

Voucherⁱ market once again delivers double digit like-for-like sales growth in Q3 2009, but parts of the market continue to feel the impact of the tough consumer climate

- Overall strong like-for-likeⁱⁱ sales growth of 10.6% compared to Q3 2008
- The increase in sales is mainly driven by agent voucher schemes with more moderate growth within the retailer and leisure categories.
- By product, highest gains are in 'Restricted loopⁱⁱⁱ' gift cards. All other product categories report like for like growth with the exception of paper vouchers which continue the decline experienced in Q2 2009.
- B2B'direct sales' again remains the largest single channel, however sales through 'Gift card centres' have shown a dramatic like-for-like growth of over 40%.
- The voucher market appears to have recovered from the dip experienced last quarter with an impressive increase of 10.5% compared with Q2 2009.

Reported UKGCVA voucher sales showed impressive growth of 10.6% in Q3 2009 to £375m. As in Q2 2009, this rate of growth far outstripped the total retail sales growth figures reported by the BRC – themselves flattered by weak comparatives.

Total voucher sales continue to outperform much of their wider markets. Importantly though, some voucher sub-sectors continue to suffer, notably leisure. This is consistent with the weak performance of the leisure sector as a whole, impacted by consumers reining in their most discretionary purchases. Whilst Leisure and big ticket retail purchases have borne the brunt of the consumers repairing their savings ratio instead of spending, the impact of the upcoming VAT change in Q4 may go some way to reversing this recent trend.

The voucher market appears to have recovered from the dip in sales reported during last quarter and has recorded excellent growth of 10.5% compared with Q2 2009. Whilst the indicators in Q3 are encouraging, the economic climate remains very challenging. The voucher market has again proven to be resilient during the tough economic climate.

ⁱ Voucher refers to the whole gift card and voucher market; encompassing paper gift vouchers, closed loop, open loop and restricted loop gift cards

ⁱⁱ Like-for-Like sales are based on existing UGCVA members who have submitted data for Q3 2009 and were members in Q3 2008.

ⁱⁱⁱ 'Restricted loop' gift cards require the use of a network such as Visa or Mastercard and are accepted at a restricted range of retailers.