2025

Plastic Presents: Unwrapping Holiday Gift Card Trends

Gift cards remain a favored holiday present – Consumers choose gift cards over regular gifts because they provide flexibility for the recipient and convenience for the buyer.

Bank of America and TSG collaborated to survey gift card behavior - to discover how consumers plan to use gift cards for the 2025 holiday season.

Explore our key trends to optimize your gift card program.

Gift Card Buyers

More shoppers are choosing gift cards—especially for life's special moments, where demand is growing faster than ever.

3 in 4 consumers prefer buying gift cards (over merchandise) for their loved ones for the holidays.

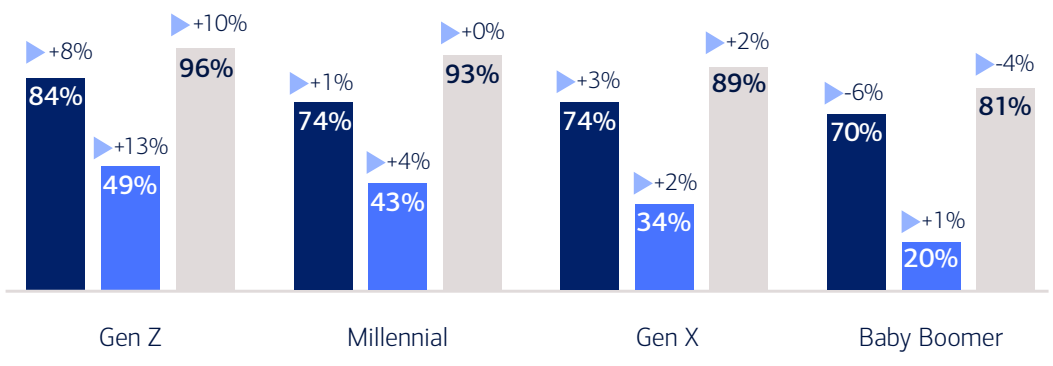
Special occasion (graduation, anniversary, etc.) gift card purchases grew YoY for both digital and physical gift cards.

% Purchased in 2024	Holiday		Birthday		Special Occasion (Non-Birthday)	
Digital Gift Card	31%	+3% YoY	31%	+3% YoY	28%	+6% YoY
Physical Gift Card	73%	-2% YoY	64%	-4% YoY	50%	+5% YoY
Any Gift Card	86%	-1% YoY	83%	0% YoY	67%	+9% YoY

Young consumers drive digital gift card growth for the holidays

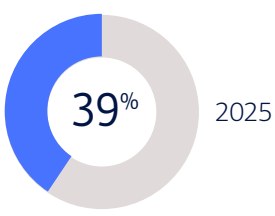
Gen Z bought more gift cards last year than any year prior.

Gen Z and Millennial consumers are driving digital growth for holiday gift card purchases.



Promotions/Bonus cards and gift card designs influence consumers

Nearly 4 in 10 consumers indicate that bonus cards or promotions make them more likely to purchase a gift card (+2% YoY).



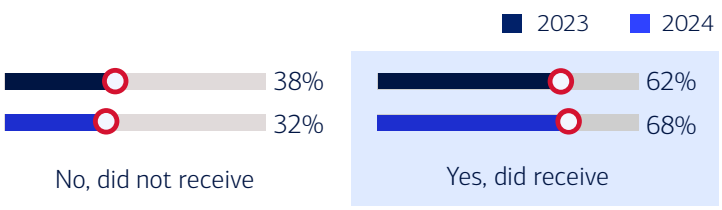
Consumers increasingly value having a variety of gift card designs to choose from (+4% YoY).

71% of consumers are prompted to buy gift cards in-store.

Gift card displays at checkout counters are most likely to lure consumers to buy; as they may be most convenient for last-minute holiday shoppers.

Gift Card Receivers

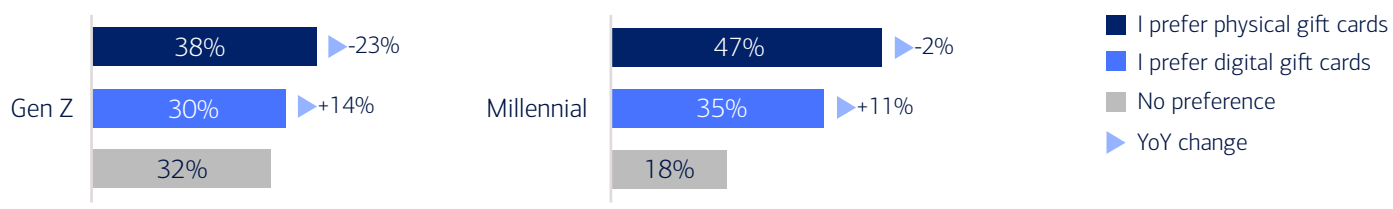
68% of consumers received a gift card for the holidays in 2024. This was 6% more than last year.



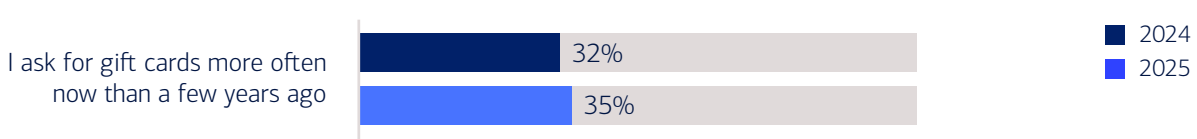
Expiration dates motivate the vast majority of consumers to use their gift cards.

85% Of consumers are more likely to use a gift card with a set expiration date.

It is becoming more important for merchants to offer digital gift card options as holiday shoppers buy gift cards for their younger recipients.



Demand for gift cards is rising, as consumers are asking friends and family for gift cards more often



As gift card popularity continues to rise - especially amongst younger generations - retailers and employers alike have a golden opportunity to make holiday giving more meaningful.

With flexibility, convenience, and personalization driving consumer choices, now is the time to unwrap the full potential of your gift card program.

*Sample sizes for Gen Z (N=50, 2025) and Silent Gen (N=26, 2025) groups are relatively small

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