Online Payment Type: Conversion Analysis

comScore Study of Large Merchant Checkout

April 2018
Agenda

- Overview & Methodology
- PayPal Conversion Rate
- Comparison to Other Payment Types
Overview & Methodology

• **Conversion**: This study compares online conversion rates for PayPal and other payment methods based on the checkout options available for 20 merchants across industries. **Conversion** is measured starting when a user clicks on a payment type to when they complete the transaction/purchase within the same browsing session.

• **comScore Panel and LE Merchants**: The data is derived from comScore’s behaviorally-tracked PC panel, which in this study measured e-commerce purchases at 20 large enterprise domains in the US. comScore’s consumer panel consists of 1 million online shoppers. Data was pulled from Q4 2017.

• **PayPal**: Any panelist making an online purchase using PayPal Mark, PayPal One Touch, or PayPal Express Checkout were included in the study.

• **Other Payments**: “Other Digital Wallet” payment types include express checkout methods such as Visa Checkout, MasterPass, AmEx Express Checkout, Chase Pay and Apple Pay, when available. We also included other payment types including Visa, MasterCard, American Express, Discover, Cash/Check, Private Label Store Card as well as any other payment methods that were available.
Overview & Methodology

Express Checkout Start Page

Mark Checkout Start Page
PayPal helps improve merchants’ checkout conversion

Analysis shows an 88.7% conversion rate with PayPal, on average

Results were strong across each of PayPal’s experiences (One Touch, Express Checkout, and Mark)

PayPal Conversion

88.7%

Checkout conversion is measured from the point when consumer selects a payment type to completion of purchase within the same browsing session.

Source: comScore online panel, Q4 2017. Analyzed shopping behavior at 20 large merchant sites across categories, utilizing its 1 million US consumer panel.
PayPal helps improve merchants’ checkout conversion

Analysis shows PayPal conversion performed, on average, 60% higher than ‘other digital wallets’ and 82% higher than ‘all payment types combined’.

Checkout Conversion by Payment Type:

- **PayPal Conversion**: 88.7%
- **Other Digital Wallets Conversion**: 55.3%
- **Overall Conversion (All Payment Types)**: 48.7%

Checkout conversion is measured from the point when consumer selects a payment type to completion of purchase within the same browsing session.

Source: comScore online panel, Q4 2017. Analyzed shopping behavior at 20 large merchant sites across categories, utilizing its 1 million US consumer panel.
Overall conversion rate is higher at sites accepting PayPal Express Checkout

The analysis showed **47%** higher conversion on sites who accepted **PayPal Express Checkout** vs. those who did not.

<table>
<thead>
<tr>
<th>Sites Accepting</th>
<th>61.0%</th>
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<tbody>
<tr>
<td>PayPal Express Checkout</td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th>Sites not Accepting</th>
<th>41.3%</th>
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</thead>
<tbody>
<tr>
<td>PayPal Express Checkout</td>
<td></td>
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</tbody>
</table>

(Overall site conversion across all payment types)

Checkout conversion is measured from the point when consumer selects a payment type to completion of purchase within the same browsing session.

Source: comScore online panel, Q4 2017. Analyzed shopping behavior at 20 large merchant sites across categories, utilizing its 1 million US consumer panel.