

Retailers Increase Focus on Digital Gifting Capabilities Ahead of the Holidays as Shipping Surcharges, Logistics Hurdles Loom

Survey finds 90 percent of retailers to upgrade their e-gifting capabilities prior to Christmas;

60 percent plan to include instant digital delivery and gift personalization to improve the user experience

SAN FRANCISCO – September 28, 2021 – Facing recently announced peak season surcharges from [FedEx](#) and [USPS](#), nine out of 10 retailers are planning to improve their e-gifting capabilities prior to the holidays, according to a studioID Pulse Survey sponsored by [GiftNow](#), a Synchrony solution. Many retailers are incorporating instant or scheduled digital delivery and gift customization options to strengthen the online gift delivery experience. Also, they are decoupling the shipping and delivery of gifts and gift cards, which could help avoid surcharges and other potential costs.

With 76 percent of retail executives citing shipping deadlines for purchases as much as one to two weeks before Christmas, these findings may indicate that retailers will be optimizing their e-commerce platforms to give added flexibility to gift givers in the days and weeks leading up to December 25. Features like virtual gift customization can also help stem the tide of holiday returns, which were up [41 percent in 2020](#) versus 2019. Eighty percent of retailers plan to offer returns on holiday gifts, with 46 percent offering extended returns and 36 percent offering free shipping on those returns, according to the studioID survey.

“After experiencing shipping delays and supply strains in 2020, a majority of the retailers surveyed are re-evaluating how to deliver positive gift experiences through the holidays in 2021,” said Kevin Payne, Vice President of Corporate Marketing for GiftNow at Synchrony. “Gifting platforms like GiftNow give consumers more options for delivering thoughtful, personalized gifts virtually so that retailers don’t have to ‘close their doors’ online with one to two weeks of shopping still left in the season. Better yet, GiftNow enables recipients to select and customize their gifts before they even ship. This flexibility can help retailers maximize holiday revenues by having fewer exchanges and logistical hassles.”

Overall, 70 percent of retailers were somewhat or less than satisfied with their gifting revenues for the 2020 holiday season. According to a [studioID Pulse Survey in May](#), nearly half of retailer decision makers said they need to increase investment in e-commerce gifting before the end of the year.

While retailers say online gift cards continue to be one of the most popular gifting options, the recent survey also revealed that 68 percent of retailer decision makers were only somewhat or less than satisfied with their gift card program providers.

“There is still time to make strategic investments in gifting before the holidays,” added Payne. “Making gift cards more frictionless and personalized can help retailers increase customer satisfaction while achieving their objectives of increased revenue and improved conversion rates.”

To learn more about how digital gift delivery works and why it’s a win-win for retailers and consumers, [click here](#).

GiftNow, a Synchrony solution, is a holistic Gift Experience Management (GXM) solution that takes the friction out of gifting. With GiftNow's purpose-built GXM platform, gifters can send personalized digital gifts and gift cards in seconds and recipients can exchange or modify their items before they ship, benefiting gift givers, recipients, corporate gifting programs and retailers. GiftNow is used by premium specialty and department store retailers across the United States. For more information, please visit www.giftnow.com.

studiolD's Research Methodology

The research findings are based on data analysis from an online survey conducted in August 2021 of 115 retailer decision makers with e-commerce responsibilities.

About Synchrony

Synchrony (NYSE: SYF) is a premier consumer financial services company. We deliver a wide range of specialized financing programs, as well as innovative consumer banking products, across key industries including digital, retail, home, auto, travel, health and pet. Synchrony enables our partners to grow sales and loyalty with consumers. We are one of the largest issuers of private label credit cards in the United States; we also offer co-branded products, installment loans and consumer financing products for small- and medium-sized businesses, as well as healthcare providers.

Synchrony is changing what's possible through our digital capabilities, deep industry expertise, actionable data insights, frictionless customer experience and customized financing solutions.

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