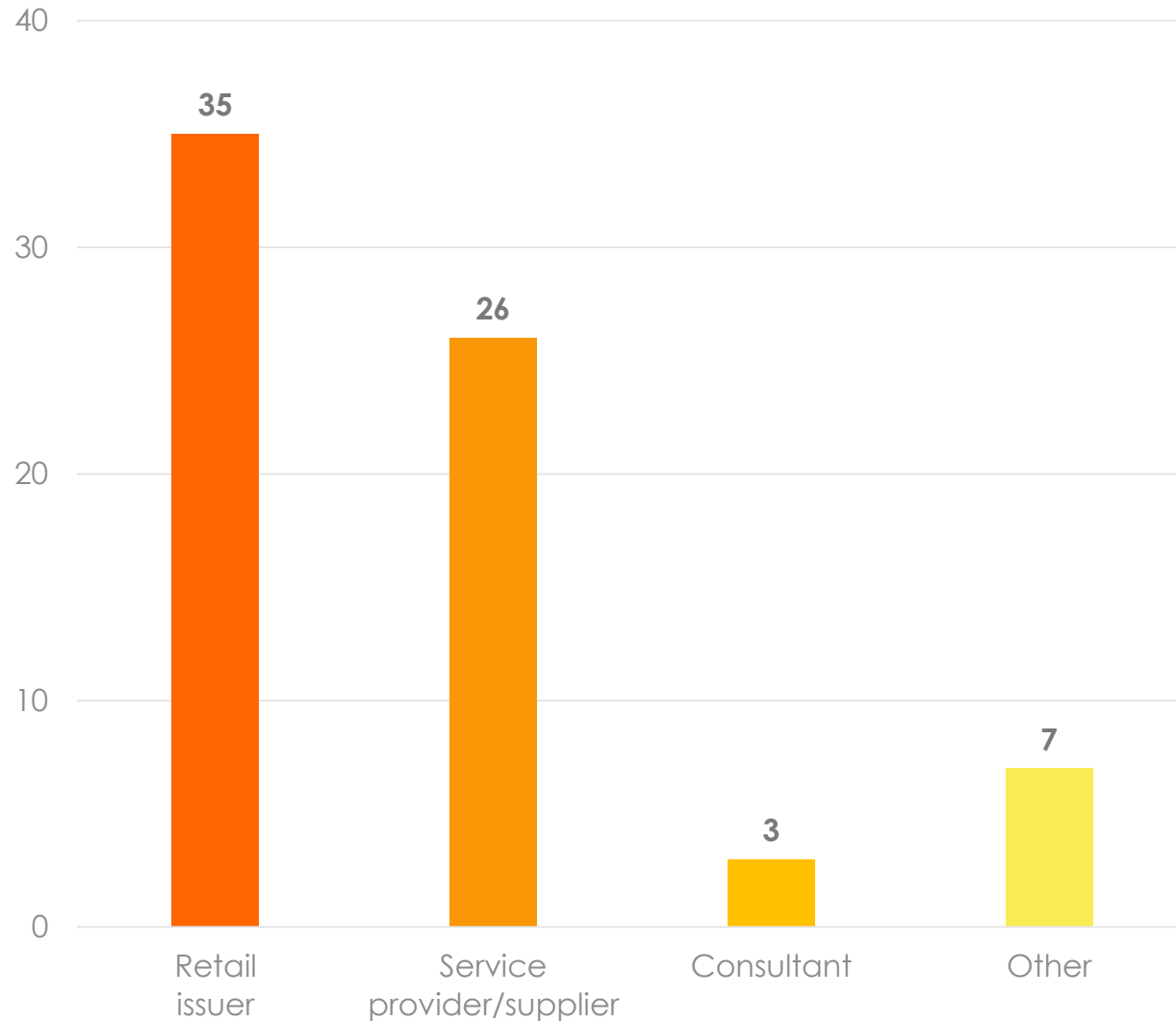
42%

B2C

- B2B and B2C markets have continued the trend shown in the State of the Nation report. In 2017, the majority (58%) of managers spent their time on B2B programmes while less (42%) focused on B2C



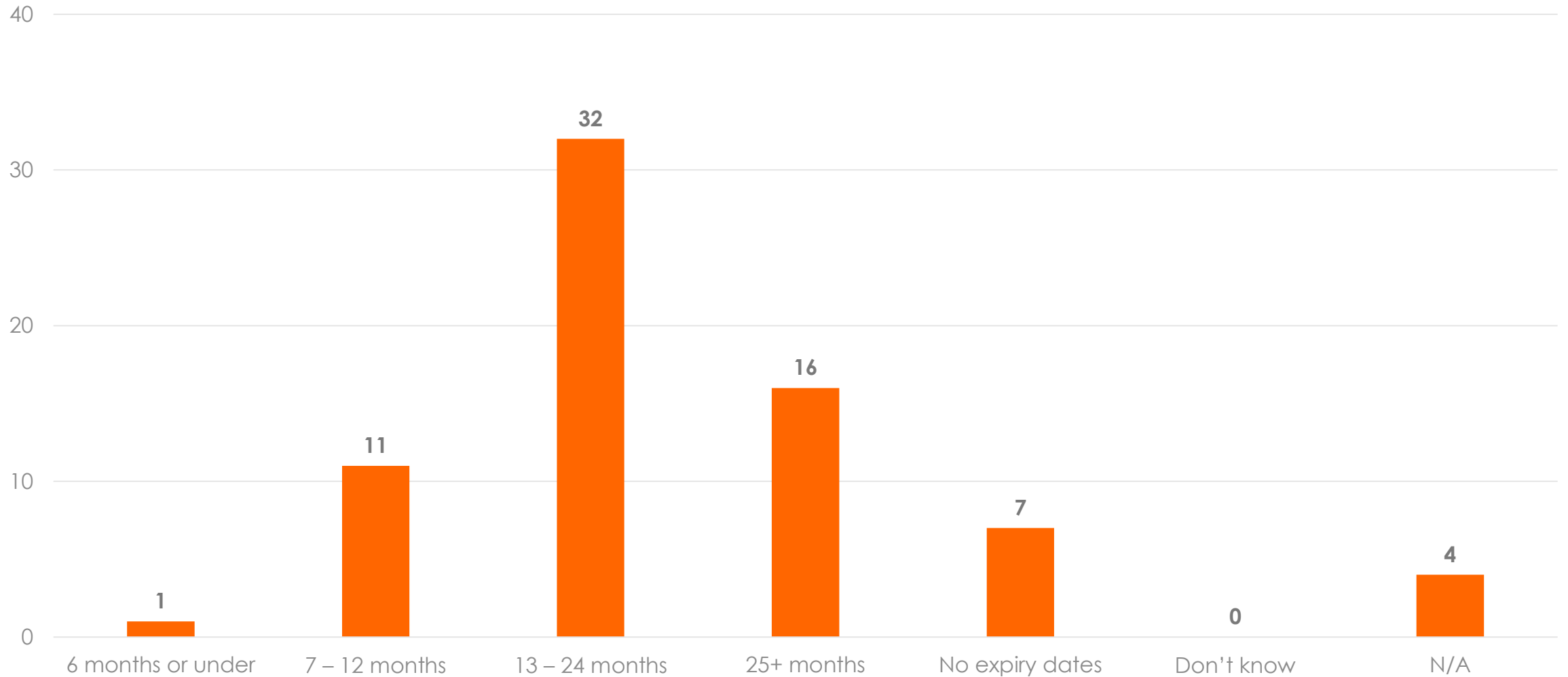
Which of the following most closely describes your role within gift cards and vouchers?



- Retail issuers had the highest response rate amongst the sample (just under half of respondents, **49%**, said that this closely described their job title)
- Consultants, however, made up only **4%** of this respondent sample

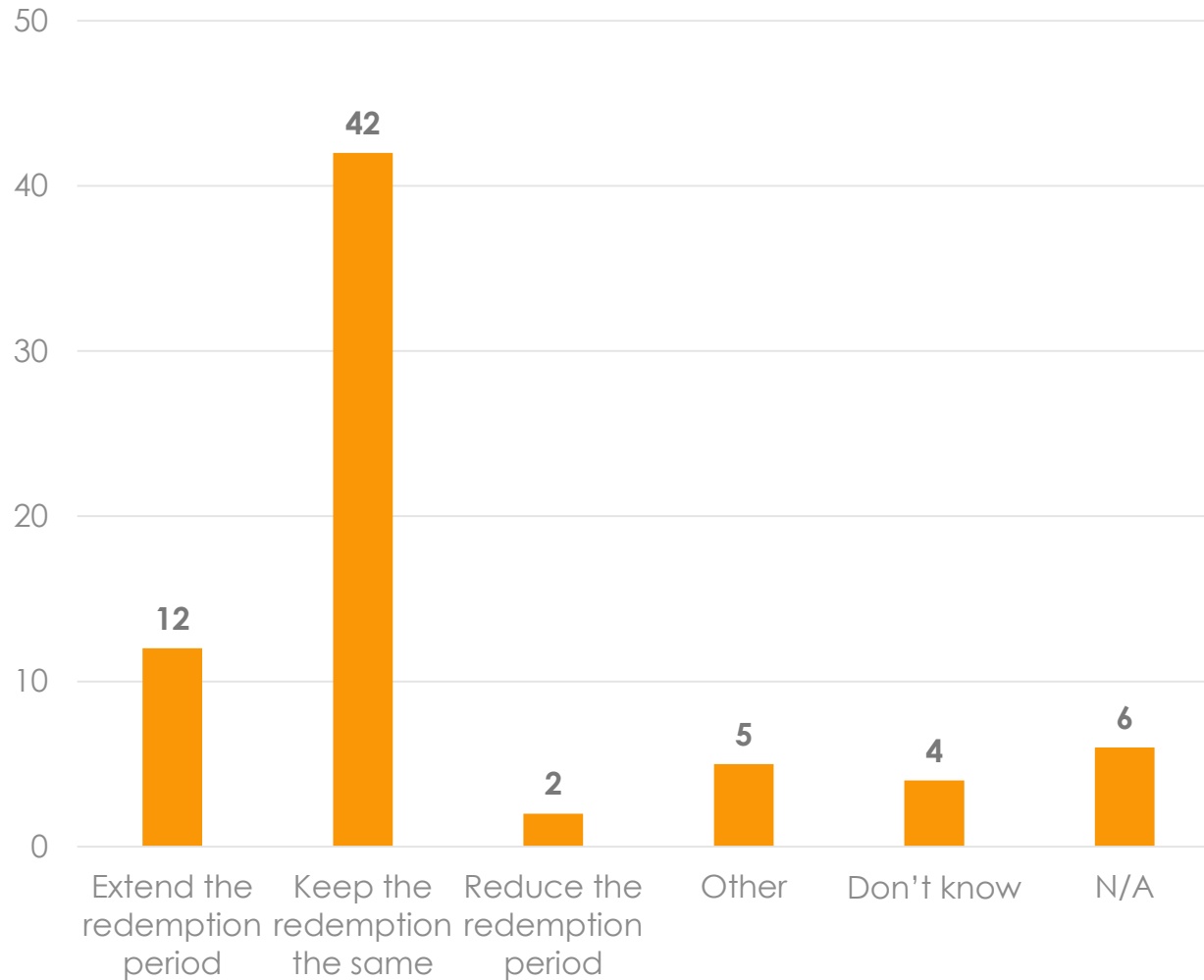


To the best of your knowledge, which of the following most accurately represents the redemption period available on the gift cards and vouchers distributed by your business?





To the best of your knowledge, which of the following most accurately represents the redemption period available on the gift cards and vouchers distributed by your business?

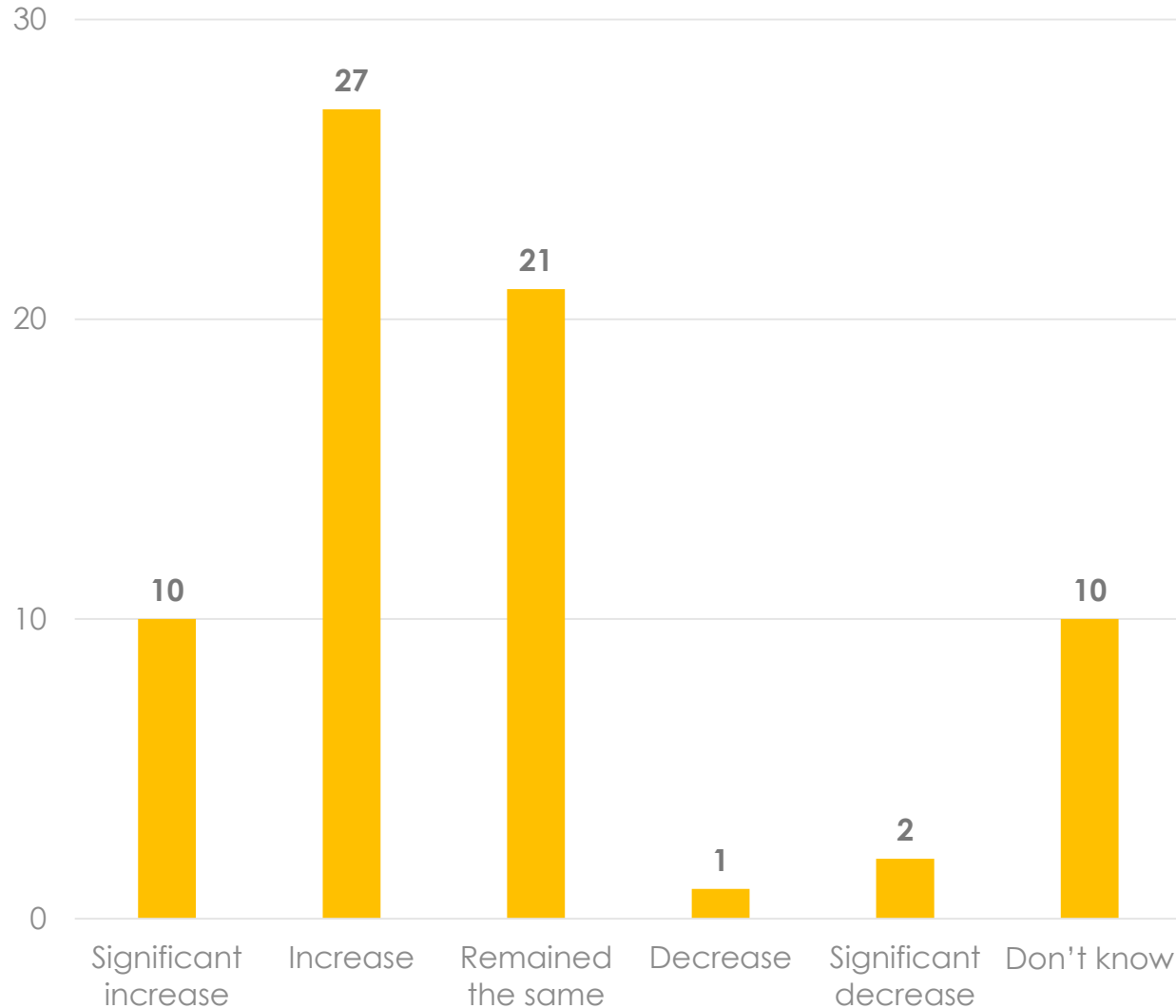


- **59%** of respondents anticipate that their business will keep the redemption period on gift cards and vouchers the same in the next 12 months





In your opinion, how has internal senior level buy-in towards the success of gift cards and vouchers changed over the past 12 months?

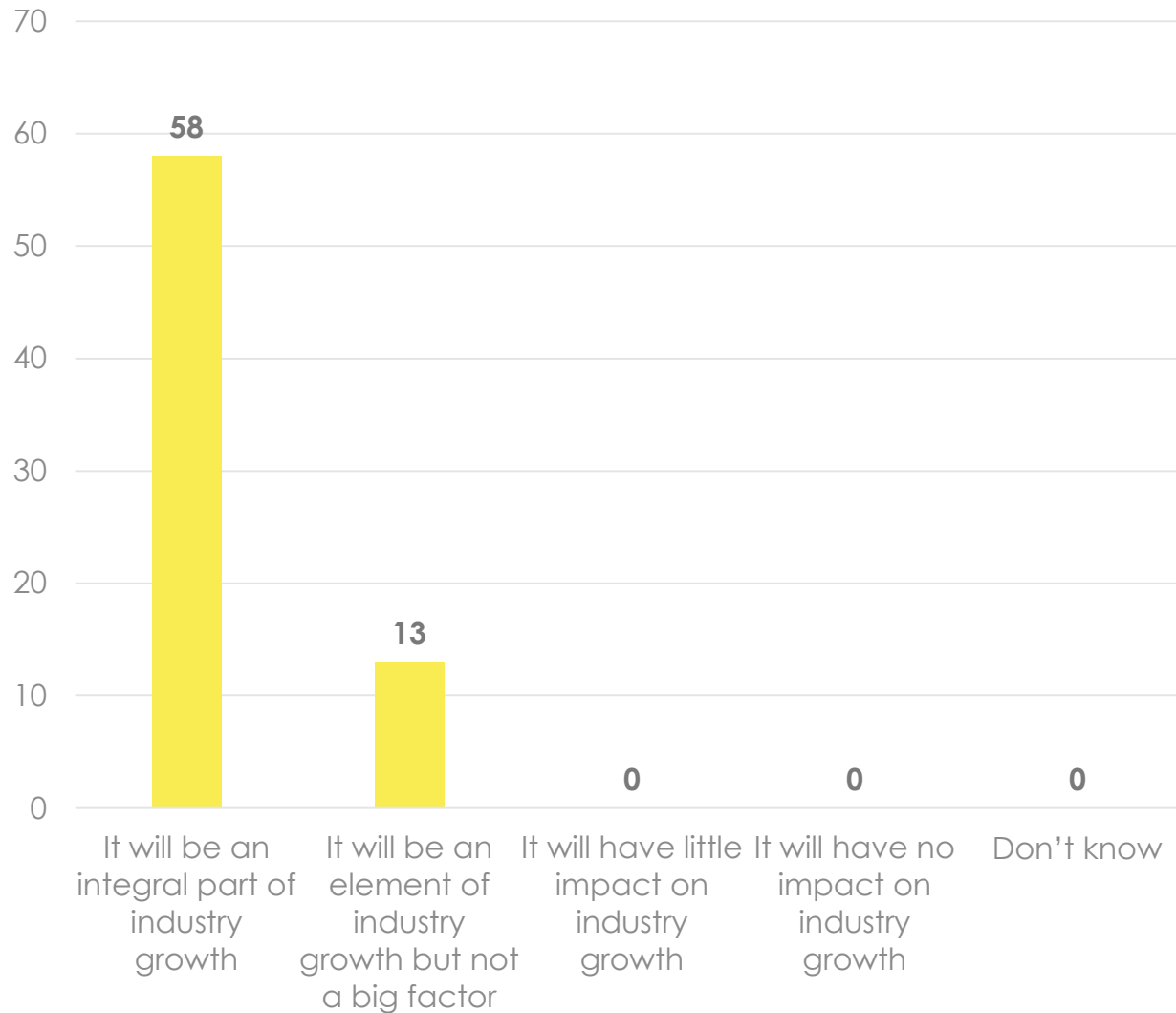


- **38%** of respondents believe that internal senior level buy-in has increased over the past 12 months, while **30%** believe that it has stayed the same





Which of the below statements is most aligned towards your views on B2B market growth in 2018?

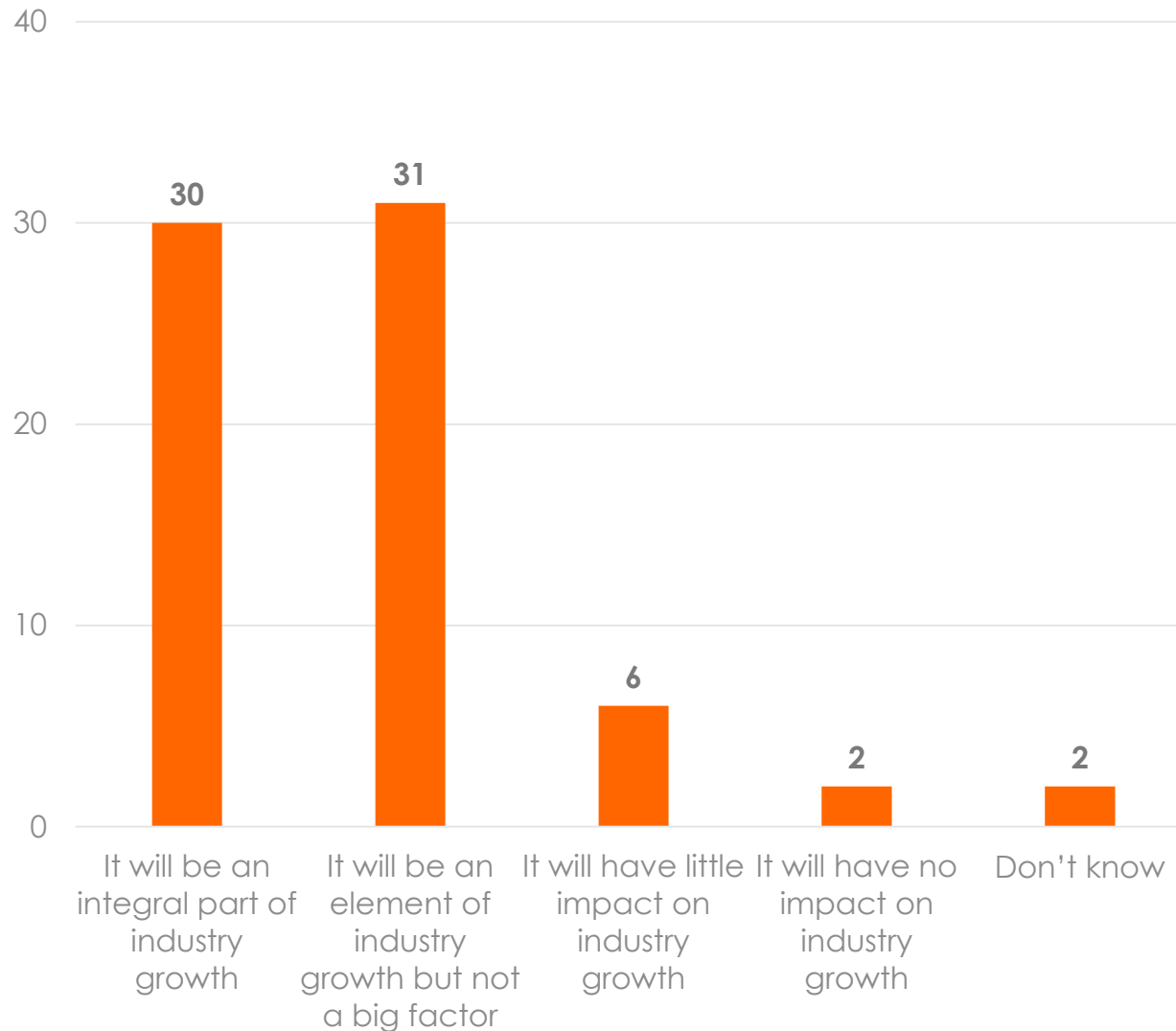


- **82%** of respondents think that B2B market growth will be an integral part of gift card industry growth in 2018





Which of the below statements is most aligned towards your views on the B2C market growth in 2018?



- **44%** of respondents think that B2C market growth will be an element of gift card industry growth in 2018, but not a big contributor
- However, **42%** believe that it B2C market growth will be an integral factor





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External factors for change



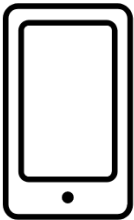
External industry key findings



100%

of respondents said this was important to industry growth

- Technological innovation was seen as important to gift card industry growth in 2018 by all respondents



85%

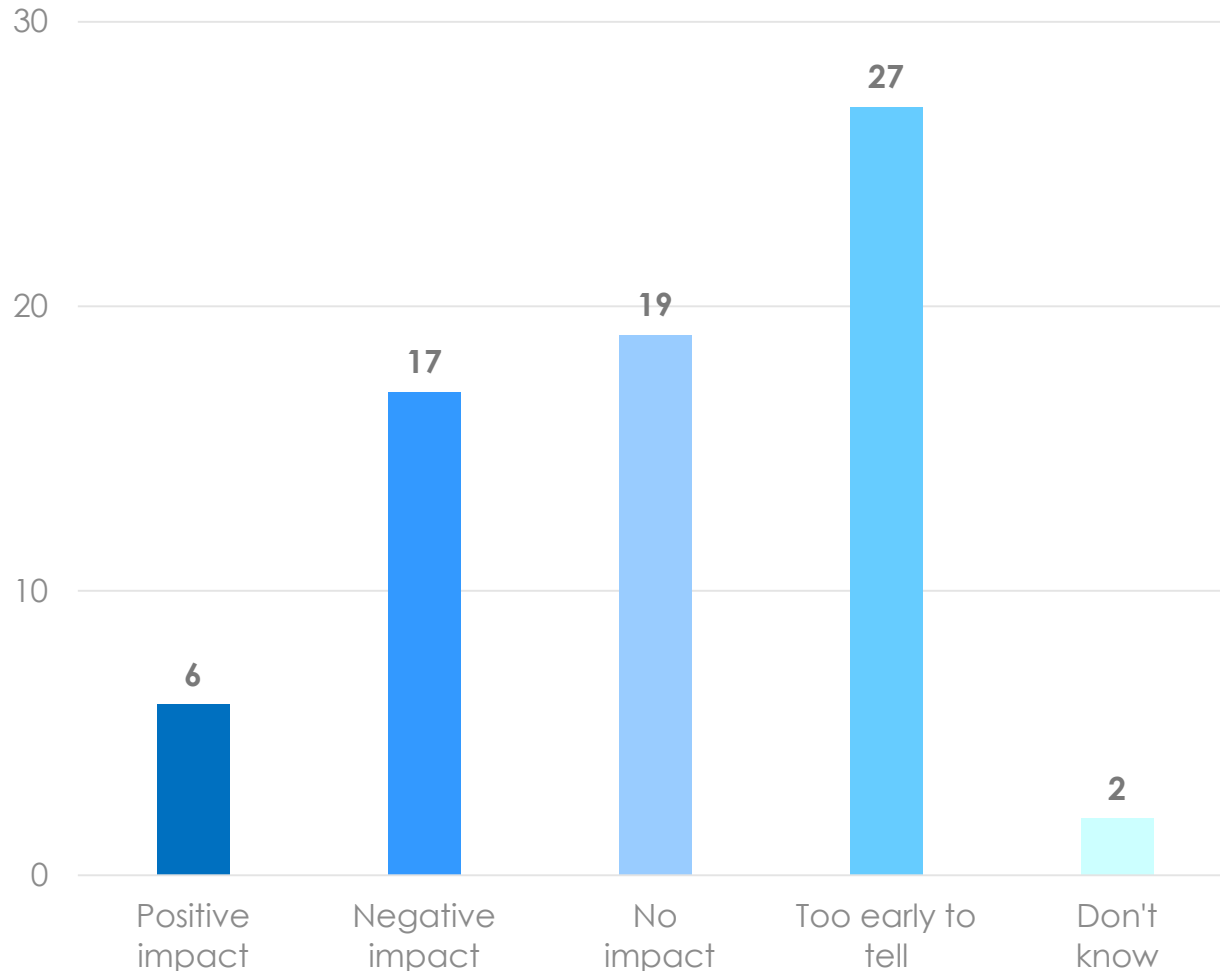
of respondents ranked this 1st / 2nd most important growth factor

- Digital gift cards were seen to be the most important factor for growth in 2018





Which of the following statements best reflect your views towards the UK's withdrawal from the European Union (Brexit's) impact on gift cards and vouchers

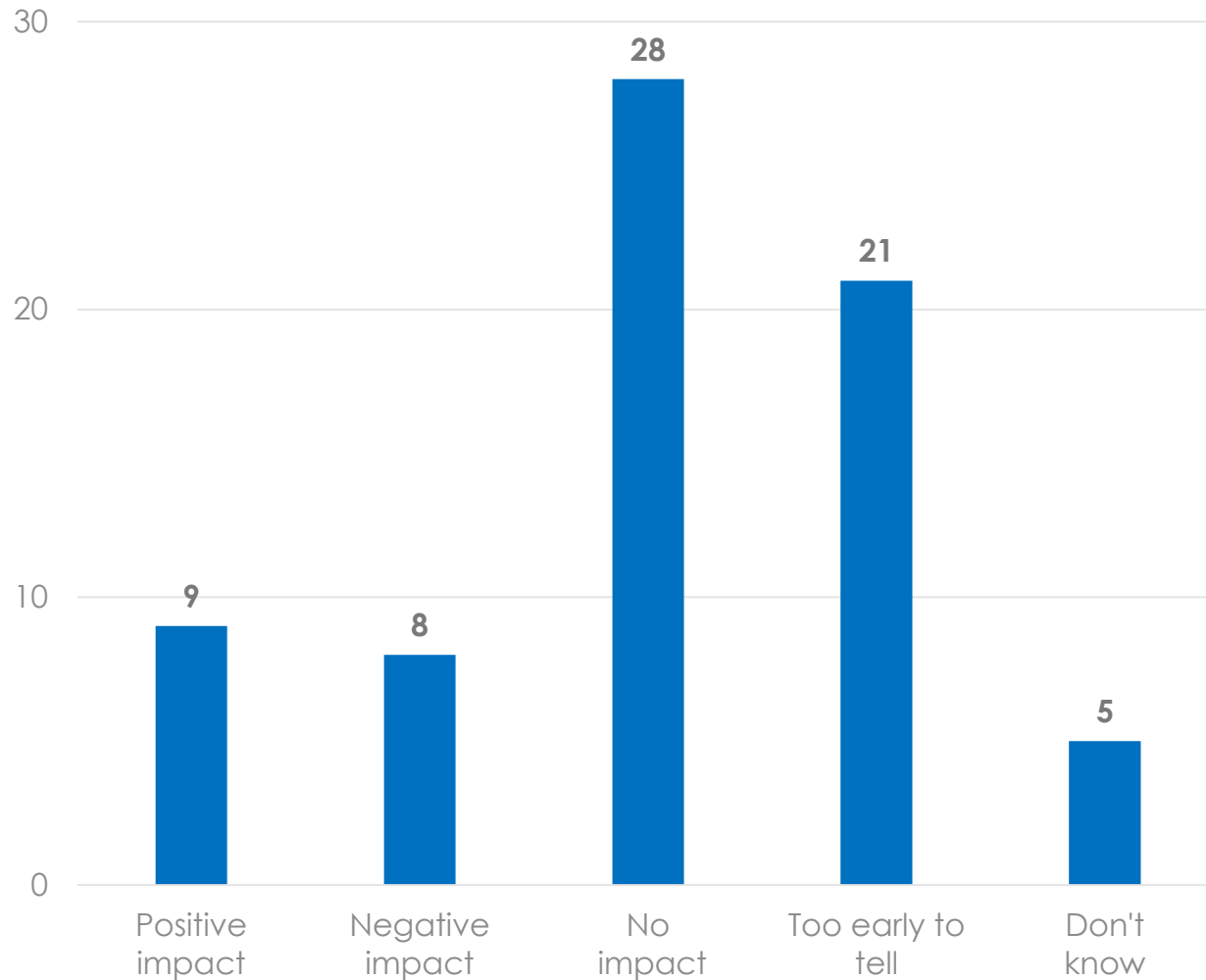


- The largest majority (**38%**) of respondents believe it is too early to tell what effect Brexit will have on the gift card industry
- However, **27%** believe that Brexit will have no impact, followed by **24%** who think it will have a negative impact





Following its implementation into national law on 25th May, what impact do you think the General Data Protection Regulation (GDPR) will have on gift cards and vouchers?

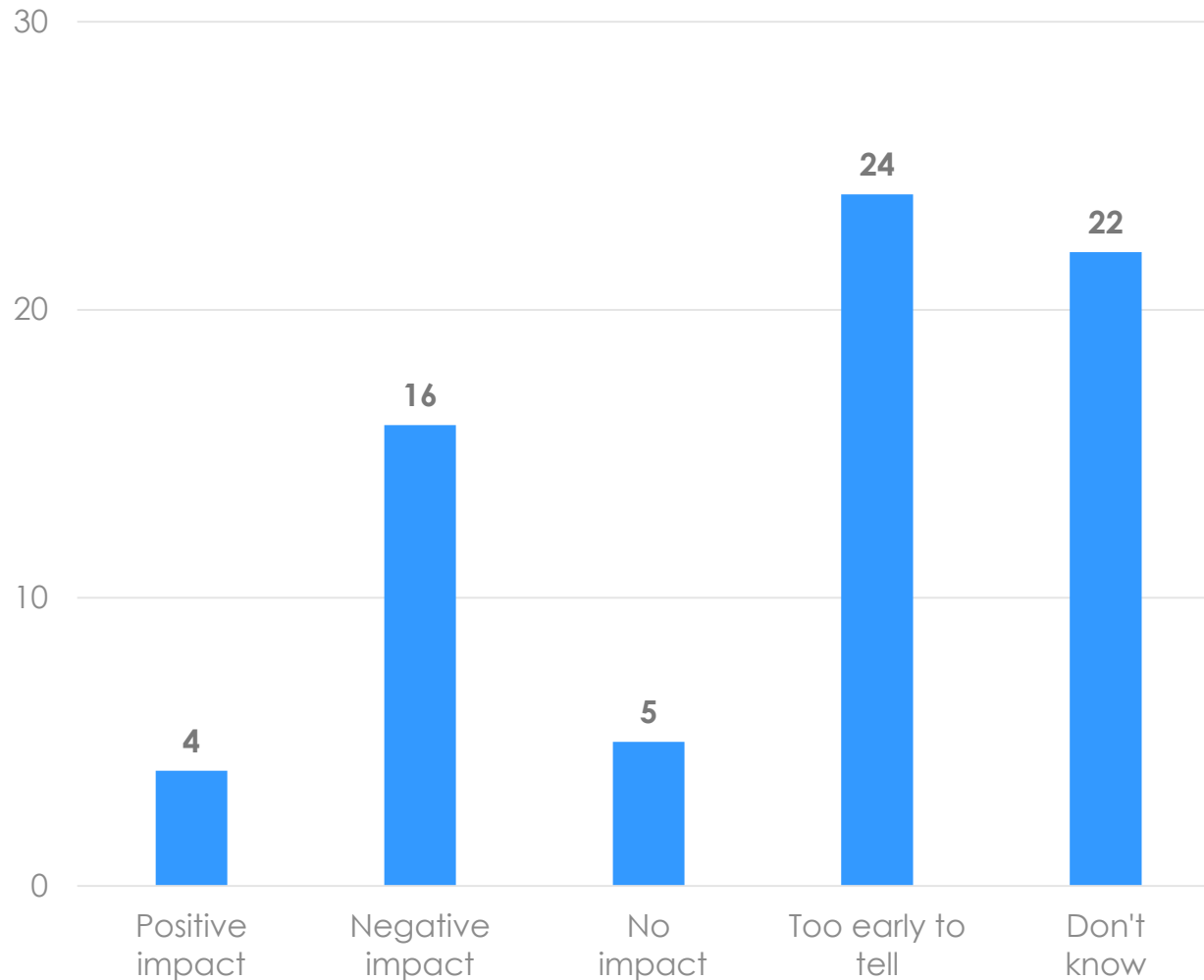


- The largest majority (**39%**) of respondents think that GDPR will have no effect on the gift card industry
- However, **30%** believe that it is too early to tell





Which of the following statements best reflects your views towards the upcoming VAT legislation in 2018 and its impact towards the gift card and voucher industry?

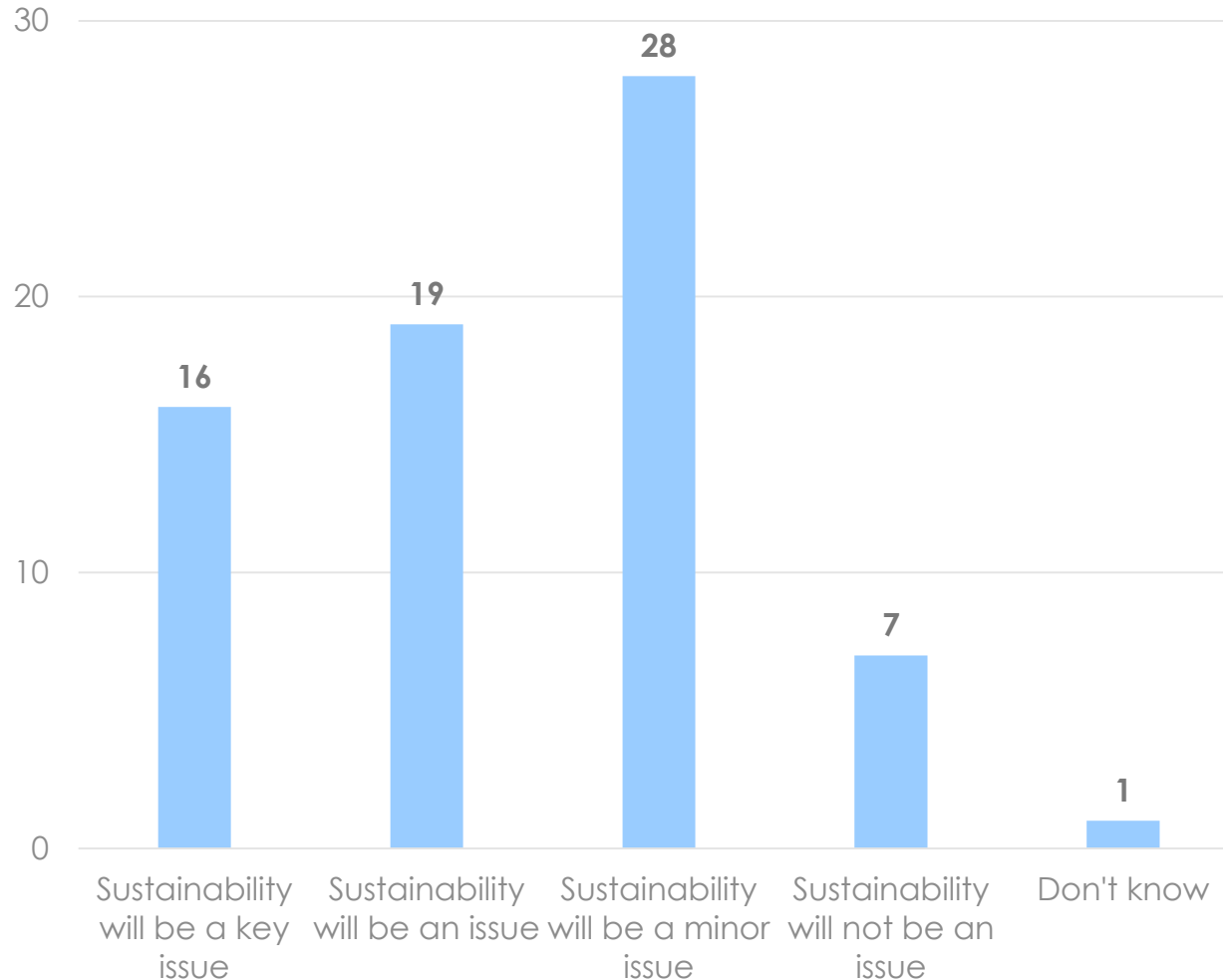


- Respondents were rather more uncertain about VAT legislation, with **65%** answering that it was too early to tell or that they didn't know what effect it would have on the gift card industry (**34%** and **31%** respectively)
- Those who did decide one way or another, thought it would have a negative impact (**23%**)





Which of the following statements best reflects your opinion towards environmental sustainability and the gift card and voucher industry in 2018?

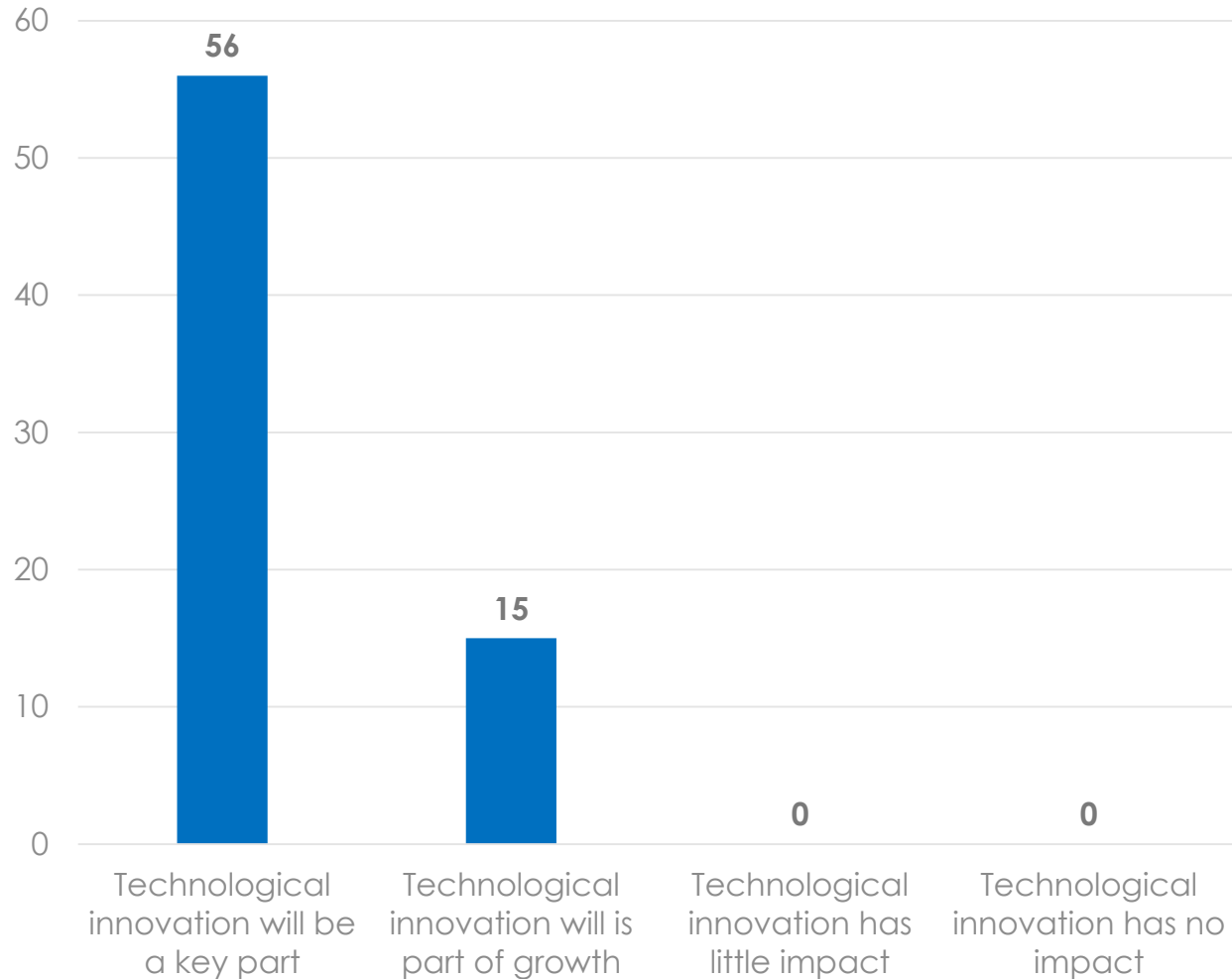


- In general, respondents see sustainability as an issue for the gift card industry, with only **10%** thinking that it would be no issue at all
- The largest majority (**39%**) believe it will be a minor issue





Which of the following statements best reflect your opinion towards technological innovation and its impact on gift card and voucher growth?

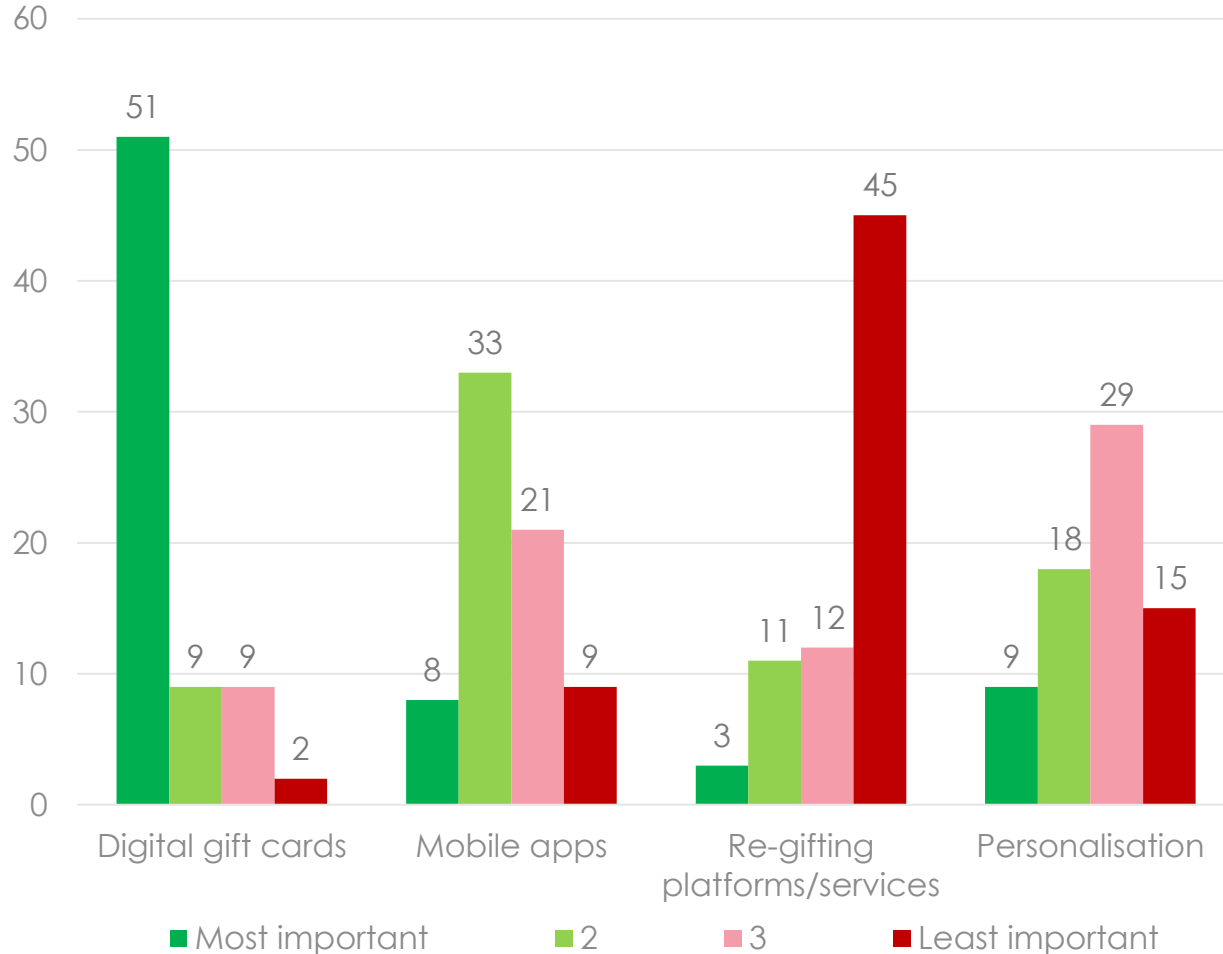


- The consensus amongst respondents is that technological innovation is key to the gift card industry
- **All** of the sample answered that technological innovations will be a key part or are a part of gift card industry growth (**79%** and **21%** respectively)





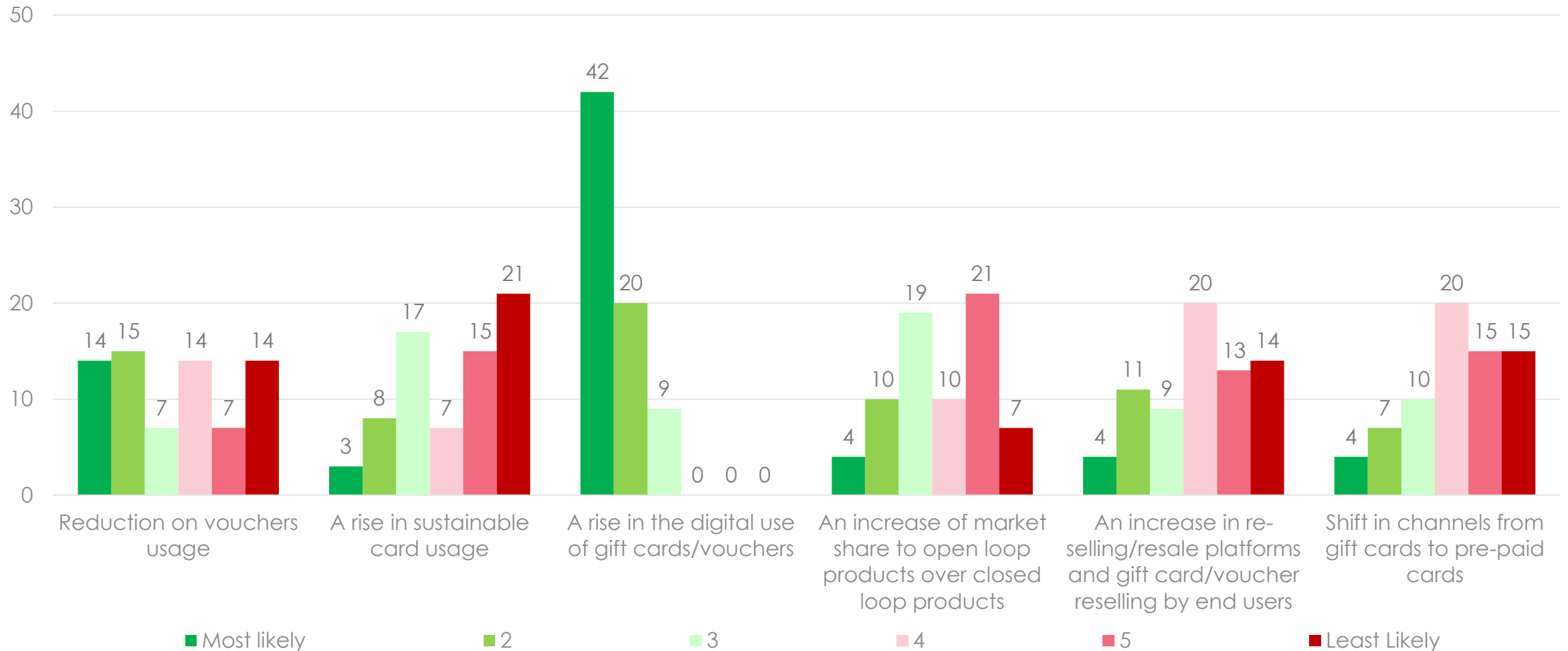
Please rank the following technological innovations in the order you think are the most important for the growth of gift cards and vouchers (1 – Most likely; 6 – Least likely)



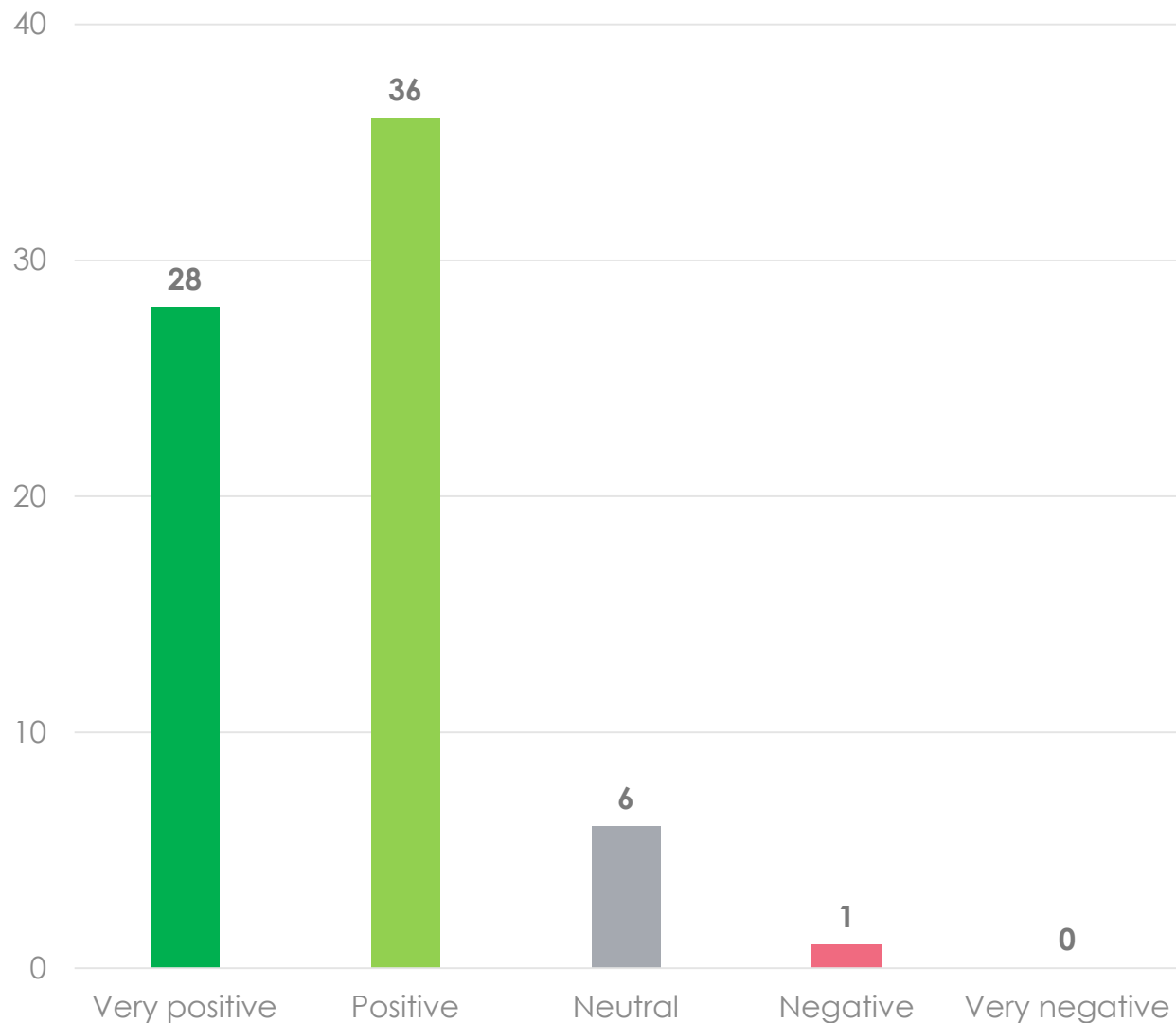
- Digital gift cards are seen as the most important technological innovation according to **71%** of respondents
- Re-gifting platforms/services are seen as the least important innovation (**63%**)



Please rank the following based on their likelihood of occurring in the gift card and voucher industry over the next five years (1 – Most likely; 6 – Least likely)



Overall, how do you feel about the future of the gift card and voucher industry?



- Overall the outlook for the gift card and voucher industry is very optimistic, as **90%** of respondents answered that they either **very positive** or **positive** for the future

