

Optimising Your Customer Experience with The Right Payment Presentment Strategy



Contents.

- 03** Introduction.
- 06** The payment experience consumers demand.
- 08** PayPal: Delivering the best checkout experience.
- 11** Introducing the PayPal Checkout button.
- 13** Adding the PayPal Checkout button to your e-commerce platform.
- 15** The benefits of PayPal and the PayPal Checkout button for you and your customers.
- 19** Where to include PayPal messaging.
- 21** Summary.



Introduction

Events of the past few years have dramatically redefined the commerce landscape, with profound growth and all-new consumer expectations driving further changes.

48% of the world's population is currently shopping online.¹ In Europe, 75% of internet users shopped online in the past year,² and the overall e-commerce retail sales are expected to reach \$7.37T by 2025.³

Opportunity is everywhere, but so are challenges. As e-commerce accelerates and evolves, businesses worldwide must pivot to this new digital-forward model of shopping, but simply having an e-commerce shopfront isn't enough. Customer experience – from site navigation to payments – on your platform can be the difference between a sale and a missed opportunity. Cart abandonment rates are increasing as brands struggle to stay in step with the latest consumer demands for e-commerce and the checkout experience.

8 in 10 online consumers leave without placing an item in their shopping cart.⁴

1. Statista Digital Market Outlook / DataReprtal, DIGITAL 2022: GLOBAL OVERVIEW REPORT, Jan 2022.
2. Ecommerce Europe, 'European E-commerce Report 2022', 28 June 2022. Data sourced from existing statistics provided by Eurostat: Last online purchase in the 12 months, yearly; [isoc_ec_ib20] & [isoc_ec_ibuy], Statista: Share of the (online) population shopping online; Digital Market Outlook by country - United Nations, UNCTAD B2C E-commerce Index 2020.
3. eMarketer, Retail Ecommerce Sales Worldwide, 2019-2025, May 2021.
4. <https://baymard.com/lists/cart-abandonment-rate>



22% of consumers have abandoned a shopping cart when their preferred payment method was unavailable.⁶

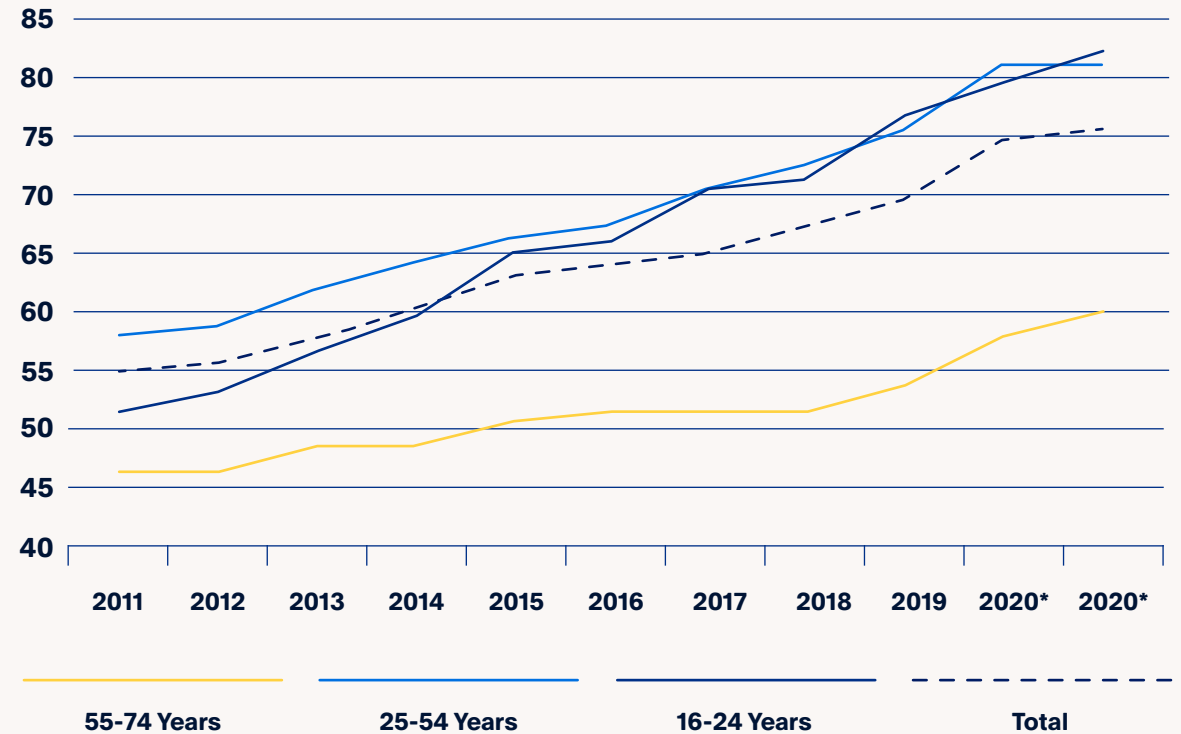
The average global online cart abandonment rate currently stands at 79.3%.⁵ Friction during the checkout flow is a leading catalyst for cart abandonment. Nearly a quarter of shoppers abandon the e-store during checkout because account creation is required to pay, while nearly 2 in 10 cite trust and security issues and a long and complicated checkout process as red flags.⁵



Online retail sales around the world are expected to grow 50% by 2025.⁸

Optimising the customer experience on your website, especially your checkout and payment processes, can be critical to significantly improved revenue, transforming casual window shoppers into paying customers.

Internet users who bought or ordered goods or services in the EU, 2011-2021.⁷



* EU estimates, Source: Eurostat (online data code: isoc_ec_ibuy and isoc_ec_ib20)

5. Baymard Institute, 'Cart Abandonment Rate 2022', 2022. Data an aggregate of cart abandonment rates as reported by 48 global studies.

6. PayPal commissioned Ipsos PayPal Cross-border Insights 2022. n=14,000, 14 markets. Online survey of adults (aged 18+ who have purchased online in the past 3 months) between December 2021-January 2022.

7. Eurostat, 'E-commerce statistics for individuals' January 2022. Survey conducted on respondents aged 16-74 across Europe, and households with at least one member in the age group 16 to 74 years old. Data collected from 2002-2022.

8. eMarketer, Global Ecommerce Forecast 2022, February 2, 2022.

The Payment Experience Consumers Demand

Consumers expect frictionless experiences when they shop online, especially when it comes to payment.

Studies by PayPal have found 80% of shoppers leave an online store if it offers a poor shopping experience. Convenience is key to conversions, but it's not the only factor shoppers consider.



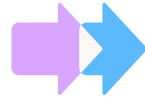
Consumers today demand payment experiences that are:



Frictionless

Consumers have little tolerance for friction, data entry and delays at checkout. 21% of consumers will cancel a purchase if it takes too long, while 17% will when the checkout process is too complicated.⁹

Offering convenient, seamless payment experiences with minimal checkout steps, near-instant transactions and authorisations can significantly reduce cart abandonment rates.



Omnichannel

Consumers no longer just shop on one device. They transact on their computers, tablets and mobile phones via digital wallets, wearable devices, and more.

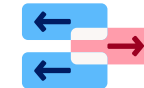
In recent years, we've also seen the rise of omnichannel shopping, where consumers shop both online and in-stores.



Secure

Online payment fraud losses are projected to exceed \$25 billion in the next few years.¹⁰ Consumers are warier than ever about keeping their financial information secure.

Their trust in the security of the payments provider your e-commerce store offers can easily sway their purchasing decision.



Flexible

Consumers today expect to be able to pay how they want, so it is essential that you offer a variety of payment methods, from digital wallets to PayPal.

22% of global online consumers abandon their cart when their preferred payment method is unavailable.¹¹ Making sure you offer their preferred options can significantly improve your conversion rates and sales.

9. Ecommerce News, '94% of European checkouts have multiple errors, 27 August 2021. Consultancy firm Edgar, Dunn & Company analyzed the 800 biggest ecommerce websites in the United Kingdom, Germany, France, Spain, Sweden, Italy, Poland and the Netherlands. It also analyzed the checkout pages of the 200 biggest subscription services and surveyed 800 consumers across Europe.

10. Juniper Research, 'Fighting online payment fraud in 2022 and beyond', the report covers 60 countries.

11. PayPal commissioned Ipsos PayPal Cross-border Insights 2022. n=14,000, 14 markets. Online survey of adults (aged 18+ who have purchased online in the past 3 months) between December 2021-January 2022.

PayPal: Delivering the Best Checkout Experience



PayPal is a world leader in the payments space and trusted by consumers worldwide.



Offering and presenting PayPal throughout your site can make a significant difference in consumer experience and satisfaction, and ultimately, your profit margins.

PayPal offers your business:

- Access to 432M PayPal active accounts in over 200 markets. Integrated checkout solutions that can be tailored to suit your needs, and prioritise security, ease, and flexibility.
- AI-enabled fraud prevention technology that runs 24/7 to monitor your transactions and minimise your exposure to risk.

3.8x

Consumers are 3.8x more likely to convert when PayPal is visible.¹²

8%

Merchants who display PayPal across their product and checkout pages can see an 8% increase in repeat purchases and higher average order values.¹²

29%

of online customers state PayPal is their preferred payment method for cross-border purchases.¹³

12%

PayPal users spend 12% more.¹⁴

12. Nielsen, Commissioned by PayPal, a study to understand and measure the impact that PayPal has for UK-based LE merchants across different verticals (e.g., health & beauty, travel, fashion) by Nielsen Media Behavioural Panel of UK 95,161 desktop purchase transactions between October 2019 to September 2020.
13. PayPal commissioned Ipsos PayPal Cross-border Insights 2022. n=14,000, 14 markets. Online survey of adults (aged 18+ who have purchased online in the past 3 months) between December 2021–January 2022.
14. Nielsen, Commissioned by PayPal, May 2021. Nielsen Behavioral Panel of desktop transactions, Nielsen Attitudinal survey, Forrester (online buyers), PayPal data (active users) from 2,100 LE merchants in seven markets (US, UK DE, FR, IT, ES and AU) with ~1 Million purchases from +200K consumers.

Customers



432M

Active accounts



100+

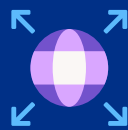
Different currencies



4.4B

PayPal transactions

Merchants



23M

Active merchants
worldwide



87.7%

Higher conversion
for sites with
PayPal Checkout



200+

Global markets



Introducing the PayPal Checkout Button

The PayPal Checkout button is the fast, mobile first solution that ticks all the boxes for the payment experiences consumers demand today.

It delivers a fast, easy, and safe payment process, all with the click of one button, and empowers consumers to pay exactly how they want, in their chosen currency, and shop with a peace of mind.

How does the PayPal Checkout button work?

The PayPal Checkout button makes online payments easy. It's a simple add-on to your checkout page that lets consumers pay quickly. You can use it as a standalone function, or as part of PayPal's all-in-one payment solution for your enterprise.

The PayPal Checkout button also lets your customer complete their purchase from multiple points along the consumer's journey, and not just at the final checkout page. Checkouts are easy, as PayPal stores the consumer's preferred delivery details and address, minimising friction at the end of the sales funnel.

1

A consumer visits your website and selects their items.

2

They log in to their PayPal account.

3

They confirm the purchase, and they're done!

Using PayPal Checkout can help save nearly a full minute from the checkout process, making it 43% faster.¹⁵

15. PYMNTS, '2022 Buy Button: Accelerating Checkout Optimisation', 2022. PYMNTS researched the checkout processes and buy button offerings of leading U.S. eCommerce sites for the original Buy Button Index in 2016. Subsequent reports compiled using information collected from this original, in addition to new data acquired in July 2022 coming from shopping simulations on 808 leading retailers and 210 merchants with BNPL options.



Adding the PayPal Checkout Button to Your e-Commerce Platform

Simply get an integration guide from your shopping cart or merchant gateway provider's website and follow the easy steps to add the PayPal Checkout button to your site's cart and product pages.



It's easy to activate, with no extensive coding needed.



70% of consumers think PayPal is more convenient than other payment methods.¹⁶

16. An online study commissioned by PayPal and conducted by Netfluent in November 2020, involving 1,000 US online shoppers ages 18-39. (Among PayPal users, n=682).



The Benefits of PayPal and the PayPal Checkout Button for You and Your Customers

Making the PayPal Checkout button an option for consumers can encourage them to stay on your site, browse and buy.



Simplified checkout.

Presenting PayPal messaging and PayPal Checkout throughout the buyer journey makes purchasing quick and easy for your consumers, speeding up transactions and reducing cart abandonment.

Meanwhile, in-context payment keeps customers on your site, allowing them to review transaction details and pay with confidence.



Improved trust and security.

When it comes to digital payments, PayPal is the brand to keep financial information secure.¹⁷

Offering PayPal Checkout encourages conversions as consumers may feel more secure with Buyer Protection. PayPal also helps guard your business against fraud with robust security and risk management systems.



Reduced cart abandonment and increased conversions.

Almost 70% of shoppers have abandoned a purchase if PayPal was not available.¹⁸

European consumers are also shifting heavily to discounters, as they are more inclined to search for better deals when they shop.¹⁹

Honey users can easily enjoy discounts you offer, with codes automatically applied when they check out with PayPal.



Higher re-engagement rates.

PayPal delivers 17% more repeat buyers.²⁰

PayPal messaging can be integrated into abandonment emails to drive cart return, or marketing emails to remind consumers they can shop with you using their payment method of choice.

17. TRC online survey commissioned by PayPal in April 2021 involving 5,000 consumers ages 18+ across US, UK, DE, FR, AU (among Millennial & Gen Z BNPL users (ages 18-40), US (n=214), UK (n=258), DE (n=262), AU (n=369), FR (n=157).

18. An online study commissioned by PayPal and conducted by TRC in October 2021, involving 1,000 ES consumers ages 18+ (among PayPal Customers, n=695).

19. Source: McKinsey & Company Europe Consumer Pulse Survey, 06/08-06/12/2022, n = 5,076 (France, Germany, Italy, Spain, UK), sampled to match European general population 18+ years.

20. Nielsen, Commissioned by PayPal, May 2021. Nielsen Behavioral Panel of desktop transactions, Nielsen Attitudinal survey, Forrester (online buyers), PayPal data (active users) from 2,100 LE merchants in seven markets (US, UK, DE, FR, IT, ES and AU) with ~1 million purchases from +200K consumers.

How To Improve Your Payment Presentment Strategy

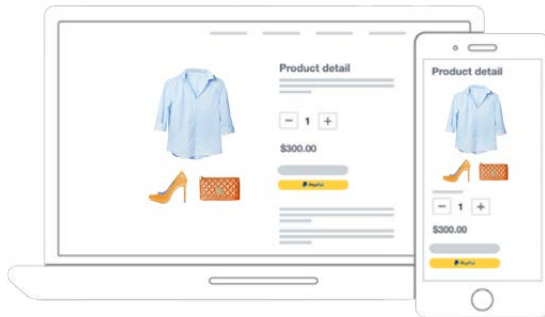
Given the low rate of e-commerce conversion globally, most consumers do not usually see your checkout flow.

To address this, you need to develop a strong payment presentment strategy that helps drive conversions.

SportShoes.com saw **28%** year on year growth with PayPal.²¹

82% of Bolt customers who initially checked out with PayPal continue using PayPal on return visits.²²

57% of CrowdFarming's total net new customers choose PayPal.²³



Showcasing that you offer PayPal upstream, and not just on the checkout page, can help to significantly improve sales and revenue.

Our merchants have discovered this for themselves after adding the PayPal Checkout button to their sites.

21. SportShoes.com case study produced by PayPal, 2020.

22. Bolt case study produced by PayPal, 2022.

23. CrowdFarming case study produced by PayPal, 2022.



Where To Include PayPal Messaging



On your homepage.

Present PayPal messaging on the homepage so consumers know, upfront, that they can pay with their preferred method.



On product details and cart pages.

When PayPal is presented as a clear option on product details and cart pages, 1 in 2 customers spend more at checkout, leading to a 23% increase in incremental sales on both desktop and mobile.²⁴



On mobile and app pages.

Mobile payment usage is broadly increasing across Europe and will exceed €265B total sales in 2024.²⁵ Leverage the growth of this new preferred way to pay by making it obvious to consumers that they can swiftly check out with PayPal on your mobile, tablet, and app e-commerce pages.



On abandonment emails.

Displaying the option to pay with PayPal can incentivise consumers to return to your site and complete their purchase.



Use it within your business advertising.

Include PayPal messaging in your brand advertisements, especially when targeting new consumers. Consumers are 54% more willing to buy when a business accepts PayPal, especially in unfamiliar situations.²⁶

24. Forrester Total Economic Impact study, Q1 2018.

25. Forrester, '2021 Smartphone And Tablet Online Retail Forecast, Europe.

26. IPSOS. 2018 Online Payment Experiences Study. The IPSOS study was commissioned by PayPal and conducted in July 2018. Study of 10,500 people, including 6,930 PayPal users, across the US, UK, Germany, Australia, Italy, Spain and Brazil (1,500 people per market).



Summary

Say hello to your new payments partner.

Questions?

Our sales and support experts are here to help.

Contact Us

About PayPal.

PayPal has remained at the forefront of the digital payment revolution for more than 20 years. By leveraging technology to make financial services and commerce more convenient, affordable, and secure, the PayPal platform is empowering more than 432 million customers and merchants in more than 200 markets to join and thrive in the global economy.

The PayPal service is provided by PayPal Australia Pty Limited (ABN 93 111 195 389) which holds Australian Financial Services Licence number 304962. Any information provided is general only and does not take into account your objectives, financial situation or needs. Please read and consider the [Combined Financial Services Guide and Product Disclosure Statement](#) before acquiring or using the service.

PayPal credit services are provided by PayPal Credit Pty Limited (ACN 600 629 258).

Summary.

- Implementing upstream PayPal presentment can help optimise the consumer experience and your e-commerce site overall.
- Presenting the PayPal Checkout button on your homepage, product pages, order summary pages and cart totals across both your web and mobile store can help boost conversions.
- PayPal customers are more likely to trust businesses that accept PayPal, especially when shopping cross-border.²⁷



²⁷. PayPal commissioned Ipsos PayPal Cross-border Insights 2022. n=14,000, 14 markets. Online survey PayPal commissioned Ipsos PayPal Cross-border Insights 2022. n=14,000, 14 markets. Online survey of adults (aged 18+) who have purchased online in the past 3 months) between December 2021–January 2022