



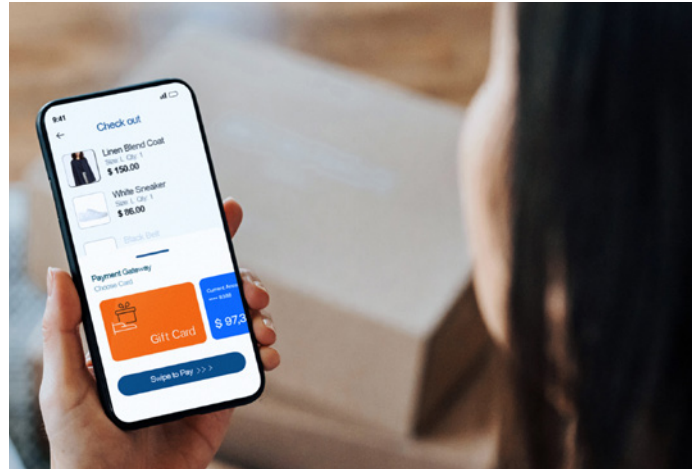
Gift Solutions Gift Card Gauge

Q2 | 2024

Gift cards and loyalty programs:

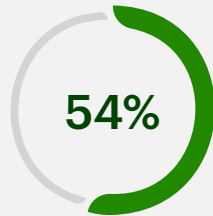
Consumer trends and preferences

Over recent years, the integration of gift cards, loyalty programs and technology has risen in popularity. Consumers are jumping in on this trend, as **74%** have taken advantage of a gift card loyalty incentive, and **71%** have downloaded a merchant app to manage loyalty rewards, gift cards and more. Examining consumer experiences and attitudes toward these new trends can help merchants stay ahead of the curve. Clover recently surveyed 1000 U.S. consumers on loyalty incentives and technology trends. Here's what merchants need to know.



Consumers adopt tech for savings and convenience

Consumers are not afraid to leverage tech to make their shopping experiences more convenient and rewarding. For most consumers (**54%**), digital wallets remain a popular choice for gift card storage due to their benefits.



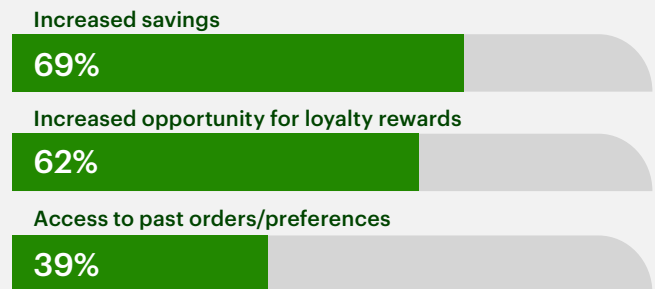
of consumers use digital wallets for gift cards

Why do consumers store gift cards in digital wallets:

- 60%** Ease of use over physical cards
- 55%** Convenience over physical cards
- 44%** More secure than physical cards

Merchant apps are also an important tool for consumers, as **71%** indicated they have downloaded a merchant app. Merchants can keep consumers satisfied and app usage high by ensuring key functionalities meet end-user demands.

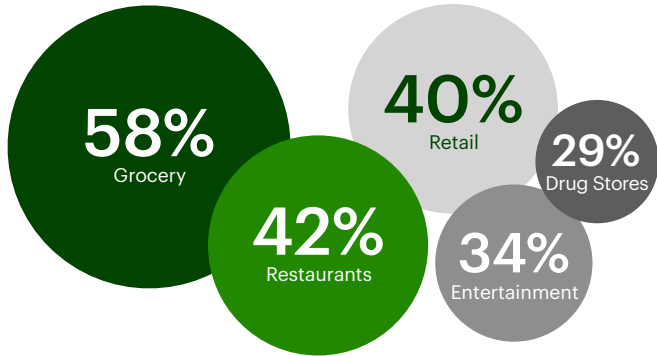
What do you like about merchant loyalty/reward apps?



Consumers are hungry for gift card incentives

While many industries offer popular gift card incentives, grocery store incentives reign supreme, as nearly three out of five consumers name them as their favorite.

Which types of businesses are your favorite for gift card loyalty incentives?



While grocery incentives are the top choice, demographics show additional opportunities:



Men are **62%** more likely to favor entertainment gift card loyalty incentives



Women are **35%** more likely to favor retail gift card loyalty incentives



Households with incomes between \$50K and \$75K, are **17%** more likely to favor retail gift card incentives

Entertainment

43%

Restaurant

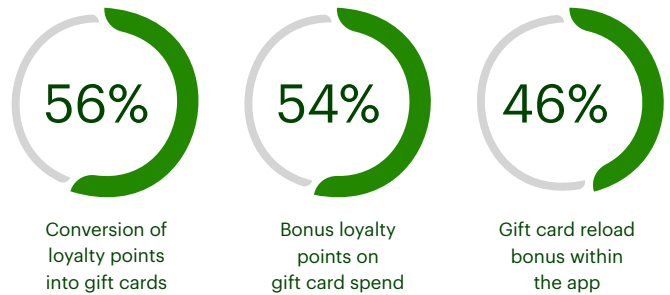
39%

Consumers aged 30-44 are the only group to favor entertainment over restaurant gift card loyalty incentives

Loyalty incentives drive consumer decisions

For merchants looking to drive additional consumer engagement, look to incentives. Four out of five consumers say they have decided where to shop based on gift card loyalty incentives at least once, with **16%** indicating they “always” factor in these incentives.

Incentives consumers most value:



Strike a balance between personalization and privacy

While **67%** of consumers are willing to share personal information with a brand they like to earn better incentives, they do have limits. In fact, over half of consumers have distanced themselves from a brand they felt was too invasive, meaning merchants must strike a personalization balance.

What drives consumers away?

Too many push notification on mobile

62%

Excessive reminders/recommendations

58%

App wanted access to too much data on my device

57%

➔ Are you gift card ready? We can help get you there.
 Contact us at 1-855-290-7262 or at support@giftcards.clover.com

Data cited in this publication is the result of the Q2 2024 Gift Card Gauge conducted by Fiserv in Clover 2024. This information is being provided for informational purposes only. The Gift Card Gauge from Clover is a quarterly poll of over 1,000 U.S. consumers. Respondents cover all age groups (18 and older), regions and genders. The margin of error for this Gauge is +/- 3.2%.