



The PayPal Impact

Nielsen Study for Australia,
July 2021

In late 2020, PayPal commissioned a research study to understand and measure the impact that PayPal has on Australian-based Large Enterprise merchants across three core areas: spend, conversion and merchant experience.

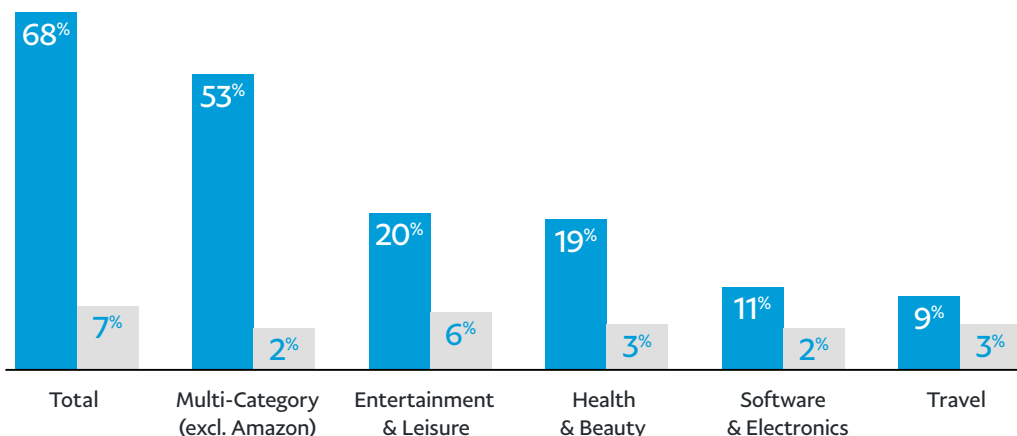
PayPal leads the market on conversion

Merchants that accept PayPal enjoy conversion rates **64% higher at checkout** (from the point at which customers start to pay) than other payment methods, especially on high average order verticals. Groceries and Software & Electronics, in particular, see a dramatic increase with conversions **up by 208% and 103%**, respectively.

What's more, the study found PayPal's millions of Australian consumers are **10.5x more likely to convert** in general wherever PayPal is visible. Multi-category sites (excl. Amazon) performed even better, with PayPal consumers 24.1x more likely to convert.

Conversion with vs without PayPal

■ With PayPal ■ Without PayPal



Increased spending

PayPal delivers an increase in consumer spending compared to other payments methods. The study found PayPal's presence increases the average ticket size by \$18 on Groceries, \$15 on Multi-category sites and \$10 on Entertainment and Leisure.

Spend



Grocery:
+\$18
Average spend:
\$120



Multi-Category:
+\$15
Average spend:
\$79



Entertainment & Leisure:
+\$10
Average spend:
\$35

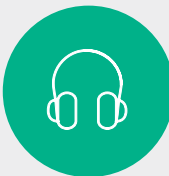
More repeat purchases

The study found that **78% of PayPal customers make repeat purchases from a site**. With PayPal present, the overall improvement in repeat purchasing increases by 19%, with Software & Electronics at +46%.

Repeat purchases



Total:
+\$19



Software & Electronics:
+46



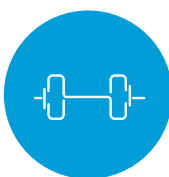
More unplanned purchases

PayPal drives more unplanned purchases in customers purchasing two or more items. Not for Profit merchants saw the strongest improvement, with an 8% increase to 40% of all purchases unplanned. Health & Beauty and Clothing & Fashion also experienced significant uplift with PayPal with 4% and 3% improvements, respectively.

Increase in unplanned purchases



Not for Profit:
+8



Health & Beauty:
+4



Clothing & Fashion:
+3

More first-time customers

PayPal's presence at checkout drives more first-time customers for merchants, with increases across all verticals. 95% of all new customer purchases made on QSR & Food Delivery sites are through PayPal, while Grocery sites saw a 14% increase in new customers.

Increased customer satisfaction

Millions of Australian PayPal customers are **10x more likely to make purchases on websites that accept PayPal**. According to the study, PayPal payment options lead to a 6% more favourable merchant experience when compared to other payment methods.

Merchant experience



QSR & Food Delivery:

+14



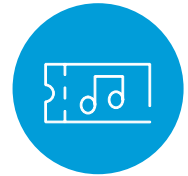
Automotive:

+9



Software & Electronics

+8



Entertainment & Leisure:

+8

The merchant purchase experience rating is **64% higher when using PayPal**. The likelihood for customers to recommend merchants following a PayPal purchase experience also increases with an 8% rise in NPS and a 6% rise in promoters.

About the Research

The 2021 PayPal Behavioural and Attitudinal research was commissioned by PayPal Australia Pty Limited and conducted by independent research provider Nielsen Media. A Behavioural Panel examined desktop purchase transactions from 16,505 Australian consumers made across key verticals in the market between October 2019 and September 2020. The study compared the online behaviour of customers using PayPal and those using non-PayPal methods.

An Attitudinal Survey was conducted in January-February 2021 with 4,039 consumers who had made an online purchase in the past 2 weeks. The 10-minute survey captured key attitudes and drivers behind payment method choice and events leading to their most recent online purchase.

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