2019 Small Business Gift Card Study

Exploring U.S. consumers’ feelings toward gift cards from small businesses. Here’s a sneak peek into our recent findings.

Small businesses, big benefits

Consumers love gift cards

In a survey of nearly 1,100 U.S. adult consumers, 74% said they buy gift cards from small businesses.

Attract and keep new customers

90% of consumers surveyed who receive a gift card from a small business they’ve never visited will redeem the gift card and return to shop there again.

Increase foot traffic for less than a dollar…

Nearly four out of five consumers surveyed say if they have a gift card valued at $.88, they’ll visit the store to redeem it. Keep ‘em coming back!

Build a loyalty program with gift cards

56% of consumers surveyed who shop at small businesses join their loyalty or frequent shopper programs. The same group said gift cards are a preferred way to reward their loyalty.
Whether giving or receiving, consumers agree

Consumers surveyed were most likely to give small business gift cards from casual dining and coffee shops as a gift. What gift cards do consumers most want to give, and most want to receive?

**Giving**

- Casual dining restaurant: 48% (giving) | 34% (receiving)
- Coffee shop: 45% (giving) | 27% (receiving)
- Personal service (i.e. hair salon): 40% (giving) | 24% (receiving)
- Supermarket/grocery: 38% (giving) | 23% (receiving)

**Receiving**

- Casual dining restaurant: 45% (giving) | 34% (receiving)
- Coffee shop: 48% (giving) | 34% (receiving)
- Personal service (i.e. hair salon): 40% (giving) | 24% (receiving)
- Supermarket/grocery: 38% (giving) | 23% (receiving)

**A welcome employee incentive**

89% of consumers surveyed say gift cards from their employer make an appropriate thank you or reward for a job well done.
The great debate: digital vs. physical

Physical gift cards rule
When purchasing gift cards, 60% of consumers surveyed prefer plastic cards or paper certificates but; digital is growing.

Gettin’ digi’ with it
Consumers who favor digital gift cards say they prefer them because they’re...

- Quick and easy to send and receive: 52%
- Available on device, so no card necessary: 43%
- Easier to check balances: 37%
- Easier to send, no shipping costs: 30%
- More likely to be used if on mobile phone: 21%

Viewpoints from small businesses

Simplicity matters
Of small businesses surveyed, one-third would consider a gift card program if it was easy to implement.

Plastic cards are economical
58% of small businesses surveyed said plastic gift cards cost them less than paper certificates.

All-around business boost
Small businesses agree that gift cards can help boost business. In what ways?

- Integrates with my POS: 60%
- Builds loyalty: 53%
- Increases sales: 50%
- Encourages spend beyond card value: 49%
- Attracts new customers: 47%
- Advertises my business: 42%
Just for fun

The rock is solid
Consumers surveyed were asked which celebrity they would most likely give a $100 small business gift card to … Dwayne “The Rock” Johnson muscled out the rest.

Chocolate rules
Given the choice of fictional businesses, consumers surveyed would purchase a $100 gift card from:

- **38%** The Rock
- **16%** Ed Sheeran
- **16%** Judge Judy Sheindlin
- **14%** George Clooney
- **14%** Kylie Jenner
- **6%** Floyd Mayweather
- **28%** Wonka Industries (Willy Wonka & the Chocolate Factory)
- **20%** Central Perk (Friends)
- **16%** Gringotts Wizarding Bank (Harry Potter)
- **15%** Krusty Krab (SpongeBob SquarePants)
- **10%** Acme Corp. (Looney Tunes)
- **8%** Los Pollos Hermanos (Breaking Bad)
- **4%** Pritchett Closets & Blinds (Modern Family)

About the survey
The 2019 Small Business Gift Card Study, conducted in the Spring of 2019, is an online survey of adults ages 18 to 76. Survey questions were posed to two distinct audiences. The first, taken by 1,084 U.S. consumers, has a margin of error of plus or minus 3.15%. The second, answered by 628 individuals who own or manage a small business in the U.S., has a margin of error of plus or minus 4.74%.

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