

PSCU, the nation's premier payments credit union service organization, has updated its weekly transaction analysis from its Owner credit union members on a same-store basis to identify the impact of COVID-19 on consumer spending and shopping trends.

To provide relevant updates on market performance, experts from PSCU's Advisors Plus and Data & Analytics teams today released year-over-year weekly performance data trends. In this week's installment, PSCU compares the 45th week of the year (the week ending November 8, 2020 compared to the week ending November 10, 2019).



## OVERALL SPEND

Card payment volume growth rates continued to show overall strength in Week 45, with debit rising slightly and credit showing continued positive year-over-year growth.

**Debit**  
↑ **17.0%**

Debit card spend was up 17.0%, slightly above the four-week average of +16.3%. Transactions were up 2.6% and have been positive for 19 consecutive weeks.

**Credit**  
↑ **2.8%**

Credit card spend remained positive for a tenth consecutive week at +2.8%, lower than the four-week average of +4.9%. Transactions finished at -1.6%, lower than the four-week average of -0.3%.

## CONSUMERS CONTINUE STRONG USAGE OF CONTACTLESS, MOBILE WALLETS AND CARD-NOT-PRESENT (CNP) ALTERNATIVES, WHILE USING LESS CASH.



**CONTACTLESS**  
16.6% of Debit Card-Present Transactions

11.3% of Credit Card-Present Transactions

Contactless "tap-and-go" transactions via dual interface cards continue to gain adoption, with debit showing notable strength. Debit contactless transactions as a percent of card-present activity on contactless debit cards have nearly doubled from around 8.4% in mid-January to 16.6% in Week 45. Contactless credit transactions have also grown from 6.5% in mid-January to last week finishing at 11.3% of card-present activity on contactless credit cards. We view these results as conservative, as the ratio considers the proportion of contactless activity to all card-present transactions, not just those able to be tapped.



**MOBILE WALLETS**  
↑ **58.6%** Debit

↑ **46.2%** Credit

Mobile wallet (i.e. "Pays") transactions and purchases for both credit and debit cards continue to show very strong growth with card-present activity. Debit mobile wallet purchases finished Week 45 up 58.6% year over year, lower than the four-week average of +62.9%. Credit mobile wallet purchases were up 46.2% year over year, lower than the four-week average of +51.0%. These results represent six supported mobile wallets: Apple Pay, Fitbit Pay, Garmin Pay, Google Pay, LG Pay and Samsung Pay.



**DEBIT CARD NOT PRESENT**  
43.7% of Purchases

29.2% of Transactions

**CREDIT CARD NOT PRESENT**  
53.1% of Purchases

42.4% of Transactions

We continue to see more volume conducted via Card Not Present (CNP) transactions. For credit, 53.1% of purchase volume and 42.4% of transactions were CNP. For debit, 43.7% of purchase volume and 29.2% of transactions were CNP. Purchase mix has held steady and is up 6.8 percentage points year over year for credit and 7.6 percentage points for debit. Transaction mix also remains steady, up 8.8 percentage points for credit and 7.0 percentage points for debit year over year.



**ATM**  
↓ **15.5%** Withdrawals

Cash withdrawal transactions at the ATM remain down year over year. For the most recent week, the number of cash withdrawals was down 15.5%, higher than the four-week average of -17.2%. The year-over-year change in total cash withdrawn is down 3.4%, which is higher than the four-week average of -7.3%.

## FROM A MERCHANT CATEGORY PERSPECTIVE, PURCHASE GROWTH RATES IN WEEK 45 REMAINED STEADY FOR BOTH CREDIT AND DEBIT.



**GROCERY**  
↑ **11.1%** Debit

↑ **17.8%** Credit

Grocery spend, while still positive, showed a slight week-over-week decrease. Purchases are up 11.1% year over year for debit and 17.8% for credit.



**SERVICES**  
↑ **25.0%** Debit

↑ **10.7%** Credit

Spend in the Service sector increased in both debit and credit. Purchases are up 25.0% for debit, an increase of 14.8 percentage points week over week. Credit purchases were up 10.7%, up 4.1 percentage points from the previous week.



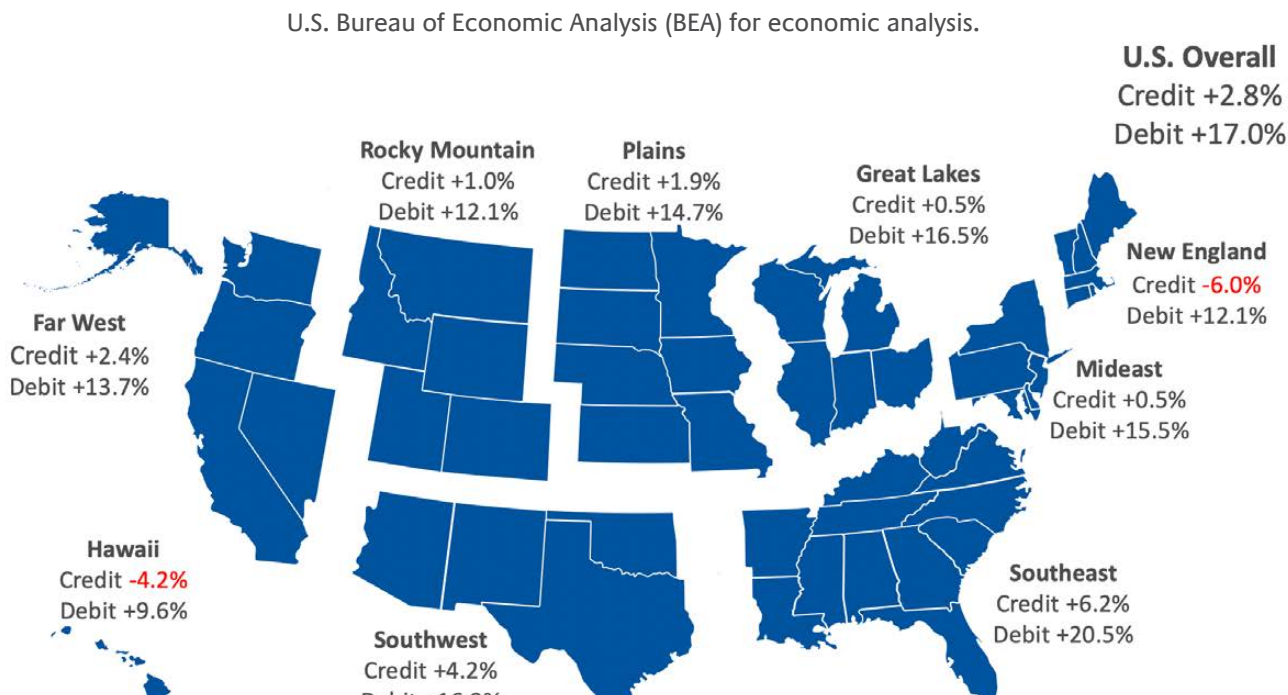
**TRAVEL**  
↓ **15.0%** Debit

↓ **51.4%** Credit

Travel remains substantially down year over year, but saw an uptick in debit. For Week 45, purchases are below 2019 levels by 51.4% for credit and down 15.0% for debit, compared to last week at -24.6%.

## REGIONAL SPENDING TRENDS

Our regional analysis of spend utilizes the segmentation used by the U.S. Bureau of Economic Analysis (BEA) for economic analysis.



### DEBIT

Overall U.S. spend was up 17.0% for debit purchases. The Southeast (+20.5) finished as the strongest region for Week 45. The Hawaii (+9.6%), New England (+12.1%) and Rocky Mountain (+12.1%) regions had the lowest debit purchase performance.

### CREDIT

Overall U.S. spend was up 2.8% for credit purchases. The Southeast (+6.2%) and Southwest (+4.2%) finished as the strongest regions for Week 45. The Hawaii (-4.2%) and New England (-6.0%) regions had the lowest credit purchase performance.

## THIS WEEK'S DEEPER DIVE EXPLORES MOBILE WALLET PROVIDERS.

While PSCU supports six mobile wallet providers, the top three (Apple Pay, Google Pay and Samsung Pay) represent 99% of the card-present mobile wallet transactions in Week 45. The data below represents card-present mobile wallet activity.



**APPLE PAY**  
Four-week Average

**DEBIT**  
↑ **38.4%** Transactions

**CREDIT**  
↑ **18.0%** Transactions

For debit, Apple Pay has the largest share of mobile wallet transaction volume at 83%, followed by Samsung Pay at 9% and Google Pay at 8%. For credit, Apple Pay leads with 77%, followed by Google Pay at 13% and Samsung Pay at 10%.



**GOOGLE PAY**  
Four-week Average

**DEBIT**  
↑ **51.1%** Transactions

**CREDIT**  
↑ **16.7%** Transactions

Overall debit mobile wallet transactions are up 30% for Week 45, slightly down from the four-week average of +33%. Overall credit mobile wallet transactions are up 12% for Week 45, slightly down from the four-week average of +14%. Consumers continue to embrace this alternative as a safer way to pay for card-present transactions.



**SAMSUNG PAY**  
Four-week Average

**DEBIT**  
↓ **6.2%** Transactions

**CREDIT**  
↓ **10.8%** Transactions

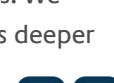
Among the mobile wallets, Google Pay has seen the fastest growth, with debit transactions up 47.9% and credit transactions up 17.2% year over year. Apple Pay has also been strong, with debit transactions up 34.7% and credit transactions up 16.0% year over year, while Samsung Pay has seen slower growth and saw debit transactions down 6.5% and credit transactions down 12.8% in Week 45.

Supporting the notion that contactless and mobile wallets, particularly with debit, the average ticket size for mobile wallets is lower than overall transaction size. Compared to an average debit ticket of \$42.79, Apple Pay is \$17.53, Google Pay is \$17.88 and Samsung Pay is \$18.29.



Card payment volume continued to show strength in Week 45, with sustained positive spend for both debit and credit," said Glynn Frechette, SVP, Advisors Plus at PSCU. "Signs of the holiday buying season began to emerge as retailers accelerated growth through early sales and promotions. We also saw another strong indicator of consumers' continued preference for contactless in this week's deeper dive into mobile wallet providers

— Glynn Frechette, SVP, Advisors Plus Consulting at PSCU



PSCU's Weekly U.S. State/Territory Analysis is available on [psc.com/covid19](https://psc.com/covid19), ranking U.S. states and territories by year-over-year performance for debit purchases, credit purchases and ATM transactions.

PSCU will continue to develop and share analysis of transaction trends on a regular basis moving forward through the COVID-19 crisis. For more COVID-19 support resources, visit [psc.com/covid19](https://psc.com/covid19).