



New EverCommerce Report Reveals Service-Based Small Businesses are Resilient

December 5, 2023

2023 State of Service Economy Report states 69% of North American service-based small businesses reported moderate to healthy recoveries from COVID-related anomalies

DENVER, Dec. 05, 2023 (GLOBE NEWSWIRE) -- [EverCommerce Inc.](#) (NASDAQ: EVCN), a leading service commerce platform, today released the 2023 State of the Service Economy Report, providing a look at the post-pandemic health outlook and consumer demand trends for North American service-based small businesses. The company's first annual report, completed in partnership with TSG (The Strawhecker Group), a globally recognized analytics, intelligence, and solutions-focused firm in the payments industry, surveyed SMB leaders in the United States and Canada, mostly in the home improvement, professional services, and healthcare fields.

Service businesses – companies that provide skilled labor or expertise as opposed to more tangible products – represent a massive number of businesses and jobs in the North American labor force and generate billions in revenue each year. In the U.S. alone, service businesses represent 77% of GDP, almost half of which is represented by small and medium-sized businesses (SMBs), and employ 50M people, per World Bank and Small Business and Administration Management estimates. A cornerstone of the economy, these businesses were hard hit by the pandemic. They also face unique challenges when it comes to shifting consumer expectations around technology, payments, and cost.

Data from the report revealed that service SMBs have rebounded from harsh turbulence as the world recovers from a global pandemic and are experiencing increases in demand even amid continued economic uncertainty, disrupted consumer spending and market volatility. As the service SMB sector continues to evolve, businesses that focus on offering diverse payment methods will in turn generate increased purchase volume, transactions and higher customer satisfaction.

Key findings from the 2023 State of the Service Economy Report include:

Service SMBs are resilient. A majority of services businesses have largely recovered from disrupted consumer spending and labor markets as evidenced by increases in demand for services and 69% of businesses reporting moderate to healthy recoveries from COVID-related anomalies.

Services businesses want a greater level of payment integration than they currently have. Over a quarter (26%) of service businesses had payments fully integrated into their software and related workflows, while over half surveyed (57%) were seeking to increase their level of integration.

Invoicing is essential to service businesses, but they experience many challenges through this payment method. Two-thirds of service merchants use invoicing to collect payments and many are actively seeking advanced finance technology like integrated invoicing to further bolster their payment processes as they allow customers to easily navigate payment and store financial information like preferred methods of payment. This enables timely and full payments, especially during a time of numerous economic pressures and inflation.

Despite challenging economic conditions, the services industry is healthy and growing. The average increase in demand from last year is 61% across the vertical segments of Field Services, Home Improvement and Healthcare. Field services businesses reported the largest increase at 83%. Service businesses also report they are expecting to hire more staff, switch business software solutions, seek additional capital, or develop a website in the next year.

“Service-based small businesses are the backbone of our economy and incredibly resilient, especially during periods of economic turbulence,” said Matthew Feierstein, President at EverCommerce. “When we look deeper at economic spending, we see that North American consumers continue to spend on items outside of what we consider essential, and they are looking to do so using digital payment methods as long as the transaction size remains reasonable.”

“Americans are relying on service-based small businesses more than ever, even through moments of economic hardship,” said Gene Marks, Columnist, Author, and President of The Marks Group P.C. “With the United States moving toward economic stability, we can expect SMBs to continue flourishing, expanding and to serve as a go-to for those who need them most.”

To download the report visit <https://go.evercommerce.com/StateOfTheServiceEconomy2023.html>

About EverCommerce

EverCommerce (NASDAQ: EVCN) is a leading service commerce platform, providing vertically-tailored, integrated SaaS solutions that help more than 685,000 global service-based businesses accelerate growth, streamline operations, and increase retention. Its modern digital and mobile applications create predictable, informed, and convenient experiences between customers and their service professionals. With its EverPro, EverHealth, and EverWell brands specializing in Home, Health, and Fitness & Wellness service industries, EverCommerce provides end-to-end business management software, embedded payment acceptance, marketing technology, and customer experience applications. Learn more at [EverCommerce.com](#).

About The Strawhecker Group

The Strawhecker Group (TSG) is a globally recognized analytics and consulting firm that supports the entire payments ecosystem, serving over 1,000 clients from Fortune 500 leaders to more than a dozen 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. Please visit www.TSGPayments.com.

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