



OMAHA STEAKS®



## Case Study

# How PayPal Pay in 4 helps Omaha Steaks acquire new customers

Omaha Steaks, America's Original Butcher, is a family-owned company proudly serving customers since 1917. One of the first national brands to pioneer home food delivery, Omaha Steaks has been safely delivering food to Americans since the 1950s. Their mission is to deliver exceptional experiences that bring people together.

Omaha Steaks ships more than 4 million coolers per year to their 3 million loyal customers. And, these coolers contain more than their high quality, naturally aged beef.

They also curate a complete line of poultry, pork, seafood, and more, focused on providing family meals, special occasions and gourmet food gifts. All with a 100% satisfaction guarantee.

PayPal spoke with Mike Cortinas, Search and Digital Manager of Omaha Steaks, who has been with the organization for 23 years. Mike is passionate about the company, their products, and their work with PayPal.

# A/B testing shows increase in conversion and Average Order Value with Pay in 4

Omaha Steaks wanted to offer their customers flexible payment options and looked to PayPal's Pay in 4<sup>1</sup> as a solution. **As a preliminary step in the process, they decided to A/B test to ensure the results were net positive.**

Omaha Steaks displayed dynamic messaging about Pay in 4 to 65% of their customers, across both product pages and in the shopping cart. In a matter of months, they saw an increase in both conversion and Average Order Value (AOV).<sup>2</sup> As a result, they decided to roll out Pay in 4 to 100% of their customers in March of 2021.

"Our number one goal is attracting new customers across all demographics. **The fact that Pay in 4 is helping to drive a younger demographic is impressive because it demonstrates that we are appealing to as many people as possible,**" said Mike.

Regarding exploration of other payment options, Mike commented, "**We did not look at anyone else because PayPal has always been a great partner for us.** Omaha Steaks is continuously exploring ways to grow our business and by having Pay in 4 as an option for our customers, it allows for additional growth."

## The value of PayPal's marketing and reach

Between the marketing and Pay in 4 dynamic messaging, the net results have been positive in attracting a younger demographic shopping on mobile. The flexibility of Pay in 4 has proven to appeal to Digital Natives<sup>3</sup> at a **2.1x higher rate than standard PayPal transactions.**<sup>4</sup>

When we asked Mike which Pay in 4 metrics stood out to him, he answered, "It was the combination of the conversion and the revenue per visit. It was reassuring to see both increasing as we tested."

"Knowing that Pay in 4 is available provides flexibility for our customers. Omaha Steaks has such great products and they all come with a 100% satisfaction guarantee. **The more options we give our customers and the more exposure we can give our brand is a win-win.**"

# 2.1x

**Higher rate** of Pay in 4 use by Digital Natives compared to standard PayPal transactions.<sup>4</sup>

# 35%

**Increase** in mobile use of Pay in 4 shoppers vs standard PayPal shoppers.<sup>4</sup>

# 10.4%

**AOV increase** with Pay in 4 dynamic messaging.<sup>5</sup>

<sup>1</sup>About Pay in 4: Loans to California residents are made or arranged pursuant to a California Finance Lenders Law license. PayPal, Inc. is a Georgia Installment Lender Licensee, NMLS #910457.

<sup>2</sup>Results are based on data from Omaha Steaks A/B test (2.5.21- 3.3.21)

<sup>3</sup>Digital Natives are defined as ages 18-30.

<sup>4</sup>Results are based on internal PayPal data from April 2021 - June 2021. Results may not be typical and may vary substantially by business.

<sup>5</sup>Results are based on internal PayPal data comparing Q4 2020 (no dynamic messaging) versus Q2 2021 (with dynamic messaging). Results may not be typical and may vary substantially by business.







***“The relationship we have with PayPal and the fact that PayPal has such a broad audience and marketing options equates to more exposure for Omaha Steaks. That translates into brand elevation and converting new customers.”***

**Mike Cortinas**

Search and Digital Manager, Omaha Steaks

