

gifted⁷



Giving hotels success:

The ultimate guide to gift vouchers

Created from Gifted by

**JOURNEY
HOSPITALITY**

Introduction

Gift vouchers represent a huge economic opportunity for hotels. In the UK alone, gift cards and vouchers are worth £7 billion each year (KPMG). Even when consumers are tightening their belts in other areas, a third of those giving gifts prioritise treating recipients to vouchers for experiences - such as a meal out ([KPMG, 2023](#)).

Ensuring your hotel has clearly signposted gift vouchers for sale both online and offline enables you to tap into the growing consumer demand for unique experiences and memorable moments. Most of today's point-of-sale systems allow easy configuration for selling gift vouchers. Hotels which understand the importance of ecommerce are leading the way by presenting easy-to-use branded online gift voucher stores and the rise of digital wallets is making it even easier to store and redeem vouchers.

Long seen as the 'go to' product for middle aged men seeking a last minute purchase for a forgotten occasion, gift vouchers are in fact popular across all demographics - with more women than men buying them!

Understanding how gift cards can benefit your business is key in establishing, marketing and operating a successful gifting programme.

With this guide by [Gifted](#), the UK's number one gift voucher platform for hotels, you can explore the wider industry data around gift cards, learn from hotels successful in retailing vouchers, and uncover top tips for creating or growing your gift voucher revenue stream. It's our little gift to you.

Visit www.gifted.travel to find out more.

In the UK alone, gift cards and vouchers are worth £7 billion each year.



The value of gift vouchers

Offering your customers the option of buying a gift voucher is a must-do in today's digital retail world. Whether you provide monetary value, experience-led options or a combination of both, vouchers can benefit your business before, during, and after they're redeemed.



Today, around a quarter of gift vouchers sold by hotels expire without being used; this is known as 'breakage'. If your hotel sells £100,000 of vouchers in a year, that's around £25,000 in revenue you've received for services you haven't had to deliver, with expired vouchers sitting in kitchen drawers and on bedside tables around the country.

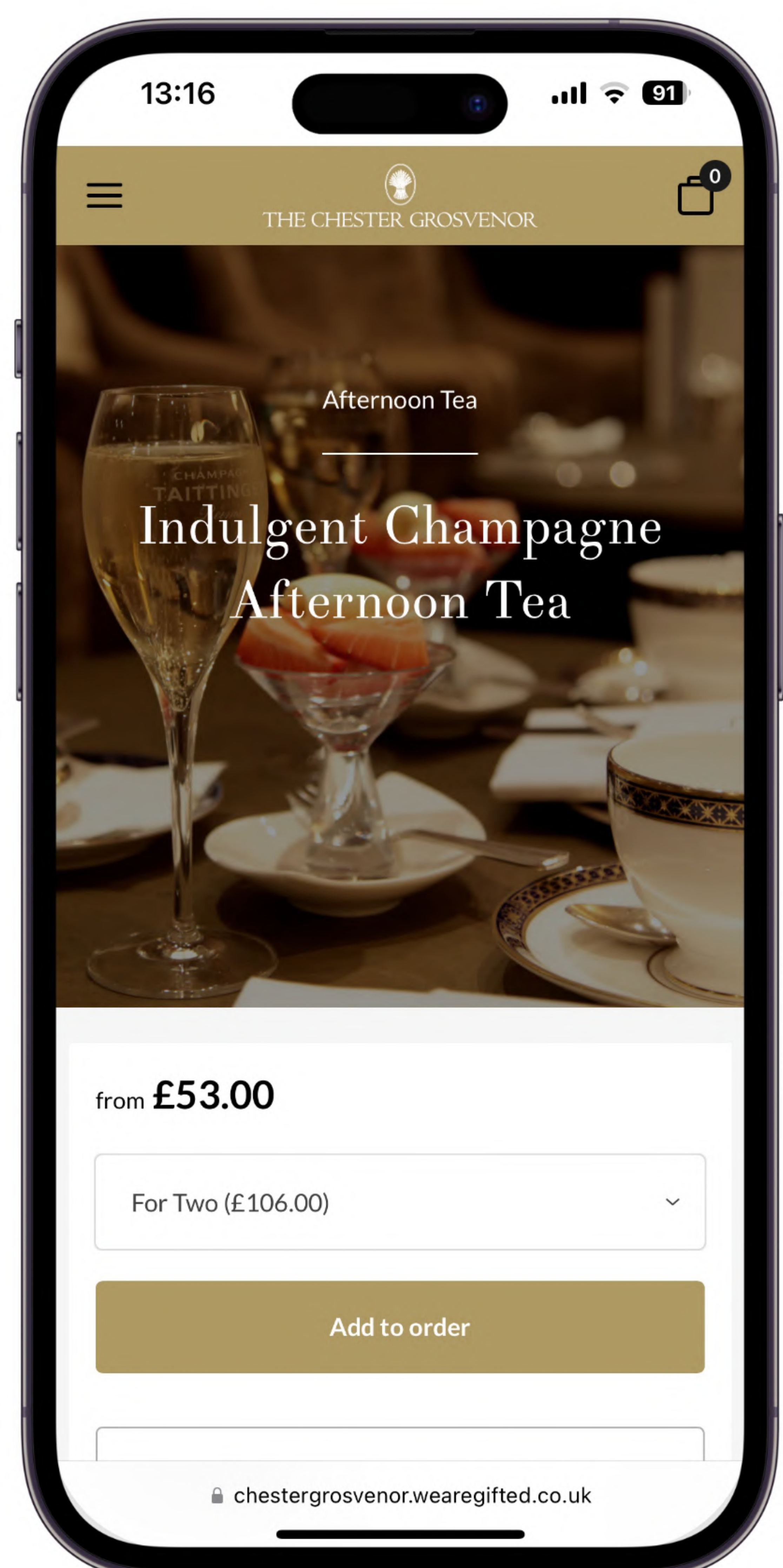
Gift vouchers have also been found to encourage additional spend, with 67% of recipients spending more than the card value - at an average of 35% over the value! - when redeeming their gift.

In 2022: 26% of gift vouchers were never used. This equated to almost £10m in breakage.

The Experience Trend

Gift cards are booming as society increasingly turns towards experiences over objects. Research by [Deloitte \(2019\)](#) found 36% of 18 to 34 year olds prefer to treat themselves to experiences over material objects (such as new clothes or shoes). The same report found holidays with classes and workshops saw a 90% increase in consumer demand from 2017 to 2018, alongside a 69% increase in demand for wellness experiences.

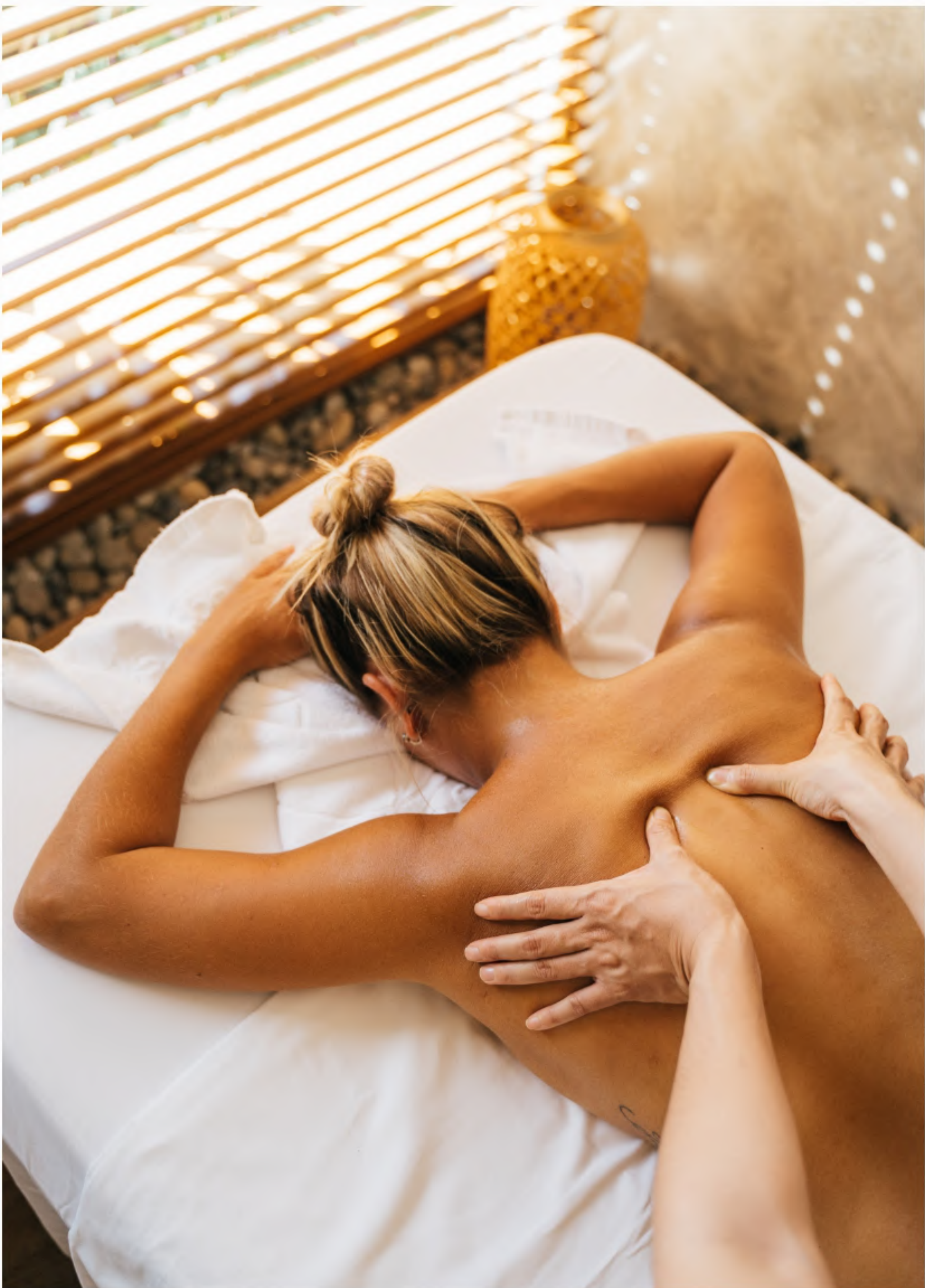
From July to December 2022, the [Gift Card and Voucher Association](#) found leisure (including experiences, hospitality, travel and entertainment) achieved the highest voucher sales growth, with like-for-like sales up 7.6%.



*Please note: A small amount of vouchers are part redeemed.

The spa and wellness sector has seen a significant 23% growth in gift vouchers in the last 2 years, with hotels opting to sell a selection of treatments and spa days as gifts alongside their spa offering.

Offering treatments and spa days with a variety of price points broadens a spa's offering to a wider audience. Hotels offering a ‘Spa Morning,’ a ‘45 Minute Facial’ or other such vouchers drives accessibility. In fact the average price of a Spa voucher currently on sale on Gifted is £55.



Here are some of the weird and wonderful ways some hotels use gift vouchers:



1. Wild Water Swimming Experiences



2. Cinema Tickets



3. Wine Masterclasses



4. Cookery School



5. Motorsport Experiences



6. Sushi Takeaway

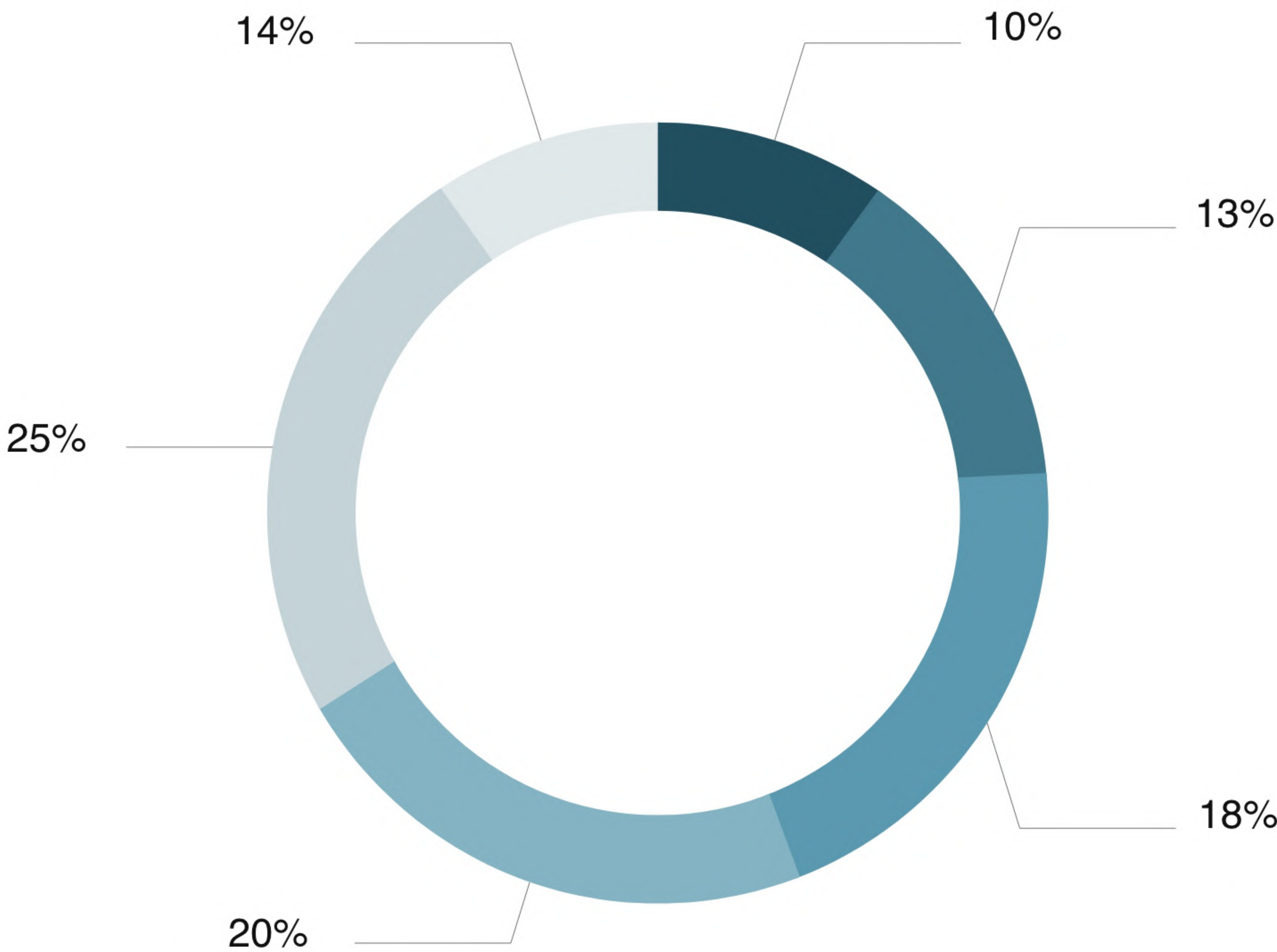
Tap into the “buy local” trend

In the [GCVA’s State of the Nation 2022](#) report, they found 28.8% of monthly gift card purchases cited supporting local business as a motivation for buying gift cards. Hotels can facilitate the ‘buy local’ trend by offering more than traditional overnight stay vouchers - spa days, gym memberships, dining, and special events are all options to encourage local footfall into a property.

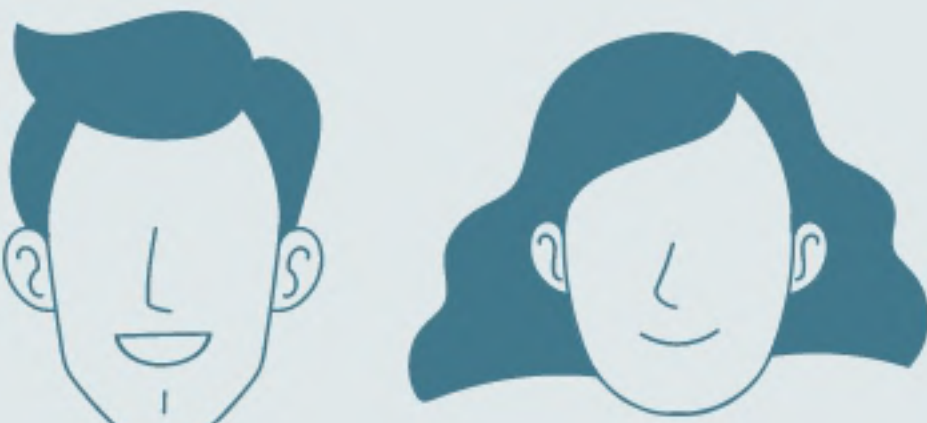
What’s the age of gift voucher shoppers?



Millennials (1980-94)
buy the most
Gift Vouchers.



Myth-busting:



1 in 5 voucher recipients
are entirely new to the
hotel brand.



Females buy the majority of
hotel gift vouchers - except
during December.



Men buy 3 in every 5 hotel
gift vouchers sold on
Christmas Eve.

Source: Gifted Platform, 2023

Which region buys the most gift vouchers?

59% of gift vouchers are sold in London



The remaining gift vouchers sold are split in the following regions:

South West	20%
East of England	18%
West Midlands	13%
North West	11%
North East	8%
Scotland	7%
South East	5%
Wales	5%
Yorkshire	5%
Northern Ireland	4%
East Midlands	3%
Ireland	1%

Source: Gifted Platform, 2023

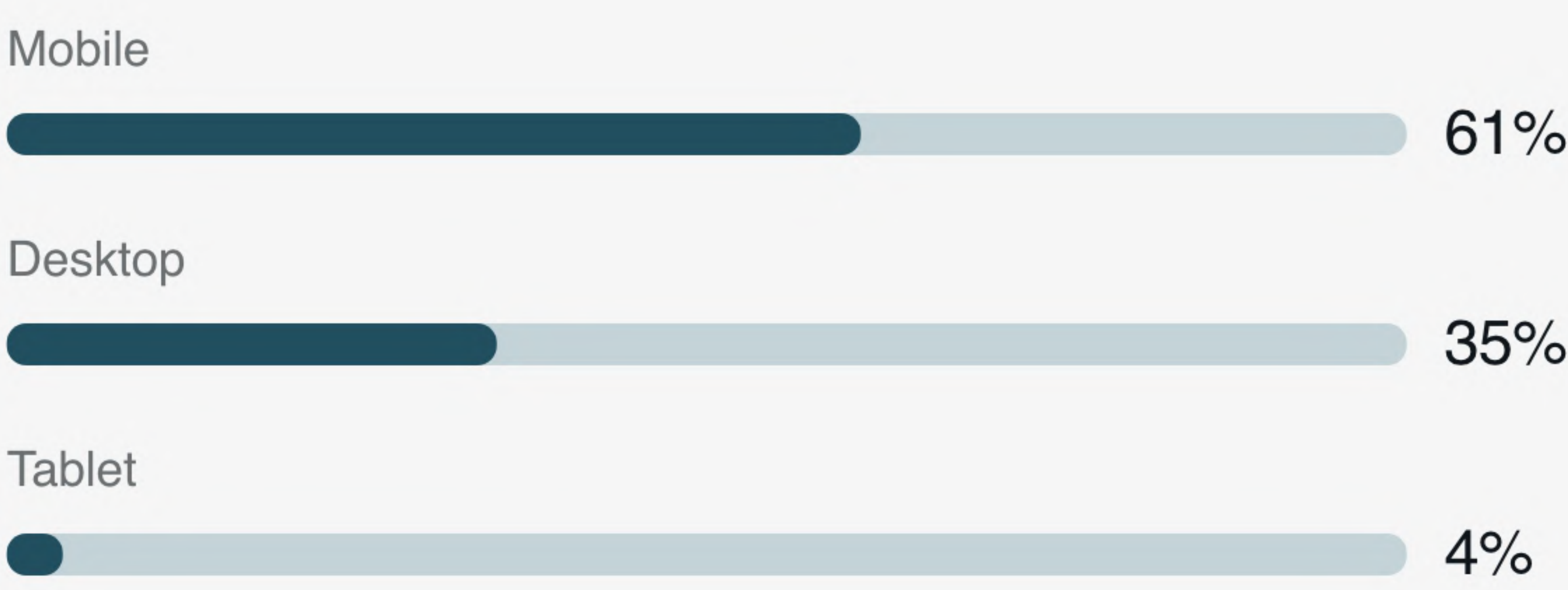
Give the gift of choice

Today’s consumers want choice; shoppers are constantly assessing what’s important to them (and the person they’re buying for) and don’t want to be limited by rigid sales choices. They research their choices thoroughly before buying - and they use a range of devices to access information and buy at any time, from anywhere.

Devices used for gift voucher shopping

Ensure your hotel's website and gift voucher platform is mobile optimised



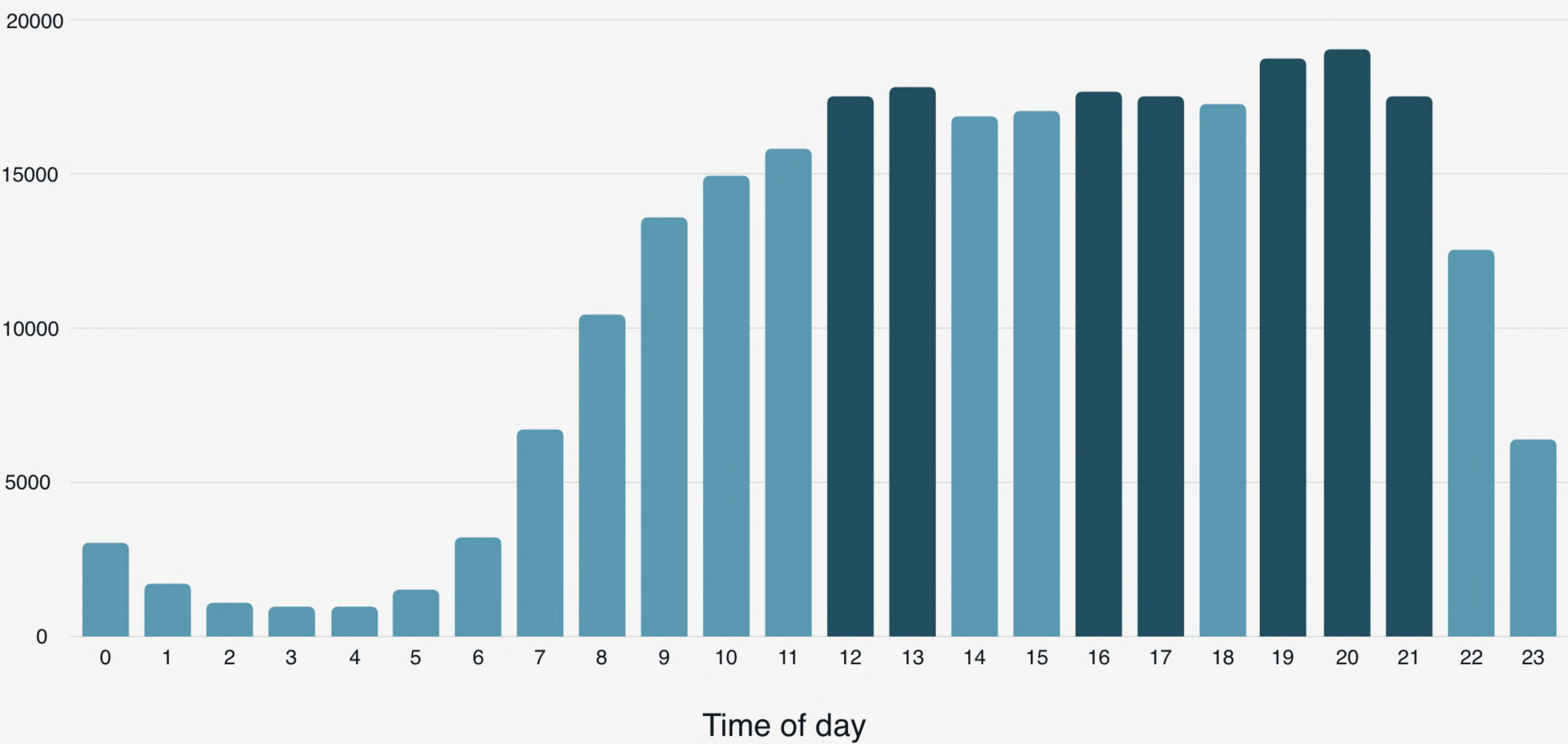


Time of day for gift voucher browsing



The top 3 times of day customers wish to shop are Lunchtime, Afternoon Commute and Evening Peak.

Active Users



Source: Gifted Platform 2022

How and where to sell vouchers

The sway in preference towards experiences over objects for Millennials and Gen Z reflects the prevalence of social media use amongst the younger generations. Consumers are increasingly sharing their lives via social media, and experiences - the more unique the better! - offer a way for people to distinguish themselves.

Furthermore, the rise in use of digital wallets is making it easier for consumers to purchase and store their vouchers to be redeemed at an appropriate time. The more seamless the mobile buying experience, the higher the conversion rate where hotels integrate a wider range of payment options including debit/credit cards, PayPal and Google and Apple Pay.

“

Their (consumers) new emphasis is on augmenting their lives with unique experiences rather than things.

found a [report by Deloitte](#) into the leisure habits of the UK

Just as social media is utilised by consumers to share their experiences, it is also a channel shoppers find inspiration for gift voucher purchases. Both organic and paid social activity increasingly drive customers to hotel voucher sites.

Top channels for driving online hotel gift voucher sales

01	Referral
02	Direct
03	Organic search
04	Organic social

05	Email
06	Paid social
07	Paid search
08	Mobile push notifications

Source: Gifted Platform 2022

What vouchers should you sell?

Based on the volume sold, monetary vouchers and afternoon tea vouchers are the most popular type of gift vouchers.

Experiences range from dining - such as tasting menus at signature restaurants, Sunday lunch, and afternoon tea - to special events including cocktail making classes, movie nights, and photography sessions.

For properties with a spa, experiences are a key area for voucher sales: spa days, individual treatments, even gym memberships. Vouchers can be used to promote specific services which are operationally preferred, highly profitable, or encourage footfall in areas that need a boost.

When hosting special events such as celebrity residencies, utilising gift vouchers allows people to give an extra special gift whilst securing payment for the hotel in advance of the event.

By offering consumers the choice between a digital voucher (which should be professionally presented and fully branded) or a physical one, hotels cater for a diverse range of customer preferences. Businesses can make incremental revenue from offering basic branded envelopes with gift certificates, or crafted customised luxury gift boxes to mirror the on-site premium experience. Add postage into the mix and the income scales up even further.



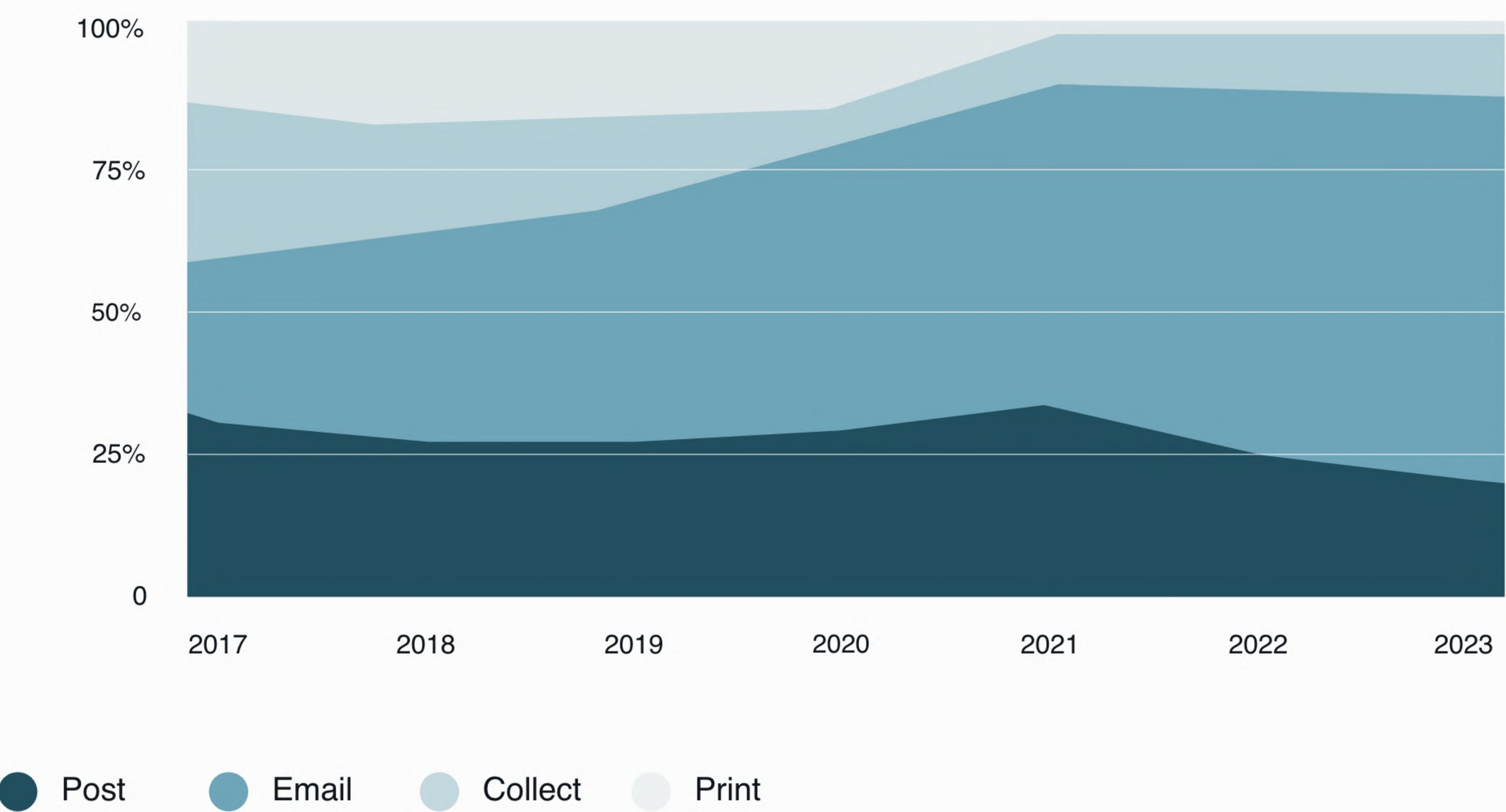
Fulfilment

Customers have changed how they like to gift their hotel vouchers. Self-printing and on-property collection has dramatically reduced over time. Email is now the most popular redemption method for the majority of hotels with 66% of consumers choosing to send a digital voucher.

High-end five-star destination hotels continue to see robust customer demand for physical gift vouchers. A bespoke gift box provides an opportunity to provide a luxurious brand experience prior to arrival.



How has voucher fulfilment changed over the years



Source: Gifted Platform, 2017-2023

Key reasons for selling gift vouchers

01

Build brand awareness

Gift cards can introduce new customers to your business, with the buyer acting as an endorsement of the product or service on the voucher. A well-designed voucher (whether digital or physical) also emphasises the brand experience of the hotel.



02

Improve cash flow

Need a quick boost to your revenue line? As witnessed during the pandemic, businesses can sell gift vouchers even when their doors are closed. Just make sure your redemption T&Cs are tempting to customers, giving them ample time to redeem. Offers can also help drive revenue into quieter periods, Black Friday offers can create a significant revenue stream for Q1 of the following year when most hotels experience a drop in ADR and occupancy.

03

Expand your customer base

As well as individual recipients, gift cards can introduce companies to your hotel who may use other products and services you offer (such as meeting rooms). Consider targeting local businesses for their corporate gifting programme.

04

Give your target market what it wants

In the lead-up to Christmas 2022, [the UK's Gift Card & Voucher Association](#) found 80% of adults were happy to receive a gift card. People crave experiences, and whilst someone can't wrap up your chef or spa therapist to put under the tree, a voucher is a suitable substitute.

Case study

Sopwell House



Set in 12 acres of Hertfordshire countryside, Sopwell House is a Georgian country house hotel, providing multiple restaurants and bars, as well as the award-winning Cottonmill Spa, for its discerning guests. Since implementing Gifted in 2019 it has seen sales boom, with over £1.6m in voucher sales a year.

Case study

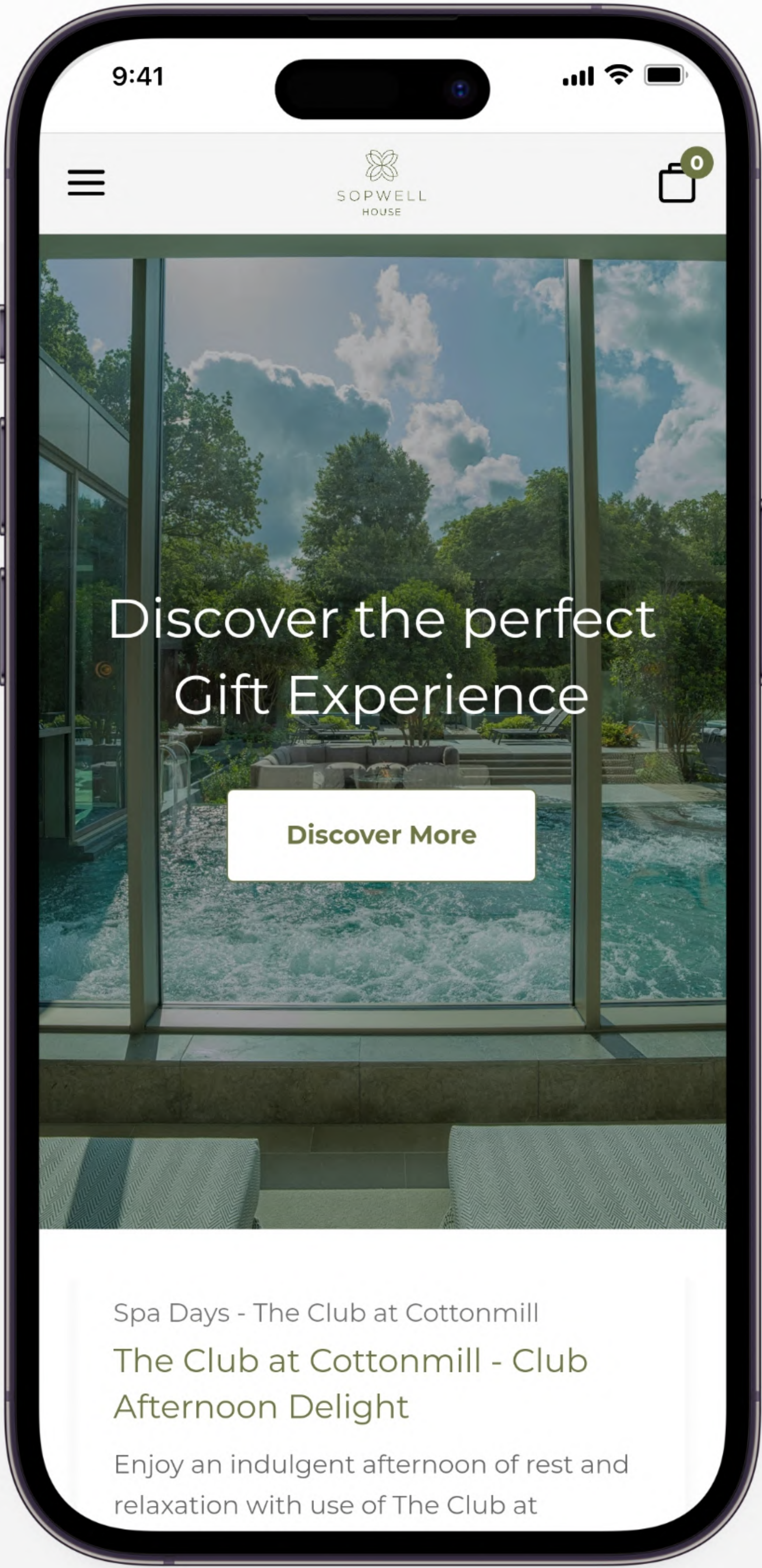
Sopwell House

Signposted on the hotel’s homepage under ‘Gift vouchers’, its customers can easily locate vouchers covering afternoon tea, spa days and breaks, overnight stays, and monetary value. Having tailored its Gifted platform, the hotel also puts selected vouchers in the spotlight with a ‘Trending now’ section, and provides an option of voucher extensions for anyone concerned about using their gift in time. Reflecting the luxury nature of the property, Sopwell House offers purchasers email or postal delivery, with the latter coming in either a

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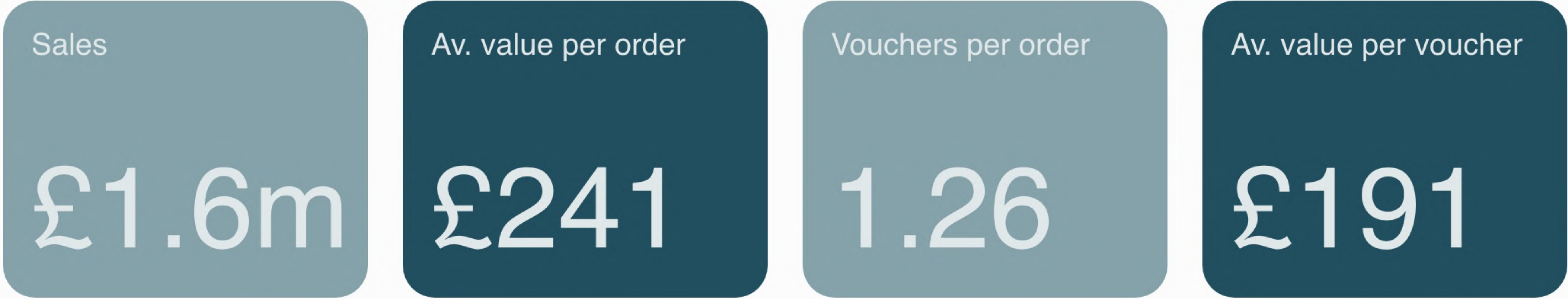
Gifted allows us to provide our customers with a wide choice of experiences. As well as being easy for my team to use when selling on-site or reconciling post redemption, the platform presents an on-brand shopping experience, providing a unified brand presence across the customer’s journey.

Angelina Chua
General Manager
Sopwell House



Case study

Sopwell House



Top five vouchers

01	Monetary Gift Voucher	22%
02	Club at Cottonmill Spa - The Club Classic Day	10%
03	Afternoon Tea - Midweek	8%
04	Afternoon Tea - Weekend	6%
05	The Classic Spa Day	6%

Source: Gifted Platform, 2022

When to sell gift vouchers

In today's 'always-on' digital world, your voucher store should be just like your hotel - open 24 hours a day, 7 days a week, 365 days a year. Why? Because you never know when a customer might be searching for the perfect gift.

Common sense suggests that Christmas is a key gifting period, and December is, by far, the most popular month for gift voucher sales. Gift cards are the fourth most sought after gift in the UK during the festive season - behind only electronics, toys and clothing ([Statista 2021](#)) - so December is a must-do for hoteliers with a gifting programme.

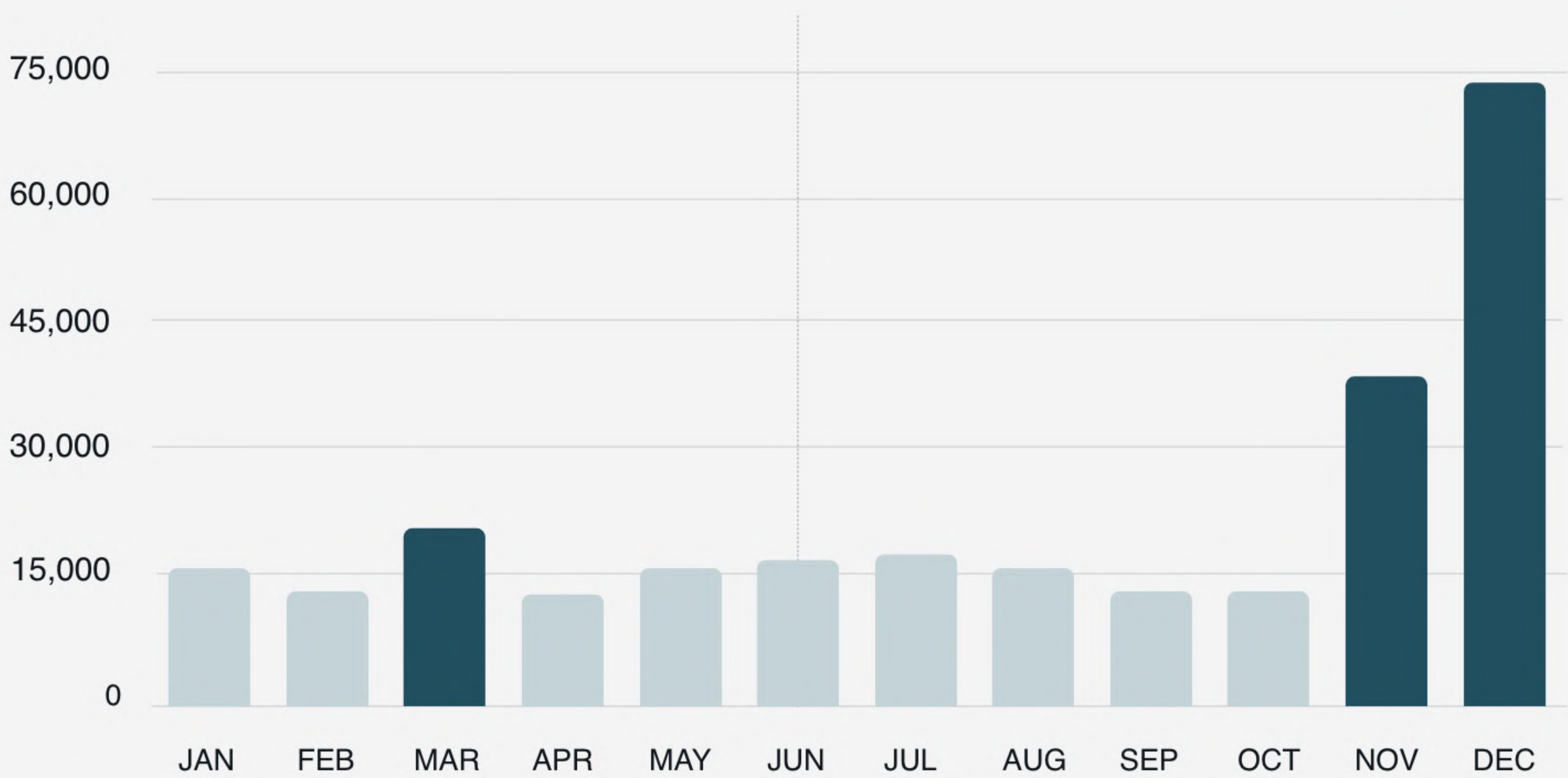
Second is November, where Black Friday is a key player in driving sales. Both months are times where people are happy to part with their cash - almost half (48.94%) of revenue from voucher sales comes in the last two months of the year.

The rest of the year is reasonably flat with no clear dips, which is why it's important to always have gift vouchers clearly visible and easily accessible for customers to purchase, both at your hotel and online.

There are a handful of nationwide events that trigger an increase in gift voucher sales: Valentine's Day and Mother's Day have smaller impact than the sustained lead-up to Christmas or the global marketing push of Black Friday, but are dates that any hotel selling gift vouchers should be ready for.

When are people buying gift vouchers?

Transactions



Source: Gifted Platform 2022



The top 3 retail opportunities are Mother's Day, Black Friday and Christmas.

Christmas starts early!

43%

of voucher revenue is generated in November & December. Christmas sales begin in earnest from 1st November each year.

Gift voucher average order value

9%

Increase YOY in total gift voucher revenue (2022 vs 2023).

3%

Increase YOY on average spend per customer (2022 vs 2023).

Average Order Value

£137

Mother's Day

£119

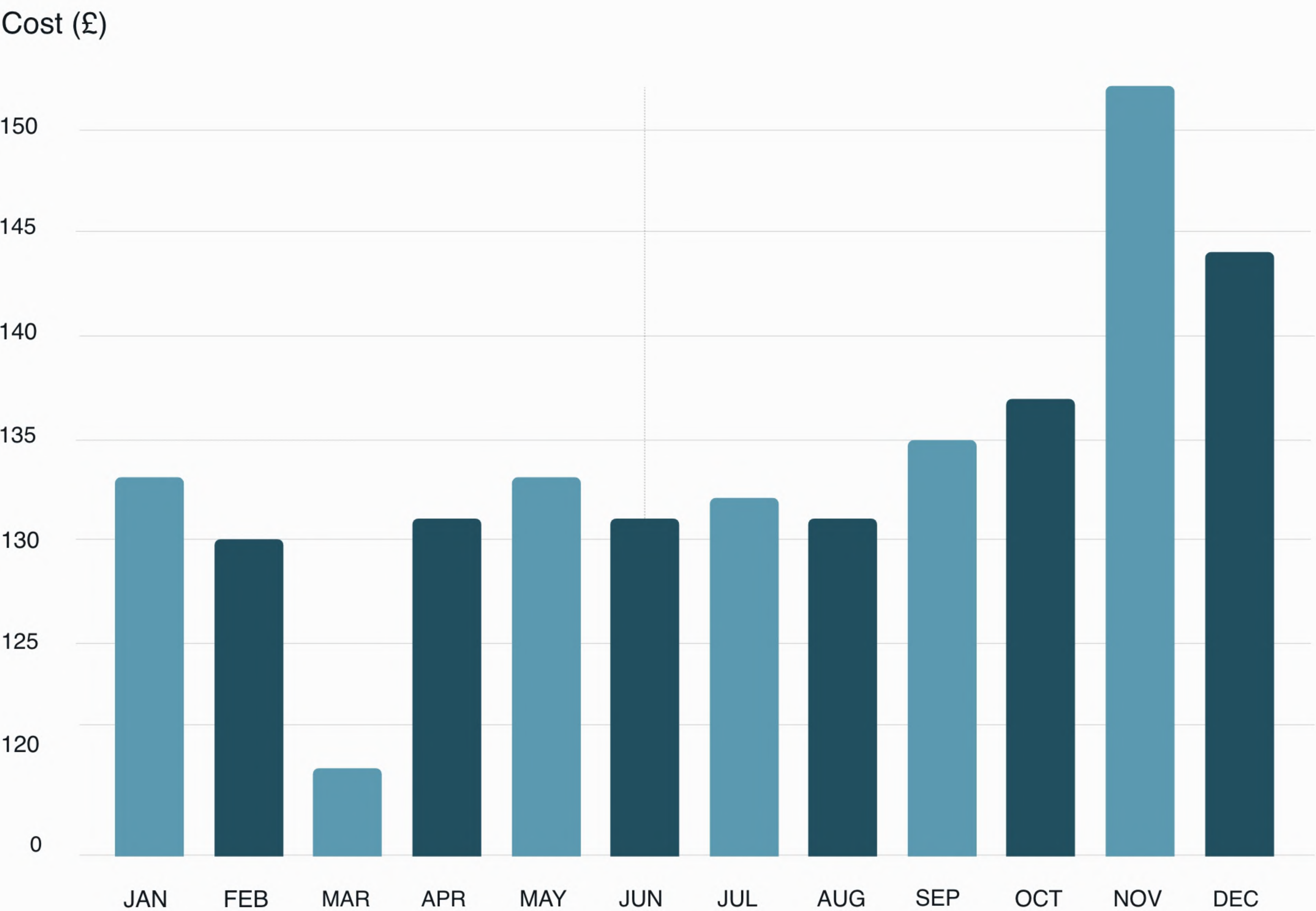
The lowest average order value is in the month of March, with Afternoon Tea being a popular gift voucher.

Black Friday

£152

Despite being known as a discounted retail period Black Friday drives the highest order values.

Average cost per gift voucher sold each month in 2022



Source: Gifted Platform 2022



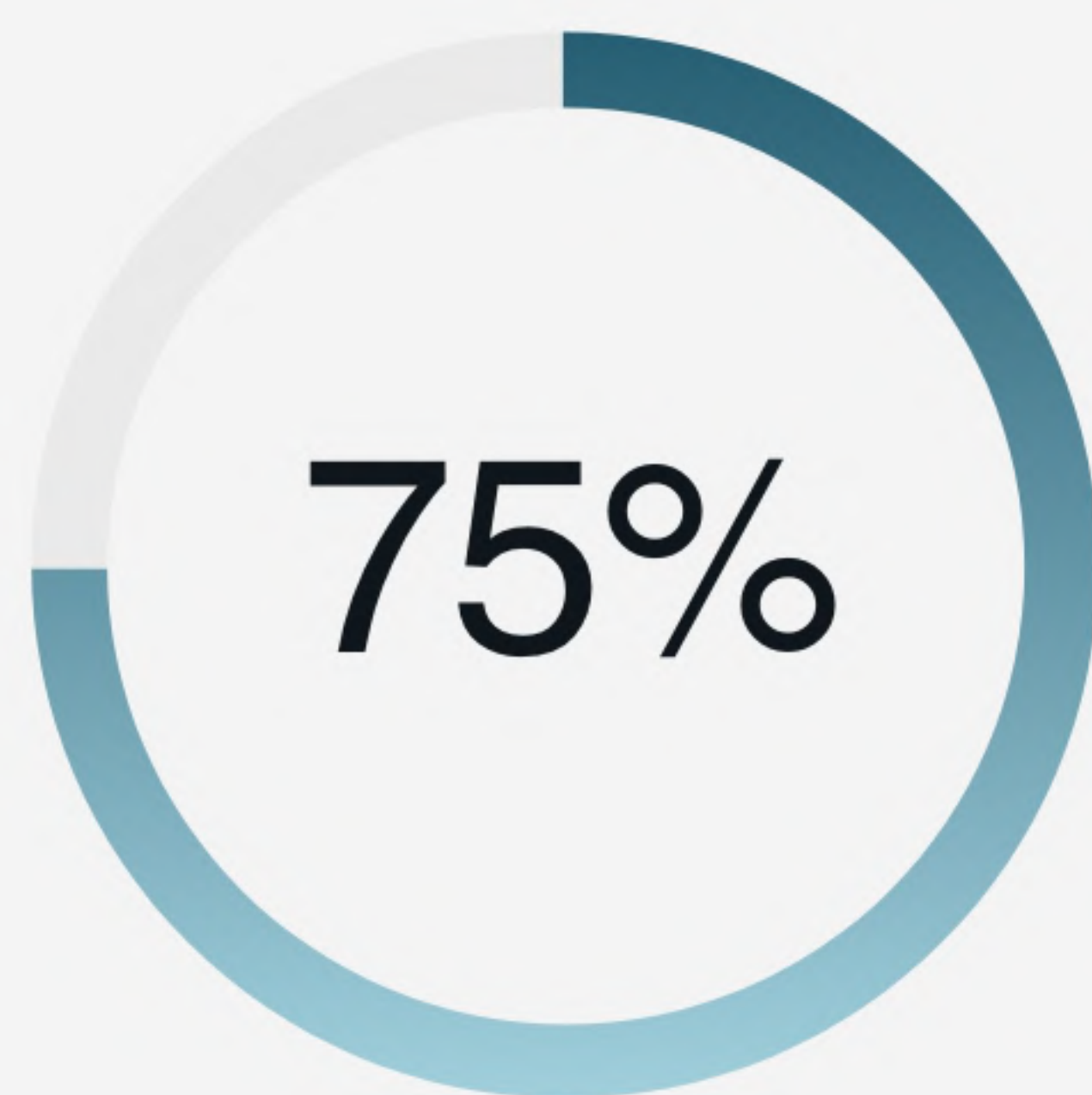
A deeper look at Black Friday

The ‘Black Friday’ and ‘Cyber Monday’ sales start to enter consumers’ minds at the beginning of November. Spurred on by marketing campaigns, spikes in traffic to hotel voucher sites occur in the lead-up to sales starting - early birds hoping to catch an early deal!

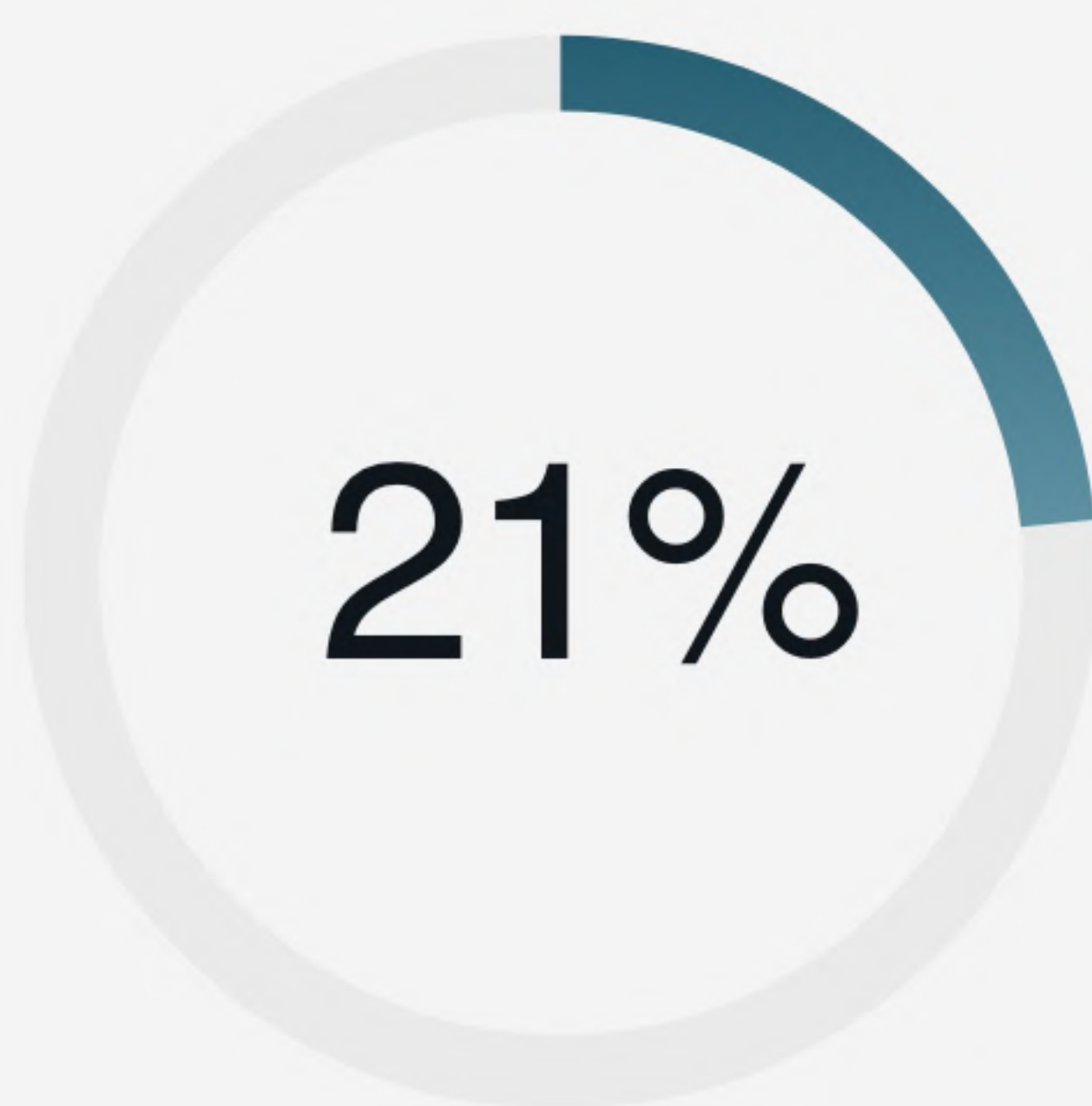
Despite leading ecommerce brands such as Amazon starting their Black Friday sales early, in 2022, hotels selling vouchers on the Gifted platform saw Friday itself as the peak day, with one property taking over half a million pounds in one day. Across all hotels, over £2m in sales was achieved across the Black Friday weekend - with the daily sales average of £555,000 representing a 741% increase on regular days.

In 2022, afternoon tea and monetary gift vouchers were the most popular items sold, with 77% of vouchers being delivered digitally. With the Gifted platform’s intuitive consumer-facing sales process, this means that 77% of transactions required no staff time, making it simple for consumers to buy and even easier for staff to process.

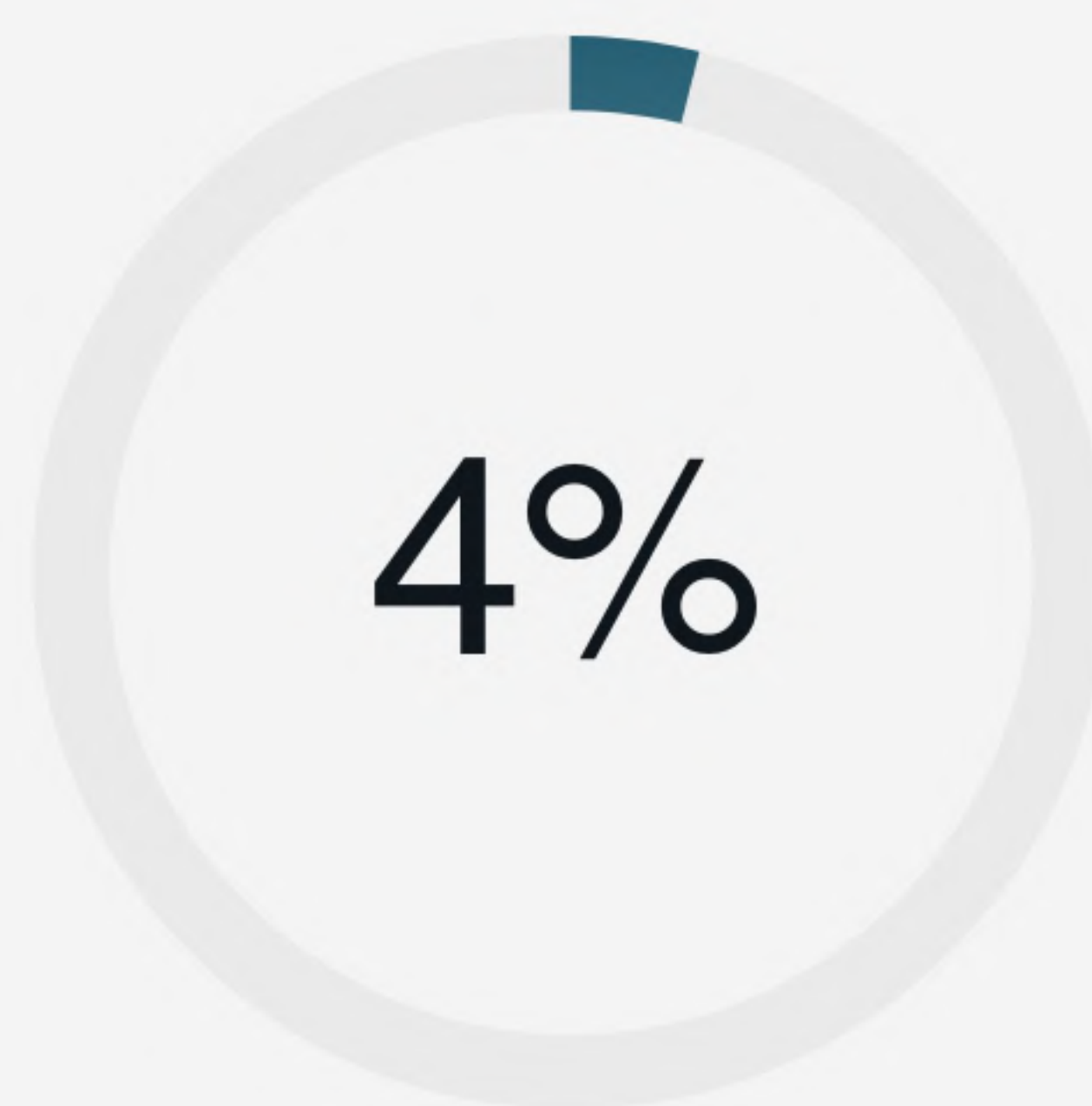
Mobile devices dominated, with people browsing sales on the move:



of purchases made on mobile



of purchases made on desktop



of purchases made on tablet

Tips for selling gift vouchers

01

When selling physical vouchers, ensure the product reflects your brand

The luxury feel of your hotel room. The unique senses evoked in your spa. These should be mirrored in the voucher that lands in the recipient's hands.

02

Allow customisation

Adding a personal note, providing a choice of packaging, and offering a selection of experiences and monetary value are all important to customers looking to give a unique touch to their gift.

03

Utilise gift vouchers as an incentive for purchase instead of discounting

For example, book a Sunday night and receive a £50 credit for redemption against a future stay. This encourages repeat visits, and can encourage greater spend overall as the voucher would be used for partial payment.

04

Highlight upcoming events to prompt purchasing

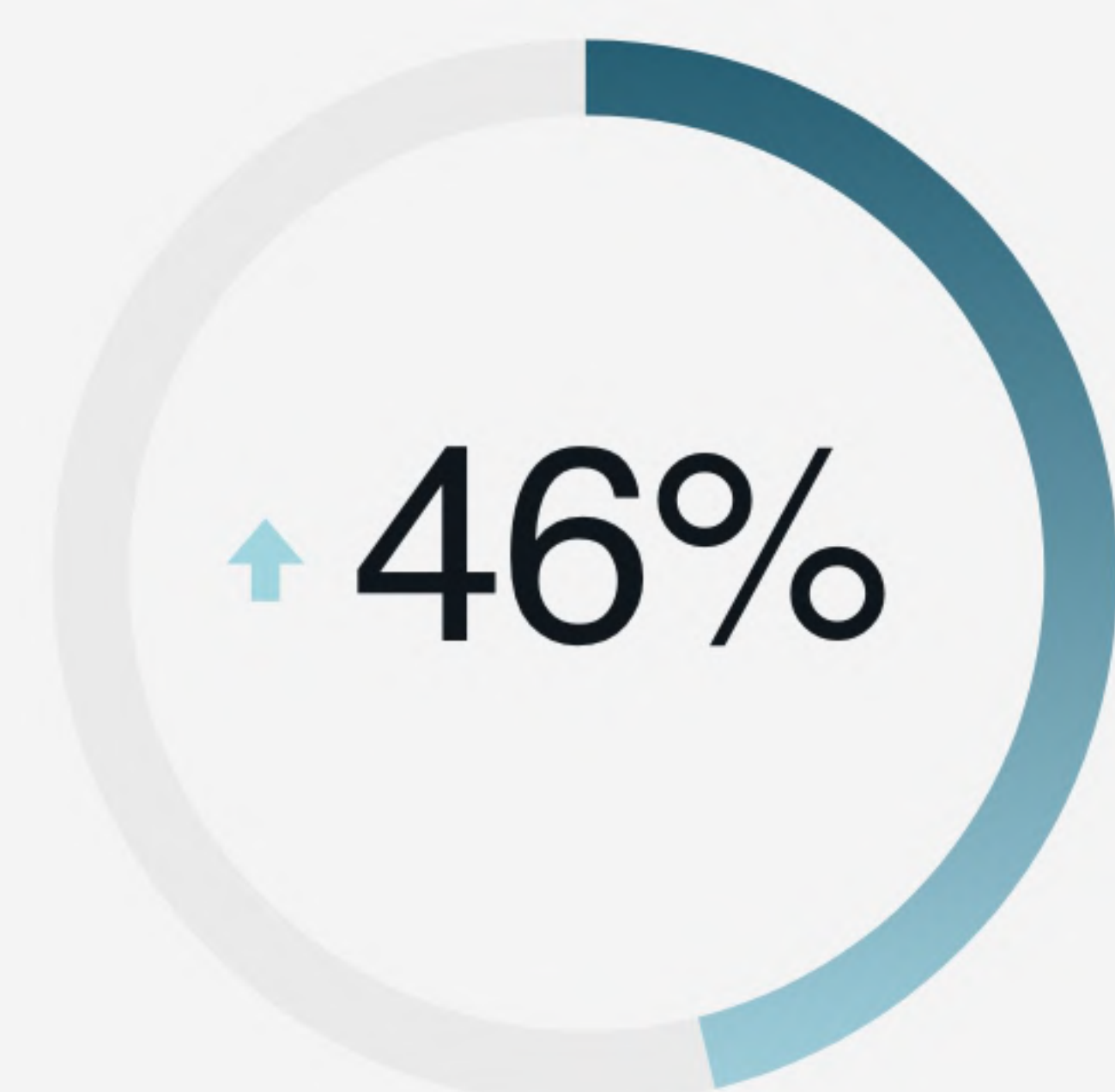
Valentine's Day, Mother's Day and Christmas are peak gifting dates, with Black Friday sales another peak time for gift voucher purchases.

05

Ensure your gift vouchers can be easily found and purchased across all sales channels, whether online or in person.

Promote your gift voucher programme - in 2020, [46% of consumers sourced gift vouchers through social media](#), up from 17% in 2018.

Give consumers the choice of delivery - some prefer digital (which could be email, digital wallets or even text message), others physical.





Summary

Consumers prize experiences - both for themselves and their loved ones. Gift vouchers are an easy way to market a hotel's facilities and services: whether a loyal customer shares a voucher with a friend (introducing a new customer), or a regular guest receives a voucher as a treat (driving repeat business), vouchers are a great way to boost your revenue and keep your brand at the forefront of consumers' minds.

Hotels don't need to reinvent the wheel; sell what you already have. Items such as afternoon tea, overnight stays and spa days - alongside monetary values - are eternally popular, with growing demand for events and themed occasions such as cocktail masterclasses and tasting menus.

Voucher fulfilment is as important as what is sold: a luxury hotel's vouchers should reflect the upscale experience a customer will receive. Designing customised boxes, tailored envelopes, and digital files should be a given. It's important that the voucher can excite the recipient before they arrive.

In an increasingly digital world, being able to sell vouchers online is key to success. Using a platform that is as easy for your customers to use as it is your staff to run is a must, preferably one that is easily modified to your brand for consistency.

About Gifted

The UK's number one gift voucher platform used by over 350 hotels, **Gifted** is created by Journey Hospitality's team of hotel experts and backed by over a decade's experience within hotel digital marketing and ecommerce. The most cost effective and innovative voucher platform on the market, Gifted provides world-leading technology with just one flat fee per year, with no commission!

Increase your sales and revenue. Receive dedicated support and real-time data dashboards with insights. Easy integration onto your own website, with simple integrations and a fully equipped back end, including a comprehensive marketing suite. Provide your customers with an easy-to-use, fully branded online store to purchase their gift vouchers safely and securely anytime, from anywhere, and in any format.

Find out more at www.gifted.travel

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Thank you

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