



U.S. 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 US gift card market  
is expected to grow to  
**\$494 billion**  
by 2030.<sup>1</sup>

**8 out of 10**  
of U.S. shoppers  
buy gift cards

## Proprietary gifting research

This January, BHN conducted a global research survey across 24 countries to better understand consumers' gift card preferences and shopping habits. In the U.S., this survey counted **2,138 American adults**. Unless otherwise noted, all statistics and figures in this ebook come from this survey.



Insights at the heart of payments



# The American 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 \$50K
- Married with children



### Self-use only

- Older generations
- Household income under \$50K
- Single, no children

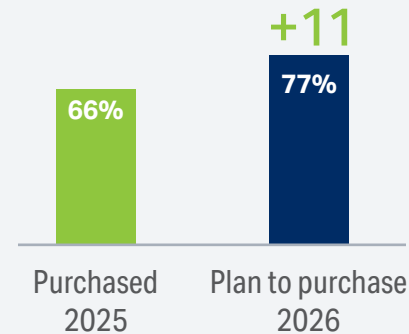


### Both

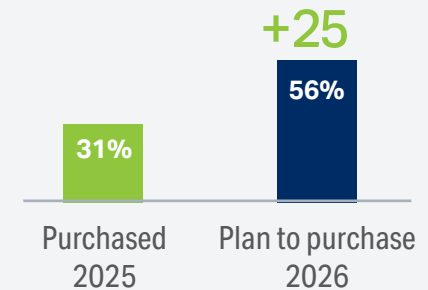
- Younger generations
- Household income over \$50K
- Married with children

## Gift card purchases expected to rise

Gift card purchases expected to rise

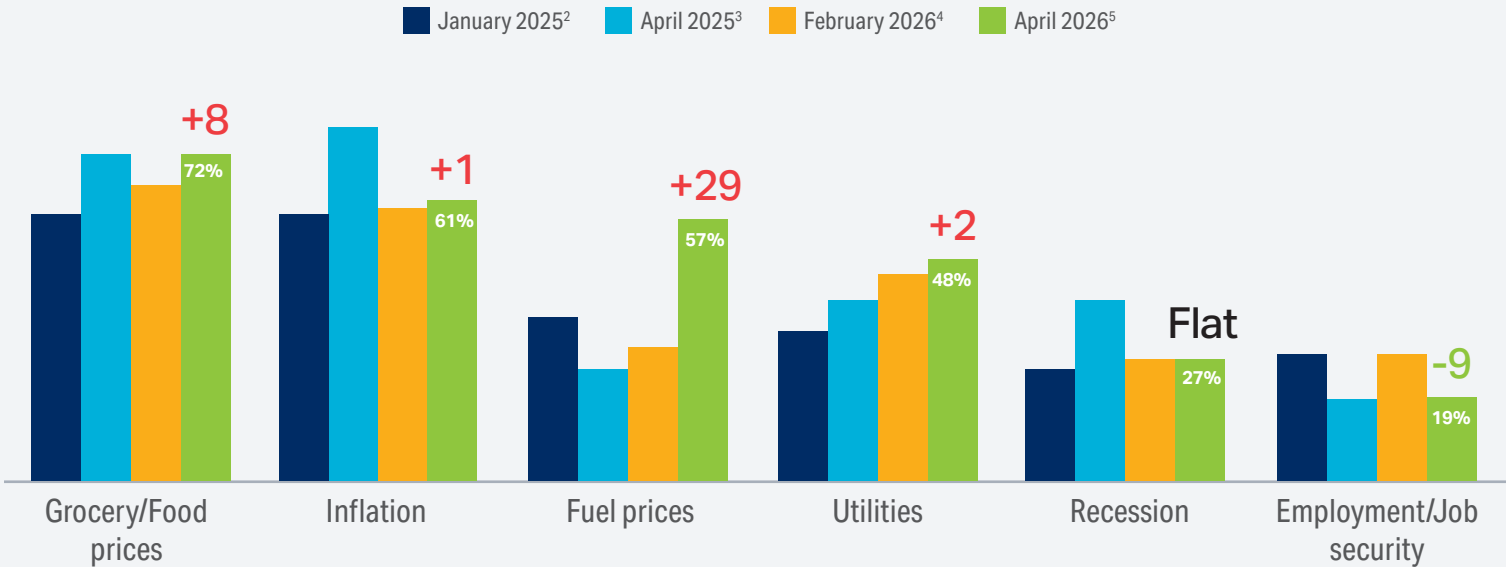


Buying gift cards for self-use is almost doubling



Affordability concerns put pressure on shoppers

### Which three are you the most concerned about?



This survey was completed in January 2026 and does not reflect concern around rising fuel prices stemming from the conflict in the Middle East.

# 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

72%

Younger generations

38%

Older generations

## Top gift card categories shoppers chose in place of physical gifts<sup>2</sup>



Grocery



Clothing/  
accessories



Electronics



Furniture



Appliances

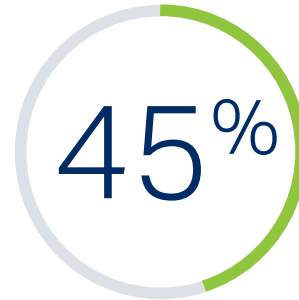


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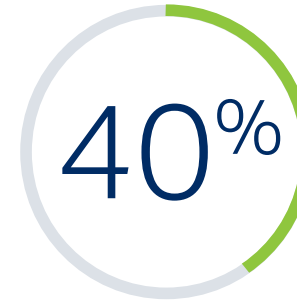
Toys

# 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**

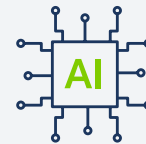
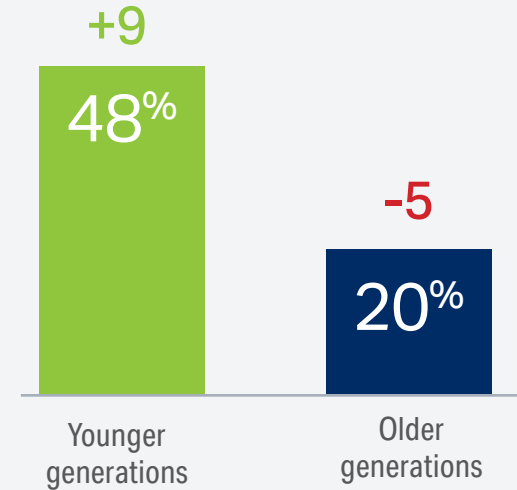
"I think it's better to get a gift card so I don't waste money on something that the recipient doesn't want or need."



# 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

Finding the best prices

Comparing products or brands

Make sure you have an AEO strategy to maximize 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.

# 18%

## +4 YoY

of shoppers paid for gift cards using loyalty points last year

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



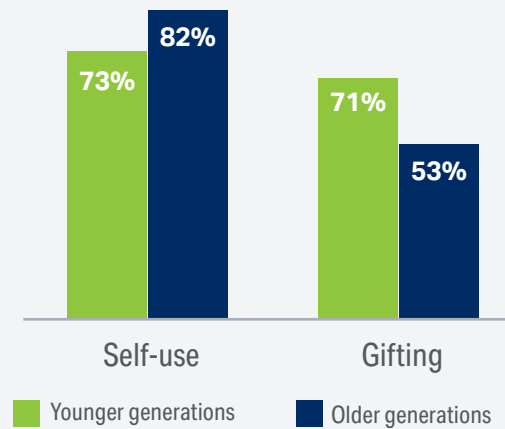
# 92%

participate in at least one or more loyalty programs<sup>6</sup>

# \$360B

unspent global loyalty points<sup>7</sup>

Exchanged/redeemed for



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

# +25%<sup>8</sup>

# 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

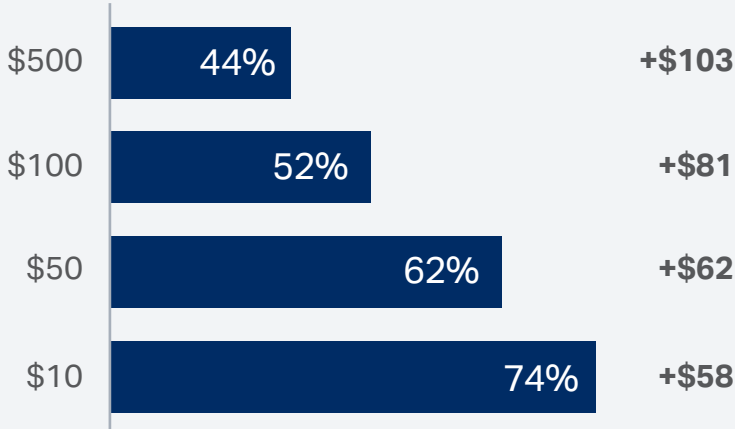


Average overspend

**+\$73**  
(2026)

+\$5 Overall vs 2024

## Willingness to spend more than the gift card value



Average overspend for gift cards \$50 or greater increased 7–9% since 2024

# Where do you typically buy gift cards?



**In-store: 82%**



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



In a store, directly from the brand



**Online: 44%**



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



Online, directly from a brand's website

## American 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.



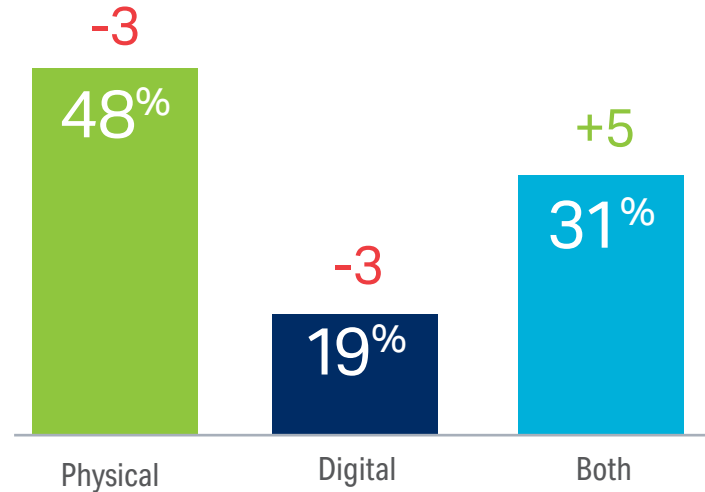
Omnichannel needs to expand to loyalty and rewards channels as well

**\$652B** incentives for North America in 2025

## 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 U.S. 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.



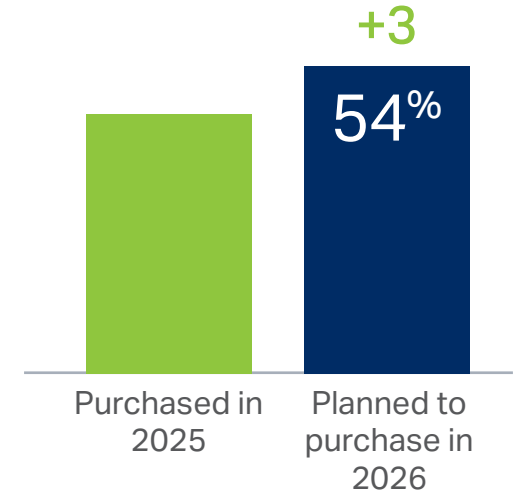
# Social streaming events are a new source of growth for digital gift cards

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.<sup>9</sup>

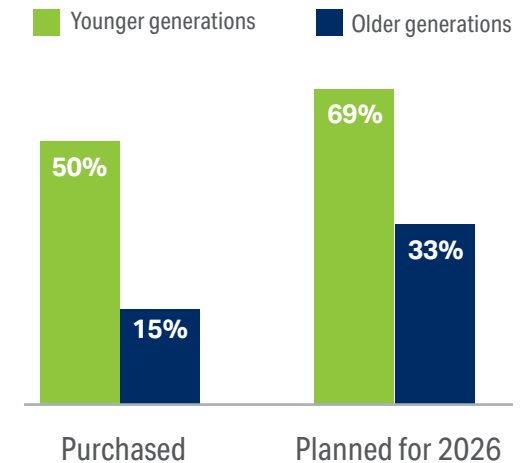
Digital gift cards have emerged as a crowd-favorite way of connecting with these massive audiences. Younger shoppers are especially interested in becoming part of these events.



## Digital gift cards



## Purchase gift cards during a social channel streaming event

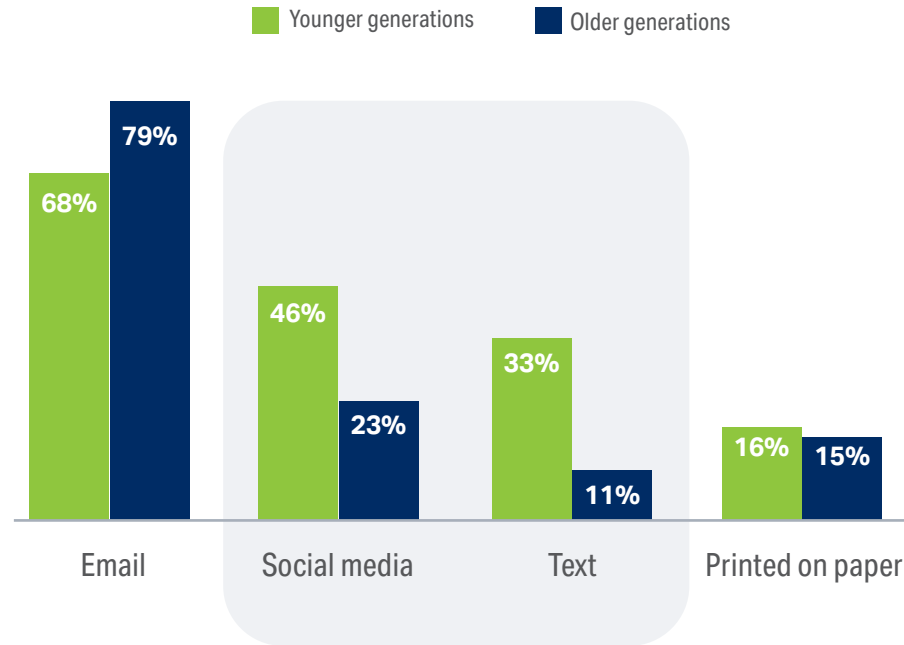


# Shoppers want to send digital gift cards the same way they talk to loved ones

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.

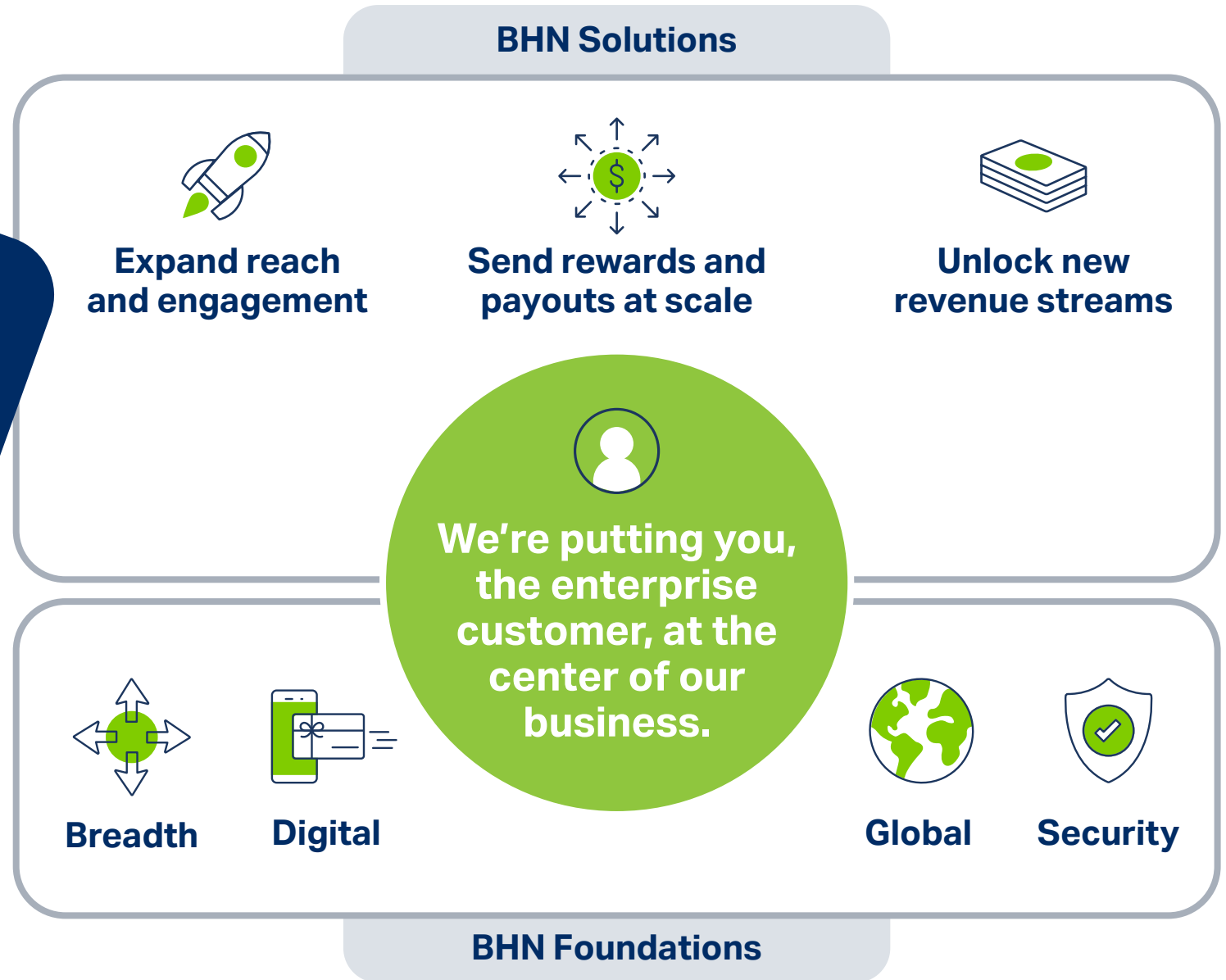


# 3 key takeaways for 2026

Our survey of American 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 American 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.

**866.829.0707**

**[BHN.com](https://www.bhn.com)**

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.

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