

Stationery

The Works

CASE STUDY



Challenge

Providing friction-free payments to reach customers wherever and however they want to shop

Results

- ♦ 52% of online shoppers choose to pay with PayPal
- ♦ 5% increase in average online spend
- ♦ 1 percentage point increase in sales conversion





Solution

PayPal Checkout and PayPal One Touch™ provide a one-click shopping experience for online customers



The UK's leading discount, multi-channel retailer of toys, books, games, crafts and stationery on the high street





Over 8 years of steady growth, <u>TheWorks.co.uk</u> has quietly colonised the High Street.

And the web, too, as Multi-Channel Director Simon Joseph explains, "The Works sells more books in the UK than WH Smith. Online, during peak season, we take more search traffic for the term 'books' than any other UK retailer."

From fiction to fidget spinners, TheWorks.co.uk has an annual turnover of \pounds 170 million, 10% of which is generated online. It is "the UK's leading discount, multi-channel retailer of toys, books, games, crafts and stationery."

"As online and offline channels have merged, we've seen that they are stronger when they work together," Simon says. "We're a very customerfocused business. We know that some of our customers are on the High Street, some are online with The Works and some are online with other retailers or propositions. As a progressive ecommerce channel, we want to be wherever our customers are." As well as 400 physical shops and its website, The Works has an eBay store and is very active on social media channels like Facebook and Instagram.

Facebook is especially successful for the firm with one post – a competition giving away a single, $\neq 3$ fidget spinner – reaching 300,000 people.

Like many online retailers, TheWorks. co.uk sees mobile traffic growing fastest, but desktop conversion rates being higher.

"We are one of the only multi-channel retailers globally that uses its domain name as its brand-name," Simon explains. "It starts with the name that any customer sees, even before they enter a store: TheWorks.co.uk. That begins the customer conversation very early in their journey, letting them know we are a physical and an online business."





The challenge

The firm is uniquely committed to its multi-channel strategy and this is reflected in the desire to "meet the customer wherever and however they want to shop."

It powers The Works' Click-and-Collect service. "While we were not first to market, I'd argue that we're one of the best," Simon says. "If we don't have a product in-store, we will ship it there within 24 hours."

The commitment also requires a friction-free experience for online shoppers. One of Simon's early decisions was to not develop a mobile app for The Works.

"Apps can be incredible and there are many businesses for which an app is the correct approach, but it is absolutely not the right tool for The Works," he says. "We invested instead in a mobile-responsive website."

Many mobile ecommerce sites suffer from a cumbersome and slow checkout process. To avoid this, Simon turned to PayPal.

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The solution

Already a PayPal merchant, TheWorks.co.uk opted to improve the customer experience by deploying PayPal Checkout and PayPal One Touch™ on its website. PayPal provided engineering support to the firm's in-house developers.

PayPal Checkout simplifies the checkout experience for buyers by allowing them to complete a purchase without manually entering information that can be obtained from PayPal. They simply review the payment information and confirm the purchase. PayPal One Touch[™] enables customers to skip the PayPal log in stage and go direct from the PayPal button on your site to the Confirm button on PayPal, making the checkout process as simple and convenient as possible.

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The results

"Effectively, we invested in bringing the payment functionality forward by one page," Simon explains.

"It sounds like a very small change, but it was actually fundamental for our customers. They clearly vote with their feet and have chosen to use PayPal more than any other payment method."

PayPal's share of checkout increased from 45% to 52% following the change, but how did this affect business results for The Works?

"Online conversion rates have improved by one percentage point since PayPal Checkout and PayPal One Touch™ went live," says Simon, "and average spend online has increased by 5%."

"We definitely see conversion rates on mobile improving," he continues, "and PayPal plays a big part in that. PayPal really leads from the front with their investment in mobile. And, it's because of that we're willing to put PayPal so far forward in our checkout journey."







TheWorks.co.uk has big plans, as Simon explains: "We have very ambitious growth targets for online. This year we'll be starting an international trial in Europe. We've also recently moved into a new, headquarters and distribution centre. Where previously, the website was choked by only being able to offer 6,000 SKUs, we've now developed a 'pick tower' which enables us to hold 28,000 SKUs."

The firm has also recently appointed a new Chairman in Dean Hoyle, the renowned retailer, founder of Card Factory and owner of Huddersfield Town FC.

"PayPal greases the wheels for us," Simon summarises. "A seamless, oneclick checkout is the Holy Grail for online retailers, especially those, like us, with small transaction values. Our customers have embraced it. PayPal keeps the customers coming, it keeps them flowing through the checkout quickly and it protects them and us from being the victims of cyber-fraud."

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