Nearly all merchants in the U.S. find consumers are more conscious about their spending

November 18, 2021

More than half of merchants now offer buy now, pay later at checkout and nearly seven in 10 (67%) expect an increase in online sales through the end of the year

SAN FRANCISCO – November 18, 2021 – According to Affirm's latest Merchant Insights Report that surveyed small and medium-sized retailers, while more than half of merchants (57%) saw sales increase in the beginning of the summer compared to the same time last year, the majority (86%) noticed that consumers simultaneously became more conscious about their spending. What's more, nearly seven in 10 (67%) anticipate an increase in online sales through the end of the year and more than a third (36%) even expect an increase in in-store sales. Alongside these sales increases, more than three quarters (76%) agree that the pandemic has made it more important for their business to sell both online and in-store.

Despite small and medium-sized retailers displaying optimism for robust year end sales, more than half of merchants (52%) see attracting customers as a challenge coming out of the pandemic. And a recent survey of Affirm merchants cited limited marketing resources as the top challenge in the way of reaching their goals.

"Merchants are responding as consumers become more budget-conscious. 24% of merchants added a pay-over-time solution like Affirm during the pandemic, and now more than 50% offer buy now, pay later as an option at checkout," said Silvija Martincevic, Chief Commercial Officer at Affirm. "We're in the busiest time of year for retail, and there's still a significant opportunity for merchants to adopt flexible payment options that drive real business growth."

Merchants across industries, from apparel to consumer electronics, expect the adoption of flexible payment options to be the top pandemic business trend to continue. Eighty-six percent of merchants agree that it's essential to offer customers flexibility in how they shop post-pandemic, and over three-quarters (76%) of merchants agree that offering flexible payment options like Affirm is a valuable way to drive growth as well as reach new customers.

Additional key findings include:

- 81% of merchants are feeling optimistic about their business growth through the end of the year.
- Only 34% of merchants currently offer a BNPL solution and did so prior to the pandemic – and only 24% added this option during the pandemic.
- 82% of merchants see technology as an essential tool to grow their business.

Affirm is a revenue generator and marketing accelerator for more than 102,000 merchants like Walmart, Neiman Marcus, Target, Priceline, Vrbo, Ikon Pass, Theory, and Williams Sonoma.

About the survey

The online survey was conducted by OnePoll for Affirm in August 2021 with a sample of 1,000 U.S. small and medium-sized retailers.

About Affirm

Affirm's mission is to deliver honest financial products that improve lives. By building a new kind of payment network — one based on trust, transparency and putting people first — we empower millions of consumers to spend and save responsibly, and give thousands of businesses the tools to fuel growth. Unlike credit cards and other pay-over-time options, we show consumers exactly what they will pay up front, never increase that amount, and never charge any late or hidden fees. Follow Affirm on social media: LinkedIn | Instagram | Facebook | Twitter.

Payment options through Affirm are subject to an eligibility check, may not be available in all states, and are provided by these lending partners: affirm.com/lenders. CA residents: Loans by Affirm Loan Services, LLC are made or arranged pursuant to a California Finance Lender license.

Press Contact Alex Rafter

press@affirm.com

650-398-2715