

CLIMATE Use Cases

How clients leverage data to guide decisions



Market Sizing

How private equity can use data to guide investment decisions

Problem

The PE firm is working on due diligence for a potential investment in a large software company that works exclusively with Grocery Stores supporting online orders. The software company paints a rosy picture of its addressable market but lacks concrete data to back it up.

Solution

With access to CLIMATE, analysts can access that concrete data and determine if an investment in the software company is prudent:

- CLIMATE provides the market size of grocery spend YOY across the U.S. Looking at current 2023 data (through June in this example), CLIMATE identifies that the \$462B in spend has grown 3.72% YOY of 2022's first half total grocery spend, a decrease from the 4.47% YOY growth in the same 6 months of 2022 vs. 2021.
- Data can be segmented to look at in-person vs online. In this example, CLIMATE shows that online grocery spending is down proportional of total Grocery spending from 3.3% in 2021 to 2.8% in 2022.
- YOY growth can be viewed by state to identify better/worse performers to uncover further trends of increases or declines. For example, Nevada is down 7.1% in 2023 through June (vs 2022), while South Dakota is up 11.9%.



CLIMATE Use Cases

How clients leverage data to guide decisions



Go Forward Strategy Evaluation

How merchant acquirers can use data to influence strategic direction

Problem

The merchant acquirer is looking to determine which verticals to focus its sales efforts on and potentially other geographies to expand to. The current portfolio is primarily made up of restaurant, retail, and hospitality clients on the west coast of the United States and the acquirer feels uniquely suited to serving these types of merchants.

Solution

With access to CLIMATE, the strategy team at the merchant acquirer can access concrete data and determine the most attractive verticals and geographies to target expansion efforts towards:

- Total consumer spending can be sliced by U.S. region and vertical. Looking at the Western U.S., CLIMATE identifies that restaurants grew 13.2% in June YOY compared to retail merchants that grew 12.7%, and hospitality which fell 2.6% in June YOY.
- CLIMATE's heat map shows how spending in each state is trending compared to the time interval filters. Looking at current 2023 data (through June), CLIMATE identifies that restaurants have grown their 2023 spending faster than the retail and hospitality verticals compared to 2022 totals.
- The data shows states in the Eastern U.S. are trending below the Western U.S. in Consumer Hospitality spending, and states such as Nevada, Texas, New York, and Colorado are growing restaurant volume +20% YoY.



CLIMATE Use Cases

How clients leverage data to guide decisions



Several Other Ways to Utilize CLIMATE

- View total consumer spending trends by industry in a one-minute glance through a Monthly Snapshot tab.
- View YOY growth by month from 2022 to present through filterable dimensions that can be interwoven such as state, U.S. region, industry, card present, and card not present.
View consumer spend by sales channel (card present, card not present) for the Restaurant & Bars, Retail, and Grocery verticals.
- View total consumer spend from 2021 to present through filterable dimensions that can be interwoven such as month, quarter, year, state, U.S. region, industry, card present, and card not present.
- View proportional vertical spend from 2021 to present within a specific state(s), region(s), month(s), quarter(s), year(s), and channel(s)
- View YOY growth by state from 2023 to 2022 through filterable dimensions that can be interwoven, such as month, quarter, industry, card present, and card not present.



About TSG



TSG (*The Strawhecker Group*) is a globally recognized analytics and consulting firm that supports the entire payments ecosystem, serving over 1,000 clients from Fortune 500 leaders to dozens of the world's most valuable brands. Trusted by industry leaders, TSG's strategic services, market intelligence, and analytics merge to empower clients with actionable and accessible information.

 [Contact Us](#)



20+ YEARS AVERAGE ASSOCIATE EXPERIENCE IN THE PAYMENTS INDUSTRY



1000+ CLIENTS ADVISED, INCLUDING MANY IN THE FORTUNE 500

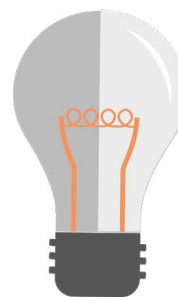
~4M

CARD-ACCEPTING MERCHANTS IN TSG'S AIM ANALYTICS PLATFORM, DRIVING MILLIONS OF DOLLARS IN ROI FOR ITS USERS



250+

COMPLETED PAYMENTS COMPANY EVALUATIONS; AS WELL AS ~30 BUY/SELL/INVESTMENT ADVERTISEMENTS



40+

OF THE TOP 50 MERCHANT ACQUIRERS SERVED, INCLUDING 9 OF THE TOP 10



COMPLETED MARKET INTELLIGENCE ANALYSES ON THE GLOBAL PAYMENTS LANDSCAPE, UNCOVERING HUNDREDS OF THOUSANDS OF DATA POINTS