

# Supercharge conversion in 2026

The three levers to  
turn your checkout  
into a growth engine

PayPal Open

# The checkout wake-up call

**When checkout feels slow or payment options feel restrictive, customers can walk away.**

One message was clear in 2025: checkout friction costs businesses revenue. 70% of shoppers abandoned their carts in 2025<sup>1</sup>, underscoring just how often purchase journeys break down before the final step.

One key contributor to checkout friction is payment choice. A lack of preferred payment options continues to be a significant reason shoppers abandon their purchase. Younger shoppers gravitate toward familiar, wallet-first experiences. For many, PayPal is already part of their daily routine, used to split bills, send money to friends, and manage personal finances. That familiarity doesn't stop at checkout: when shoppers recognise PayPal as a payment option, they're more likely to complete their purchase with confidence.

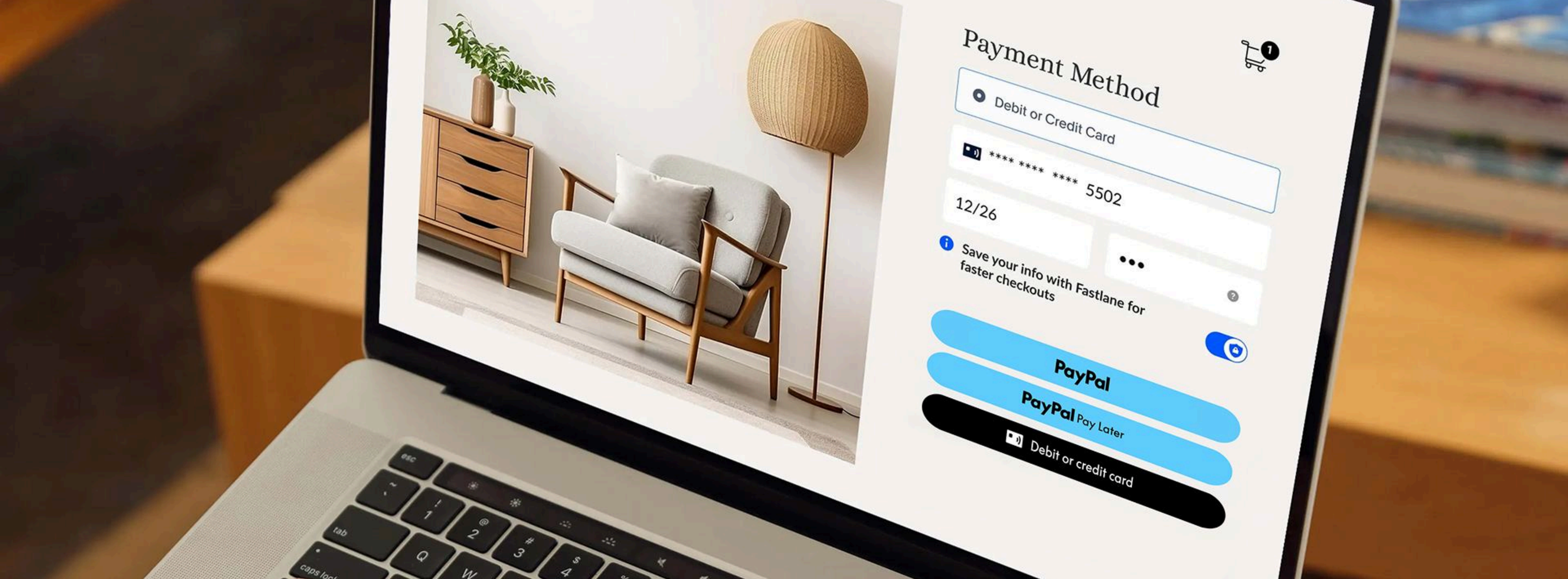
As costs go up, many consumers also appear more mindful of pricing. They're likely to be more intentional about what they buy, and may actively seek out merchants with Buy Now, Pay Later (BNPL) options to help manage their budgets, particularly on big-ticket items.

## Reduce friction. Help drive growth.

As consumers expect a seamless checkout experience, growth in 2026 can be found in efficiency. Checkout has become one of the most effective and controllable levers merchants have to protect revenue. It's the moment in the customer journey with the power to directly influence conversion, loyalty, and long-term profitability.

In short, every visit counts. And the checkout experience can determine whether that value is captured or lost.

**70%**  
abandoned carts in 2025<sup>1</sup>



# Rethinking the checkout experience

By 2030, the agentic commerce market is expected to grow to \$1.7 trillion, raising customer expectations along with it.<sup>1</sup> AI agents allow product discovery and education to happen in seconds. As shopping becomes more assisted and automated, customers are looking for checkouts that are fast, familiar, and intuitive. They want to see their preferred payment options early, including pay-over-time options for larger purchases. Checkout should feel effortless.

## When checkout gets complicated

In the push to offer every possible payment option, many checkout pages present an onslaught of logos and buttons that compete for attention. Instead of reassuring shoppers, this overload can introduce decision fatigue, slow down checkout, and potentially impact conversion.

Generic payment stacks treat every shopper the same. Preferred payments aren't prioritised, and flexible pay-over-time options are often buried or surfaced too late to influence the purchase decision. As a result, shoppers may feel less motivated to complete their purchase and are more likely to spend less.

Shoppers want choice and ease at checkout. Delivering that doesn't have to mean added complexity for merchants. It's possible to meet shopper expectations while keeping checkout simple to manage, optimise, and scale.

# The three levers to help supercharge revenue

**Conversion. Average order value. Trust.**

**Together, they turn checkout into a powerful growth engine.**

# 1

## Reducing friction at the moment that matters most helps drive **conversion**

At checkout, even small points of friction can derail a purchase. Fewer steps, familiar payment options, and fast flows help shoppers complete with confidence. When checkout feels intuitive, it helps turn more browsers into buyers.

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# 2

## Offering flexible ways to pay can help increase **average order value**

When instalment payment options are visible on the product page and across your website, customers are more likely to increase their basket size. Shown at the right moment, flexible payments can help influence purchase decisions earlier in the journey, not just at checkout.

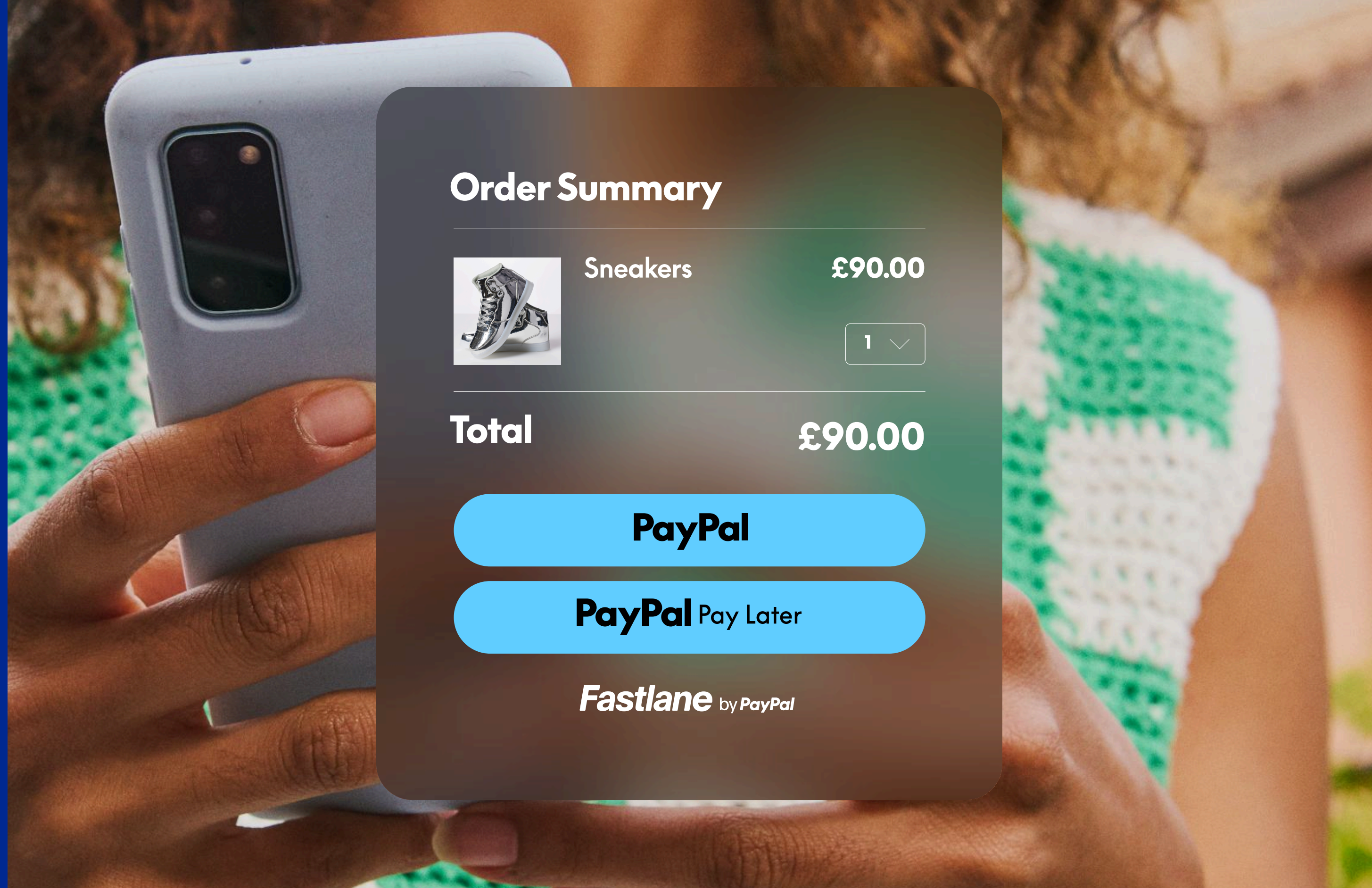
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# 3

## Brand recognition helps build **trust** and can reduce hesitation at checkout

Familiar payment brands can serve as confidence signals for shoppers. Trust helps reduce friction during checkout, reassuring shoppers that their transaction is handled by a name they know and trust.

# The ultimate checkout stack



## PayPal Checkout

### A trusted brand anchor

Shoppers trust brands they recognise at checkout. PayPal provides a familiar payment experience. With PayPal+, UK shoppers earn points every time they pay, giving them a reason to come back.

# 72%

of shoppers in 2023 were more likely to buy when PayPal was offered<sup>1</sup>

## Pay Later<sup>2</sup>

### The affordability engine

Flexible instalments help shoppers manage spend, making larger purchases more achievable and increasing AOV.

# 91%

higher AOV with Pay Later, compared to standard PayPal orders<sup>3</sup>

## Card Processing

### The authorisation rate optimiser

PayPal's intelligent processing network maximises every card transaction, reducing false declines and turning more attempts into approved sales.

# +5.3pp

average increase in card authorisation rates in 2024<sup>4</sup>

## Fastlane by PayPal

### The guest checkout accelerator

Fastlane helps reduce friction by recognising returning shoppers and autofilling their details, reducing drop-off.

# 22%

higher average conversion for Fastlane guest checkout compared to non-Fastlane shoppers<sup>5</sup>

<sup>1</sup>Nielsen Survey, Commissioned by PayPal, Nielsen Media Attitudinal Survey of USA (Feb 2023) with 3,999 recent purchasers (past 2 weeks) from large enterprise merchants, including 1,999 PayPal transactions and 2,000 non-PayPal transactions. BaseN. PayPal users = 3,350.

<sup>2</sup>PayPal Pay Later eligibility and availability is subject to merchant status, sector and integration and maybe subject to applicable regulatory requirements related to the facilitation of credit products. Consumer eligibility is subject to status and approval. Product features differ by market.

<sup>3</sup>As compared to standard PayPal AOV for Large Enterprise merchants. Internal data analysis of large enterprise merchants with Pay Later transactions from January – December 2024. Data inclusive of Pay Later transactions across 7 markets (US, UK, AU, DE, ES, IT, FR).

<sup>4</sup>Comparative analysis showing average auth rates of major global payments network and PayPal internal data, from online transactions over a 12-month period between Oct 2022 – Sept 2023. Among LEs. Excludes transactions from Amazon and Meta. Delta (arithmetic difference) between PPCP (card processing) and market authorization rates based on number of transactions.

<sup>5</sup>Based on PayPal internal data from June 1, 2025 to July 31, 2025. (UK Pilot Merchants). Comparing Fastlane accelerated shoppers vs. non accelerated shoppers for merchants that have integrated Fastlane.

# Built for enterprise scale

PayPal connects millions of consumers and merchants around the world, helping payments move fast, with reliability and trust.

## 25.3B

payment transactions processed in 2025<sup>1</sup>

## \$1.79T

total payment volume in 2025<sup>1</sup>

## 200+

markets

## 130+

presentment currencies

## Buyer and Seller Protection<sup>2</sup>

Protection on both sides of the transaction help on eligible transactions, without slowing checkout.

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## Fraud Protection\*

Machine-learning fraud tools help identify risk early, protect transactions, and reduce false declines at scale.

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## Chargebacks and disputes

Automated dispute management<sup>3</sup> and Chargeback Protection<sup>4</sup> on eligible transactions help reduce operational drag and protect revenue as volume grows.

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## APIs and integrations

Built to integrate once and scale continuously. Flexible APIs and SDKs make it easy to add payment methods, markets, and capabilities as your business evolves.

\*Terms and exclusions apply to the Fraud Protection tool. Fraud Protection is available for accounts enrolled in Advanced Credit and Debit Card Payments. See terms.

<sup>1</sup>PayPal Earnings-FY 2024, based on PayPal internal data.







<sup>2</sup>Available on eligible purchases. Limitations apply. See terms for details. See terms for details.

<sup>3</sup>Success of chargeback responses through Dispute Automation is not guaranteed. Issuers may apply additional fees for contested chargebacks that are not resolved in a merchant's favour.

<sup>4</sup>Terms, exclusions and fees apply to the Chargeback Protection tool. Chargeback Protection is available for accounts enrolled in Advanced Credit and Debit Card Payments. See terms.

# Power your checkout performance

Here's how to turn checkout strategy into measurable performance with PayPal.

-  **Review checkout performance end to end**  
Identify friction across devices, markets, and audiences.
-  **Enable the full PayPal checkout experience**  
Bring PayPal Checkout, Pay Later messaging, and Fastlane together in one flow.
-  **Design and test payment option presentment**  
Optimise how options appear across web, mobile, and app.
-  **Measure impact against core metrics**  
Track conversion, average order value, and completion rates.
-  **Apply what works at scale**  
Use proven checkout approaches across priority markets and peak moments.
-  **Help protect – now and next**  
From Buyer and Seller Protection<sup>2</sup> to Fraud Protection and Chargeback Protection<sup>3</sup>, PayPal's risk management tools help reduce the impact of fraud and disputes on eligible transactions. All powered by AI and machine learning.

**Talk to our sales team to optimise your checkout**

**PayPal Open**

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