



Case Study

PayPal's Store Cash delivers over 1,000% Return on Ad Spend

For the past 90 years, Mattress Firm and their family of companies have been delivering better sleep by matching consumers with their perfect mattress at the perfect price. The company has grown into America's largest specialty mattress store, with more than 2,400 neighborhood stores in 49 states.

When we spoke with Mattress Firm's VP of Product Management, Sumo Das, he explained that their mission statement is to help every individual get a better night's

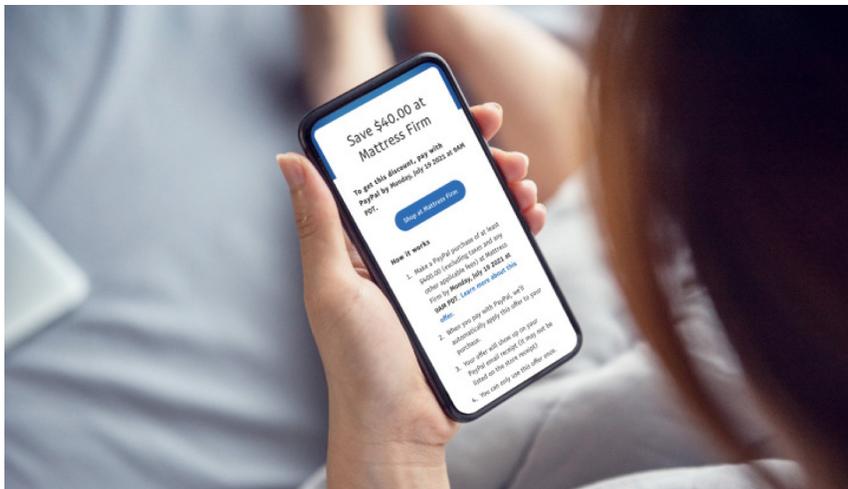
sleep to feel rested and revitalized. Sumo is passionate about Mattress Firm, and his background in e-commerce and expertise in payments give him in-depth knowledge of what is needed to excel in a competitive market.

"Having a trusted partner like PayPal, the industry leader in the space, to facilitate a very time sensitive and significant purchase for consumers, shows them that Mattress Firm has a best in class partner," Sumo said.

Bridging the “digital last mile” with PayPal’s Store Cash

The premise of PayPal’s Store Cash is simple. If a consumer is shopping and abandons their cart, they remain unknown to the merchant; however, if they have an account with PayPal, PayPal sends a targeted email incentive to engage and reactivate them. **Sumo is a veteran of PayPal’s Store Cash product, and eloquently described Store Cash as “helping consumers to bridge the digital last mile.”**

“PayPal’s reach is Store Cash’s biggest strength! Only a player such as PayPal can provide and maintain consistent messaging and remind the shopper at a critical point in the checkout journey with an exclusive and targeted offer.” Sumo continued, “When you combine this offer with the scale of PayPal’s reach, that is the secret sauce to Store Cash. **The fact that it is a PayPal email, highlighting our brand and tying it to a specific product on the backend is incredibly unique.**”

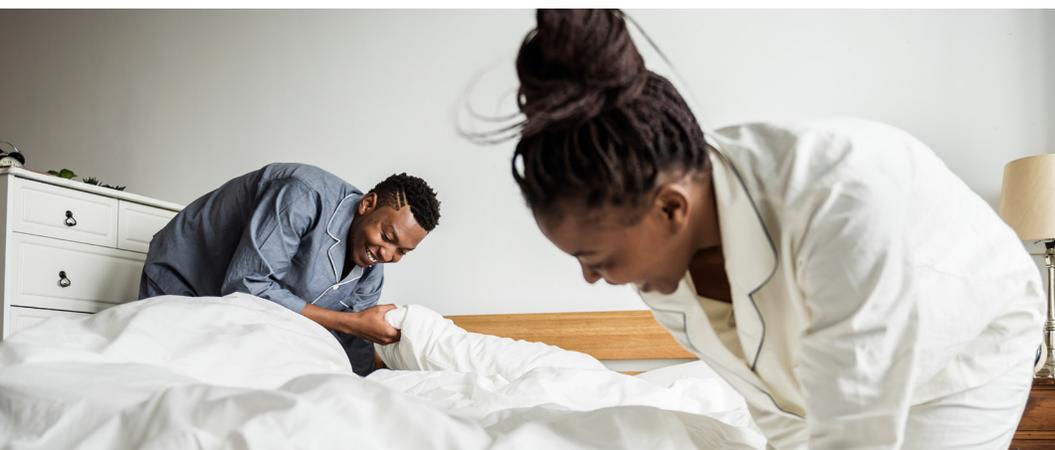


The PayPal Store Cash campaign resulted in over 1,000% Return on Ad Spend (ROAS), and a dramatic increase to their Average Order Value.* **Additionally, Mattress Firm saw up to a 60% increase in incremental revenue on cart abandonment. Sumo said, “In my career, 60% is one of the strongest wins I have ever seen.”**



“Tying a personalized email on the back end to select products and behavior all while Mattress Firm records an incremental transaction is key. Many marketing organizations make a living out of doing just one of those three. However, PayPal excels at all three and is the best at it.”

Sumo Das
VP, Product Management,
Mattress Firm



Measuring the impact

1,012%

Return on Ad Spend
(ROAS).*

84%

Increase in
incrementality.*

97.8%

Increase in net
revenue per user.*

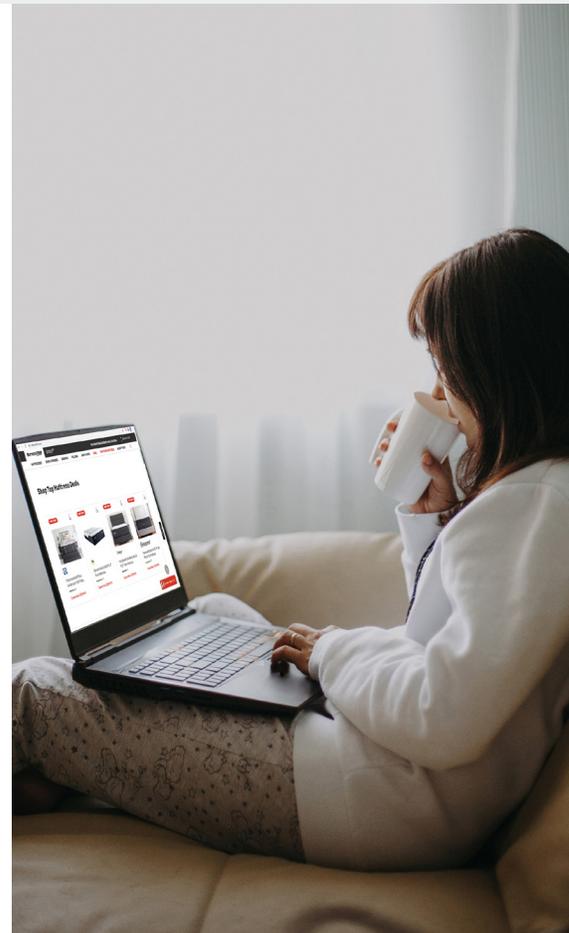
*Data source from PayPal, March 1, 2021 - March 27, 2022. These results may not be typical and may vary substantially by business. This content is provided for informational purposes only. You should always obtain independent business, tax, financial, and legal advice before making any business decision.

What's next

When the pandemic hit, Mattress Firm, like many retailers, faced step function changes as brick-and-mortar stores were forced to shut down. Mattress Firm used this as an opportunity to innovate its ecommerce experience – with the support of PayPal. “What was eye opening for us is that as our stores started opening, we saw in-store customers return in high numbers and saw an increase in store performance,” Sumo explained. “We are now looking at our stores as a delivery node and have created more targeted messaging on our site, relating to buying online and picking up in-store.”

Additionally, Mattress Firm is planning to expand their PayPal footprint in the upcoming fiscal year by exploring PayPal's processing platform, powered by Braintree, Pay in 4, Venmo, and Honey.** They are keenly focused on investing in the quality of their consumer's shopping experience, and Sumo is confident PayPal's products will continue to produce positive results in the long term.

“In my experience, PayPal has been the best partner. Not just on the payments side, but really in enabling merchants to deepen their relationship with their consumers at the lifetime level,” said Sumo. **“Hitting the immediate cost per acquisition targets, driving value for merchants, and driving value and a sense of security for shoppers. At the end of the day, these are the things that matter.”**



**About Pay in 4: Loans to California residents are made or arranged pursuant to a California Financing Law License. PayPal, Inc. is a Georgia Installment Lender Licensee, NMLS # 910457. Rhode Island Small Loan Lender Licensee.





“Personalized messaging from PayPal and the timing of messages is key. Every other brand falls short. No one can connect the shopping behavior with the specific product. So that is why the Store Cash campaign has such extraordinary numbers.”

Sumo Das

VP, Product Management, Mattress Firm

