

# New deals and products can help Fiserv invigorate growth in Q4

Article

**By the numbers:** Financial services technology giant **Fiserv** reported **10% year-over-year (YoY) revenue growth** in Q3, notching **\$3.96 billion** and strongly outperforming Q3 2020's 1% decline. Revenues also grew **9.5%** compared with Q3 2019 (Yo2Y), a full recovery from the pandemic.

Here's a closer look at Fiserv's Q3 earnings:

- Revenues for its **merchant acceptance business increased 18% YoY**, driven by volume growth in Clover (+47% YoY), its independent software vendor (ISV) business (+71% YoY), and its enterprise omnichannel platform, Carat.
- **Payments and networks revenues**—which comprise issuer solutions, card services, and its digital bill pay and prepaid businesses—jumped 6% YoY. On the company’s [earnings call](#), Fiserv president and CEO Frank Bisignano said issuer solutions revenues grew “just below the overall segment average,” while revenues in card services grew slightly faster than the overall segment. Bisignano also said the digital bill pay segment continues to grow more slowly than expected.
- Revenues for Fiserv’s **financial technology segment increased 5% YoY**, which Bisignano attributed in part to adding 14 account processing clients in the quarter.

**Key context:** Bisignano also mentioned Fiserv lost a large processing client in Q3. Analysts who closely follow the company [speculated](#) that it may have been **Stripe**, which last year notched \$7.4 billion in revenues, people familiar with the company’s finances [told](#) The Wall Street Journal.

Although Bisignano declined to elaborate on the loss, analysts estimated it would mean a **5% impact on the company’s overall processing volume** and a larger hit to its ecommerce segment. But Bisignano and the analysts both said the loss would have a limited effect on company revenues.

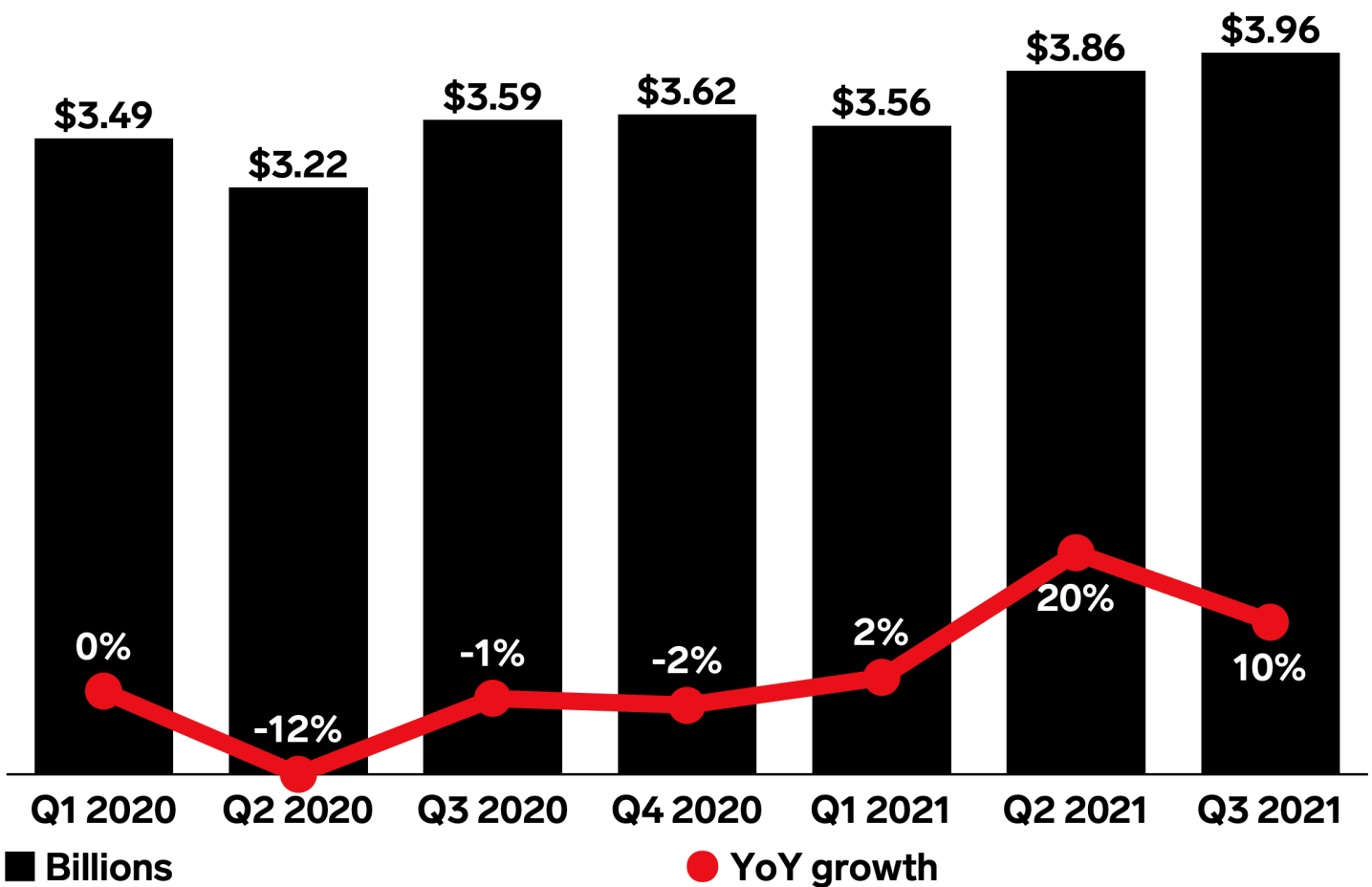
**What’s next?** In the last month, Fiserv scored a number of high-profile deals and launched solutions that can help it boost revenues and volume going into Q4.

- **Synchrony [expanded](#)** its relationship with Fiserv, giving Clover merchants access to its products and services—including its installment lending solutions—which may help increase point-of-sale (POS) volume. And it also just [launched](#) a new payments-as-a-service solution that’ll let ISVs integrate software directly into Clover POS devices.
- Fiserv also [announced](#) a tie-up with **Bakkt**, a platform that lets consumers buy, sell, and spend digital currencies. The platform will integrate with Carat so merchants can facilitate crypto payments.
- Fiserv also [unveiled](#) Credit Choice, a new platform that helps financial institutions manage end-to-end card issuance, including compliance and reconciliation.

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## Fiserv Adjusted Revenues



Source: Fiserv, 2021

Methodology: This data is from Fiserv's quarterly earnings presentations.

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