

Shift4 Payments: As Merchants Persevere Throughout the Fall, Transaction Volumes Show Continuing Impact of COVID-19

Despite an October in which transaction volumes exceeded seasonal expectations, November transaction volumes reveal the impact of the ongoing pandemic

ALLENTOWN, Pa. & LAS VEGAS--(BUSINESS WIRE)-- Shift4 Payments (NYSE: FOUR), the leader in integrated payment processing solutions, has revealed that the month-over-month change in U.S. merchant transaction volumes from October to November dipped more than in previous years as merchants and consumers contend with recent spikes in COVID-19 transmission and renewed health and safety restrictions. Nonetheless, Shift4's data indicate that transaction counts in October reached totals that exceeded the expected seasonal decline.

The anticipated seasonal decline heading into the fall is often most discernable in the month-over-month change from October into November, where historical data indicates merchants may expect an average 5% drop in monthly transaction volume. However, this year's data—posted daily on shift4cares.com—reveals a decline of 10% from October to November, suggesting that the typical seasonality of merchant transaction volume is being compounded by the recent nationwide rise in virus infection rates. Only two states—Hawaii and Florida—fared better than the historical average in month-over-month transaction volume change. As a state largely dependent on tourism, Hawaii proved to be a particular bright spot with a month-over-month transaction growth of 5% that bucked the nationwide trend. At the other end of the spectrum, however, Wyoming, Maine, and Vermont had greater than 25% month-over-month declines in transaction counts.

Despite this year's pandemic-impacted decline from October to November, Shift4's data reveals a silver lining in the transaction volume trends throughout the fall, particularly with regards to October's stronger-than-expected showing. According to Shift4 historical data, merchant transaction volume in years prior to 2020 has typically exhibited a seasonal decline of 4% as businesses move from the peak of summer into October. However, Shift4's 2020 data indicate that U.S. merchants this year experienced only a 1% decrease in the number of transactions processed during this time.

While the COVID-19 pandemic undoubtedly continues to present challenges, Shift4's end-to-end payment volume continues to grow year over year as merchants continue to seek out innovative commerce technology. November end-to-end payment volume increased 13% compared to the previous year.

"Despite our positive YOY end-to-end volume growth and outperformance relative to industry statistics, it is quite clear that rising COVID cases, state restrictions, and cooler climates exacerbated the typical seasonal declines in payment volume," said Jared Isaacman,

Founder and CEO of Shift4 Payments. “I do think it’s important to recognize the struggle and resilience of small business owners as they continue to persevere through incredibly challenging circumstances. As we move through the winter months and with positive vaccine developments, it’s hard not to be optimistic that the end is near.”

About Shift4 Payments

Shift4 Payments (NYSE: FOUR) is a leading provider of integrated payment processing and technology solutions, delivering a complete omnichannel ecosystem that extends beyond payments to include a wide range of commerce-enabling services. The company’s technologies help power over 350 software providers in numerous industries, including hospitality, retail, F&B, ecommerce, lodging, gaming, and many more. With over 7,000 sales partners, the company securely processed more than \$200 billion in payments volume for over 200,000 businesses in 2019. For more information, visit shift4.com.

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Media

Nate Hirshberg
Vice President, Marketing
Shift4 Payments
nhirshberg@shift4.com

James McCusker
Managing Director
Solebury Trout
jmccusker@soleburytrout.com

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