As concerns grow around the cleanliness of point of sale (POS) terminals, main members are using contactless as a form of payment in order to reduce exposure. From March 2020 through April 2020, Fast Food/Quick Service accounted for 50% of the overall contactless transactions but account for only 4% of all weekly contactless spend (under $10 items). Grocery Stores accounted for 44% of the contactless dollars spent during this time.

Tracking Transaction Trends

To provide relevant updates on market performance, experts from PSCU’s Advisors Plus and Data & Analytics teams released year-over-year weekly performance data trends. In this week’s installment, PSCU compares the same-store basis to identify the impact of COVID-19 on consumer spending and shopping trends.

The impact of the federal government stimulus package is still being seen over the average debit card purchase amount was up 19.6% year over year. The overall average debit card transactions realized a very notable improvement, overall credit card transactions finished the week down by 12.5% year over year, compared to being down 16.7% in the prior week. By taking off the month of April 26 week, year over year there was a 2.4% decrease in credit card and an increase of 27.6% over year, improving the week ending April 26.

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GROCERY STORES/SUPERMARKETS

Credit 19.0%
Debit 25.2%

GROCERY STORES/SUPERMARKETS continue to move “pandemic normal” spending behaviors. The week ending April 26 compared to the prior week, credit card transactions were up 0.5% and debit card transactions were up 5.5%. While in the prior week 3 states were beginning to stay “at home” restrictions effective May 1, with an early watch on Georgia, who are beginning to ease “stay at home” restrictions effective May 1, with an early watch on Georgia, which started easing restrictions on April 9. These 3 states represent 5.5% of the U.S. population.

AMAZON

Credit Transactions
Credit Purchases
Debit Transactions
Debit Purchases
58.9% 44.8% 121.6% 114.9%

As a significant contributor to the CPN category, we have aggregated the merchant categories for Amazon to create a comprehensive view for week 17. Amazon credit transactions are up 58.9% year over year and credit purchases are up 44.8% while Amazon debit transactions are up 121.6% and purchases are up 114.9%, year over year.

STATE VIEW: NO STAY-at-HOME ORDERS

Credit 20.8%
Debit 5.5%

While volumes are still down year over year, debit card purchases posted a second straight week of positive growth, and credit improvements over past weeks. Equally important, the number of transactions for both debit and credit, are increasing due to savings from the initial round of stimulus checks. Contactless payments usage also is increasing as concerns around the cleanliness of point of sale terminals.

STAY VIEW: HOT ZONES

Credit 28.3%
Debit 0.9%

For the states/districts hardest hit by the pandemic (“hot zones”), spending is improving and continue to be slightly more contained than the overall U.S. The credit card spend for CA, CT, DC, IL, LA, MI, NJ, NY was down 28.3% last week. Debit card spend for these same areas was 0.9%, year over year.

GAS TRANSACTIONS

Credit 13.6%
Debit 39.1%

Gas purchases remain soft but are hovering in the same range of the past four weeks. Spending is down 58.3% for credit card and 39.1% for debit card for the week ending April 26, compared to 2019 levels. Lower gasoline prices at the pump, along with decreased transaction activity driven by the substantial increase in remote work and stay at home orders, continue to significantly affect the purchase of gas.

WHERE ARE THE PATRONS SPENDING THEIR MONEY?

As concerns grow around the cleanliness of point of sale (POS) terminals, main members are using contactless as a form of payment in order to reduce exposure. From March 2020 through April 2020, Fast Food/Quick Service accounted for 50% of the overall contactless transactions but account for only 4% of all weekly contactless spend (under $10 items). Grocery Stores accounted for 44% of the contactless dollars spent during this time.

Credit 24.7%
Debit 5.0%

(average purchase amount 19.6%)