

# **Paysafe: US In-store SMBs Embrace Payments Technology Alongside Cash Acceptance**

*Paysafe-commissioned research reveals cash's comeback in-store even as retailers and merchants adopt eCommerce checkouts, contactless payments and explore crypto*

HOUSTON--(BUSINESS WIRE)-- Close to three quarters (71%) of U.S. small and mid-sized businesses (SMBs) that primarily sell through physical stores now have eCommerce checkouts, with 19% of these merchants diversifying online during the pandemic, according to research commissioned by leading specialized payments platform [Paysafe](#) (NYSE: PSFE). The report released today also indicates the inexorable rise of contactless payments, even as SMBs protect the cash consumer while exploring new payment methods like cryptocurrency.

The [latest edition](#) of Paysafe's annual 'Lost in Transaction' SMB research, which surveyed American in-store retailers as well as restaurants and other service providers in October 2021, reveals that more than half (53%) of SMBs think that the future of retail will be mostly online. However, merchants appear to feel there will always be a place for physical stores, with less than one out of 10 (8%) strongly considering becoming an online-only business.

In-store SMBs' online diversification precedes the pandemic's emergence. Close to half of SMBs with an eCommerce checkout (46%) moved online before COVID-19, while 35% launched as omnichannel businesses from day one, with an online checkout to complement their physical store.

Of the less than a third of SMBs (29%) without an online presence, 43% expect to launch an eCommerce checkout within the next 12 months or more, though 50% have no such plans.

In-store, contactless adoption continues to trend higher, with three quarters of SMBs (73%) now accepting either contactless credit or debit card payments or mobile wallets at their checkout. The 27% of merchants without NFC-enabled payment terminals is expected to continue to decline, with 76% of these SMBs planning to upgrade in the future.

Despite the growth in contactless, cash has made a comeback in-store. Almost all SMBs (89%) now accept cash payments, with a fifth of these merchants (18%) reintroducing cash after temporarily stopping acceptance during the pandemic. Cash's future looks assured, with 90% of SMBs planning to keep accepting cash, 5% still undecided and only 5% planning to go cashless.

Meeting consumer needs appears to be the primary reason for cash's endurance, with 59% of SMBs saying they want to offer as many payment methods as possible, and 33% even specifying that their customer base includes cash-reliant unbanked and underbanked Americans.

However, SMBs are focused on cutting-edge point of sale (POS) terminals, with three quarters (73%) feeling it's important to have the most up-to-date terminals. Although fixed-terminal card readers dominate in-store (59%), 45% have wireless card readers installed and 29% self-service checkouts.

SMBs are also demonstrating a forward-thinking approach to new payment methods like cryptocurrencies. More than one-in-ten SMBs (12%) offer cryptocurrency payment acceptance, while a further 36% aim to accept crypto within the next three years.

Afshin Yazdian, CEO of U.S. Acquiring at Paysafe, commented: "The pandemic forever changed Americans' retail and payment preferences. As in-store retailers and other SMBs look to attract new customers and retain their existing clientele, they are diversifying their payment acceptance to meet consumer demand."

He added: "The merchants that will not only survive but thrive in 2022 will offer their customers an omnichannel payments offering that extends their physical store online and into consumers' smart phones. Forward-thinking SMBs will seamlessly combine traditional payments such as good, old-fashioned cash and contactless card payments with alternative payment methods like mobile and digital wallets as well as emerging U.S. payment methods such as online cash, or eCash, and crypto."

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### **About the research: *Lost in Transaction: Finding Competitive Advantage at the Checkout***

To compile this report, Paysafe commissioned a survey by Sapio Research among 201 payment decision makers at U.S. in-store businesses with a company size of 1-50 employees and which sell mostly or only to consumers. The interviews were conducted online in October 2021 using an email invitation and an online survey.

To download the full research report, visit: <https://www.paysafe.com/en/blog/lost-in-transaction-finding-competitive-advantage-at-the-checkout/>

### **About Paysafe Limited**

Paysafe Limited ("Paysafe") (NYSE: PSFE) (PSFE.WS) is a leading specialized payments platform. Its core purpose is to enable businesses and consumers to connect and transact seamlessly through industry-leading capabilities in payment processing, digital wallet, and online cash solutions. With over 20 years of online payment experience, an annualized transactional volume of U.S. \$100 billion in 2020, and approximately 3,400 employees located in 12+ global locations, Paysafe connects businesses and consumers across 70 payment types in over 40 currencies around the world. Delivered through an integrated platform, Paysafe solutions are geared toward mobile-initiated transactions, real-time analytics and the convergence between brick-and-mortar and online payments. Further information is available at [www.paysafe.com](http://www.paysafe.com)

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