

# Gift Cards are Gaining Momentum: What Merchants Need to Know in 2026

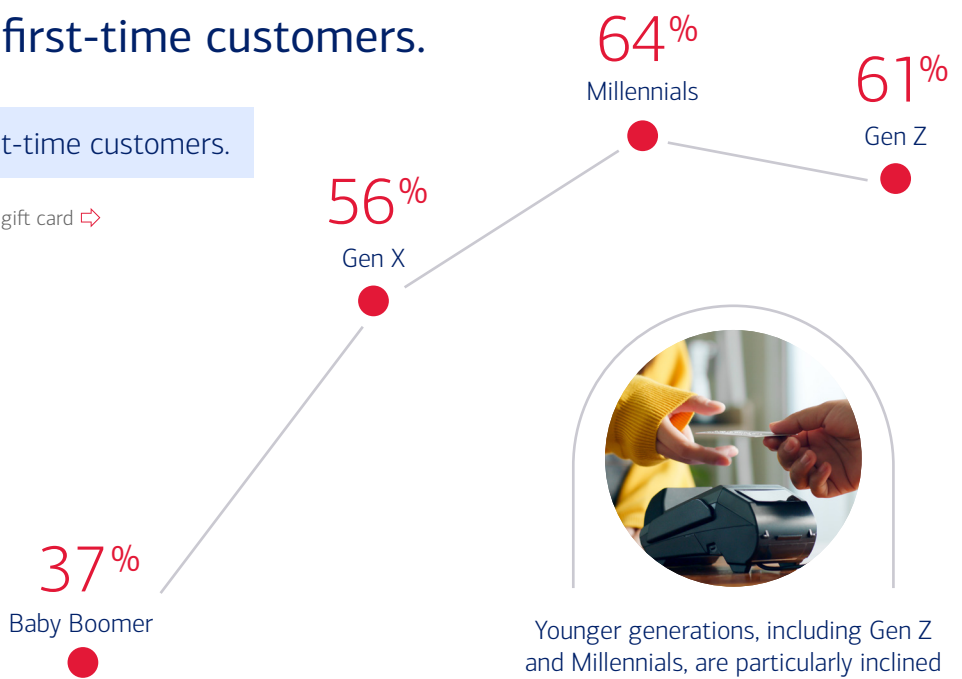
Gift cards are one of the most effective ways for merchants to drive new revenue in 2026. Younger shoppers use them to try new brands, bringing in more first-time customers. And because most people spend the full value or more, making gift cards easy to buy and redeem unlocks bigger transactions and added revenue.



## Use gift cards to attract first-time customers.

Generate early brand loyalty from first-time customers.

% agree that they would try new merchants because of a gift card

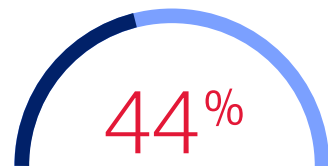


Younger generations, including Gen Z and Millennials, are particularly inclined to redeem at unfamiliar merchants.



## Gift cards boost spend.

Most customers spend the full card value - and many spend more.

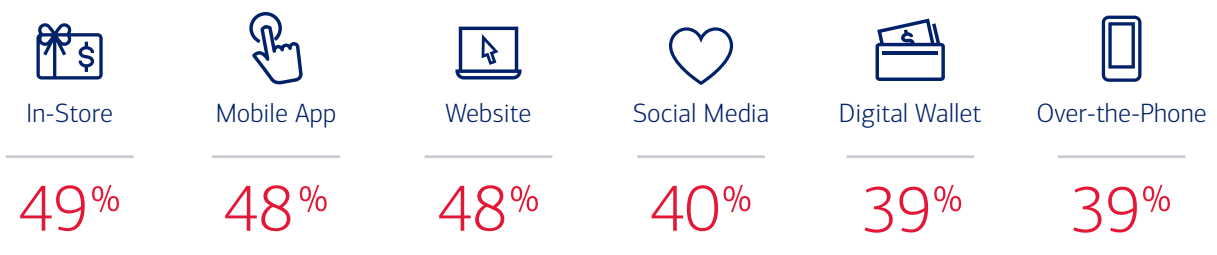


of 2026 consumers typically spend more or much more than their gift card contains



## Make redemption easy everywhere.

Offering gift card redemption across as many channels as possible increases usage and total spend.



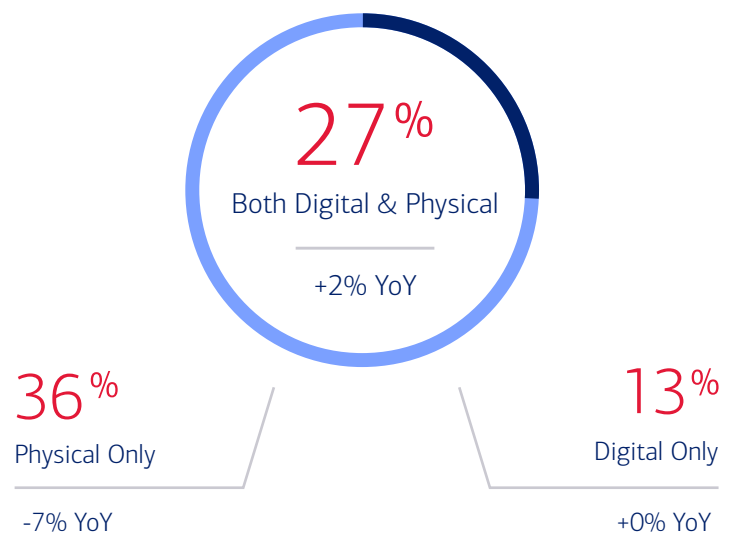
% less likely to use a gift card if channel is not available



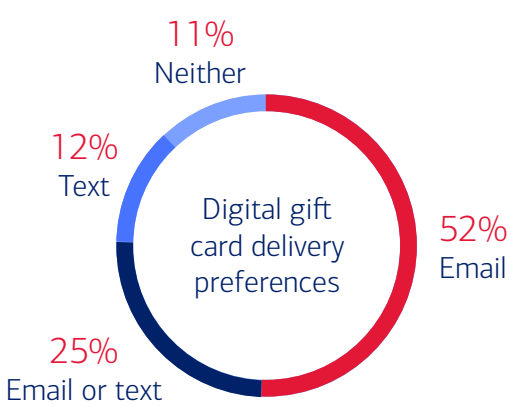
## Digital demand is rising, while physical gift card purchasing remains strong.

Enable digital gift cards to appeal to changing buying preferences.

% bought in 2025 over 2024



## Email is the clear delivery preference for digital gift cards.



## B2B gift card programs demonstrate massive potential for revenue.

81% would like to receive a gift card from their employer.

40% of consumers have not received a gift card from an employer but would like to receive one



Many consumers wish their employer would reward them with gift cards to their favorite brands.

## Turn rising gift card demand into revenue.

Contact your BofA merchant specialist today to build a program that drives new customers, bigger transactions, and repeat business.

\*Bank of America and TSG's 2026 gift card report provides a full-year view of consumers' actual 2025 purchasing behavior.

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