

Article Summary

Grocery delivery service, Urbery, required a payment processing system that was simple to deploy, helped mitigate the risk of chargebacks, and aligned with its demographic of young professionals living in the core of Toronto. Founder Mudit Rawat chose PayPal Express Checkout.



Company name
Urbery

Founder
Mudit Rawat

HQ
Toronto, ON

Industry
Food & Grocery

Website
www.urbery.com

Key Facts

The Challenge

- Provide a simple, easy-to-use payment method for a young, tech-savvy user base
- Help limit chargebacks by detecting suspicious payments prior to product delivery

The Solution

- PayPal Express Checkout
- Fast and reliable payment authentication

The Results

- 15% of all site transactions paid via PayPal, and growing each month
- Zero chargebacks stemming from PayPal transactions*

The Situation

Mudit Rawat had a unique vision for tailored and expedited urban grocery delivery services. He wanted to let customers pick products from the grocery store of their choice, promising they would be delivered to their door within two hours. His idea came to life in early 2015 when Urbery launched in downtown Toronto.

But Mr. Rawat's business model demanded careful preparation. He began planning by learning about the habits and preferences of the people who early on would be most likely to adopt a service like Urbery: Savvy young urbanites.

"Our target demographic is young professionals and millennials, people who are short on time and demand products be delivered straight to their doorstep when they want them." He explains. "It was very important for us to have a payment option that would be relevant and useful to that consumer base."

He was also aware of the online transaction dangers inherent in delivering products almost immediately after orders are placed.

"Fraud is usually detected in five days," he says. "Our challenge is that we have to deliver groceries in two hours. If we get a chargeback on our account it will come after groceries are already delivered, and that's a big problem."

He knew Urbery's payment processing system would need to appeal to young people who expect fast, reliable service while still offering a safer means of managing the higher-than-average risk associated with quick turnaround transactions.

The Solution

After carrying out research that involved discussions with people in Urbery's target customer segment, Mr. Rawat decided PayPal Express Checkout was the way to go.

"When we started building Urbery, people in our target demographic told us that they wanted PayPal because it's how they like to pay," he explains. "We've had our customers tell us that they love that they can use PayPal on our site, and that it's one of the most important reasons why they use the service."

Once he made his decision he was delighted by how easy it was to get started with PayPal Express Checkout, as well as the level of personalized support he received from PayPal staff whenever he had questions.

"On a scale of one to ten with ten being super easy, it was a ten," he says of the

“When we started our journey at Urbery we were in the market to find a payment processor that could help guide us through online payment processing. Other companies we talked to just didn’t seem to get our business. PayPal understands us and has helped us figure out the best way to move forward.”

– Mudit Rawat,
Founder, Urbery

deployment process. “And PayPal support is great. We were able to talk to our account executive on the phone, and he helped us with anything we weren’t able to figure out. That was a ‘wow’ factor for us. For a company as big as PayPal to deliver that level of service, it was huge.”

Once PayPal Express Checkout was up and running he began to appreciate the level of protection it affords sellers who require quick authentication prior to shipping products.

“Automated fraud management is one of the coolest things about PayPal Express Checkout,” he says. “The customer’s email is attached to their PayPal account, which is attached to their credit card, Visa Debit and bank account options. Any time there’s even a slight discrepancy detected within an order we get an email that flags it and says not to ship it. To date, we’ve never had a problem with chargebacks for PayPal transactions.”

In the months since launch Mr. Rawat has been happy to see PayPal transactions steadily growing alongside his business.

“Right now 15% of our transactions are through PayPal. And it’s increasing over time.”

The Benefits

PayPal Express Checkout has helped Urbery attract more customers from its target demographic of young, smart urban professionals, and assisted in preventing chargebacks on orders with tight turnaround. “The beauty of PayPal is how simple it is, especially for companies just getting started, like ours,” says Mr. Rawat. “Suddenly I had the whole world of e-commerce at my fingertips.”

Learn more

To learn more about how PayPal can help your business sell more – and connect with your customers wherever they shop – go to www.paypal.ca/business.

*Based on internal merchant data as reported by Urbery in 2015.