

# One Experience: Unifying the Shopping Journey



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# The Omni-Channel Opportunity: Bridging Expectations and Execution

## Summary

Delivering consistent payment experiences across all channels is critical for merchant success.

The opportunity is clear: While 90% of merchants recognise omni-channel consistency as a top business objective, significant gaps remain between consumer expectations and merchant delivery. Forward-thinking retailers that prioritise seamless payment integration, security, and loyalty programs across all touchpoints are better positioned to capture greater market share and build lasting customer relationships in an increasingly competitive landscape.

IDC surveyed over 700 merchants\* in January 2025, ranging from small and medium-size businesses (SMBs) to large enterprises across multiple categories, along with 8,000 consumers in the United Kingdom, Ireland, Spain, the Netherlands, France, Sweden, Germany, and Italy, to learn more about consumers' checkout expectations and merchants' strategies to optimise and streamline their checkout process and operations for a seamless experience to match evolving customer needs.

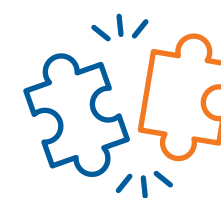
## Key findings from the research:



**Secure payments and loyalty are non-negotiable:** 86% of shoppers demand secure payment processing, and 73% prioritise loyalty programs. Merchants aim to achieve consistency in the customer journey to build trust and drive repeat purchases.



**Friction costs revenue:** Hidden costs (77%) and security concerns (74%) are the top drivers of cart abandonment. Addressing these pain points is key to reducing revenue loss.



**Expectation gaps lead to missed opportunities:** Shoppers expect consistent payment experiences (87%) and loyalty perks (73%), but merchants under-prioritise these (66% and 57%, respectively). Closing these gaps represents a key opportunity for merchants, as it may enable them to deliver a better customer experience, thus increasing conversion and loyalty.



**Innovation drives retention:** Forward-looking merchants are adopting checkout tools, including tap-to-pay (76%) and cross-channel rewards (74%), leveraging trusted digital checkout platforms, which are favoured as a secure payment option by 86% of shoppers. Merchants that use such tools are better able to align with shoppers' expectations, turning one-time buyers into loyal advocates.



**Strategic integration drives results:** By adopting a unified payment infrastructure, contactless solutions, cross-channel loyalty programs, and customer data integration, merchants can create seamless and future-ready experiences.

\*The survey included responses from companies categorised by size, as follows: SMBs (n = 247), midmarket companies (n = 246), and large enterprises (n = 247). The total number of respondents was 740. Respondents were asked to select all applicable product/service categories they offer. The distribution across these categories is as follows: food and other groceries (n = 96); health, beauty, and wellbeing (n = 83); DIY and garden supplies (n = 47); general merchandise (n = 60); fashion, apparel, and footwear (n = 209); home and furnishing (n = 132); consumer electronics and appliances (n = 52); motor vehicles (n = 21); travel, transportation, and cultural services (n = 66); digital goods, subscriptions, and memberships (n = 49); and other retail categories (n = 163).

# Seamless Shopping Journeys for Lasting Loyalty

Today's consumers expect seamless shopping experiences, regardless of channel. With shoppers prioritising secure payment processing and placing value on loyalty programs, merchants are looking to better enable consistent omni-channel journeys that contribute to building lasting relationships and drive repeat purchases.

## Key factors for shoppers' purchase decisions:



**86%**

secure payment processing



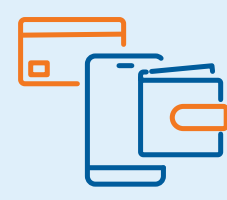
**73%**

loyalty programs



**61%**

user-friendly checkout



**59%**

multiple payment options and preferred payment methods



**53%**

consistent omni-channel experience

## What encourages repeat purchases from a merchant:



**74%**

no-hassle checkout



**68%**

smooth web/app experience



**59%**

support for preferred payment options

**90%** Merchants considering the consistency of the customer journey and enhanced customer experience as a **top business objective**.

## Merchants' key goals for achieving consistent omni-channel payments:

1



**Improving customer data quality**

2



**Building operational agility**

3

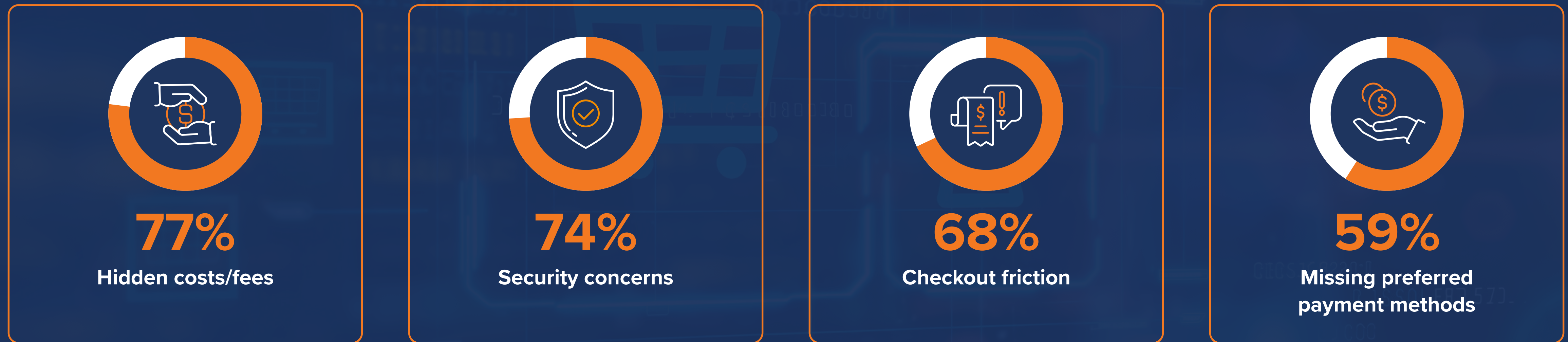


**Enhancing personalisation across journeys**

# Barriers to Successful Omni-Channel Experiences

Merchants face significant hurdles in delivering truly seamless omni-channel experiences. Hidden costs – such as undisclosed shipping, taxes, and processing charges – and security concerns scare shoppers away. Creating consistent experiences across digital and physical touchpoints requires overcoming channel-specific frictions and delivering unified customer support that meets evolving consumer expectations.

## Factors causing shoppers to abandon their baskets:



## Top 3 merchant omni-channel operations challenges:



1

Removing inconsistent payment options across channels



2

Ensuring seamless cross-channel customer support



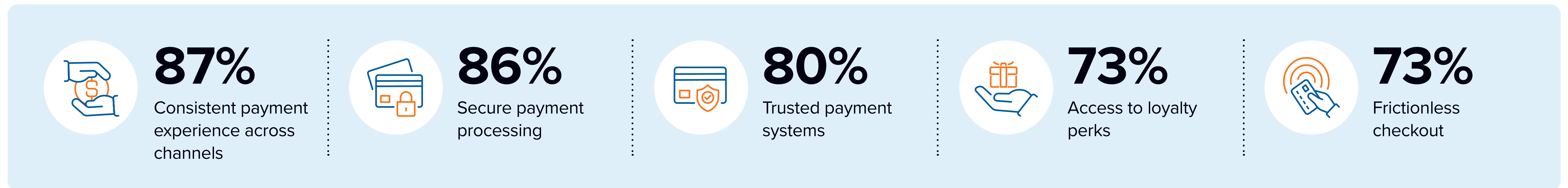
3

Maintaining consistent branding and a consistent user interface

# Closing the Checkout Gap: Trust, Loyalty, and Payment Experience

While merchants recognise the importance of omni-channel consistency, research shows opportunities exist to address consumers' heightened expectations more effectively. Consumers demand a higher level of secure transactions, loyalty rewards, and consistent cross-touchpoint experiences than merchants currently deliver.

## Features consumers expect at the checkout:



## Merchants' priorities in payment offerings:

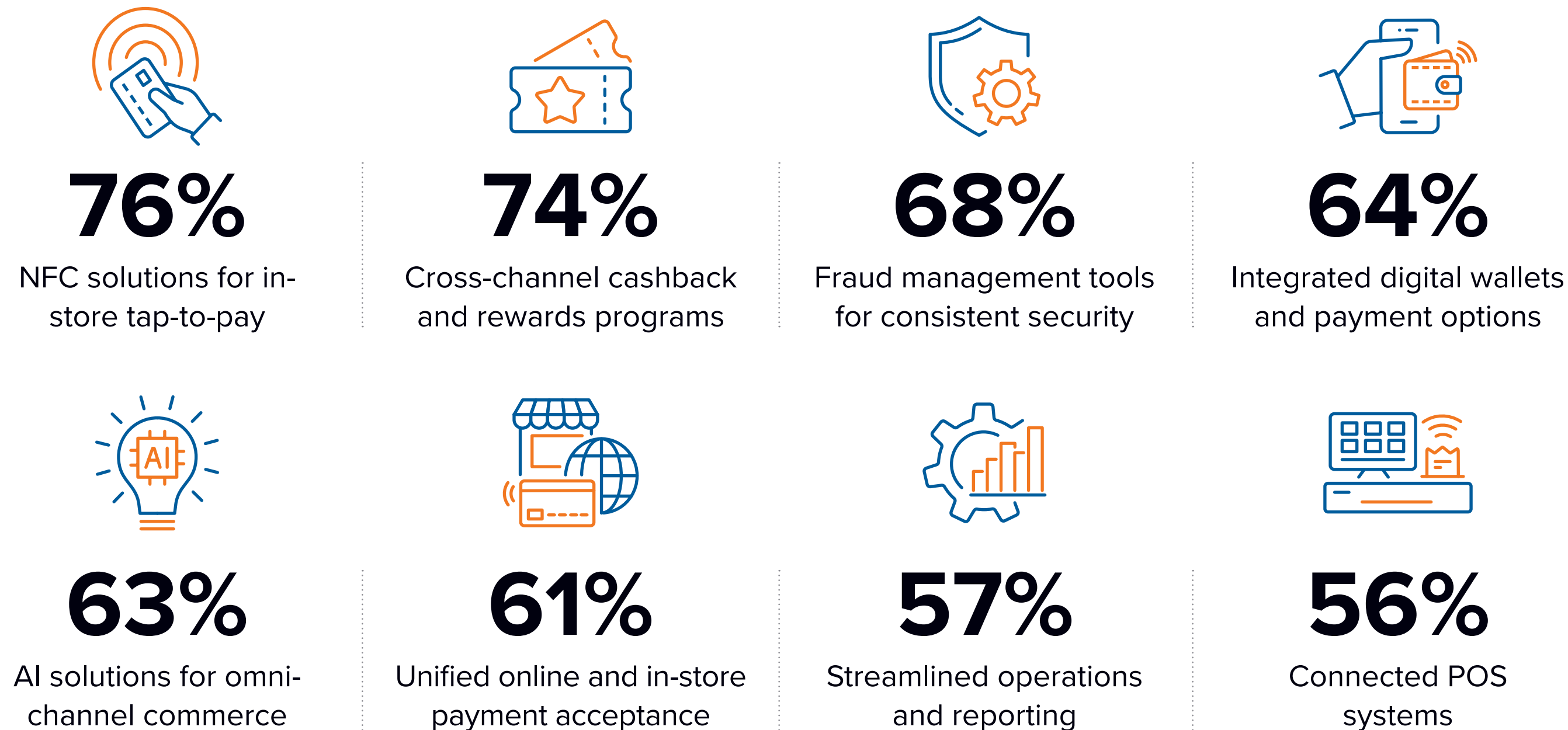


Merchants have an opportunity to do more. They can strengthen their focus on delivering unified experiences and loyalty benefits across all touchpoints to fully meet growing customer expectations.

# Ensuring Payment Experience Consistency with Smarter Payments

Forward-thinking merchants are implementing innovative solutions that bridge the online-offline divide. By adopting tap-to-pay, unified POS systems, and cross-channel rewards, these businesses can better enable more seamless experiences.

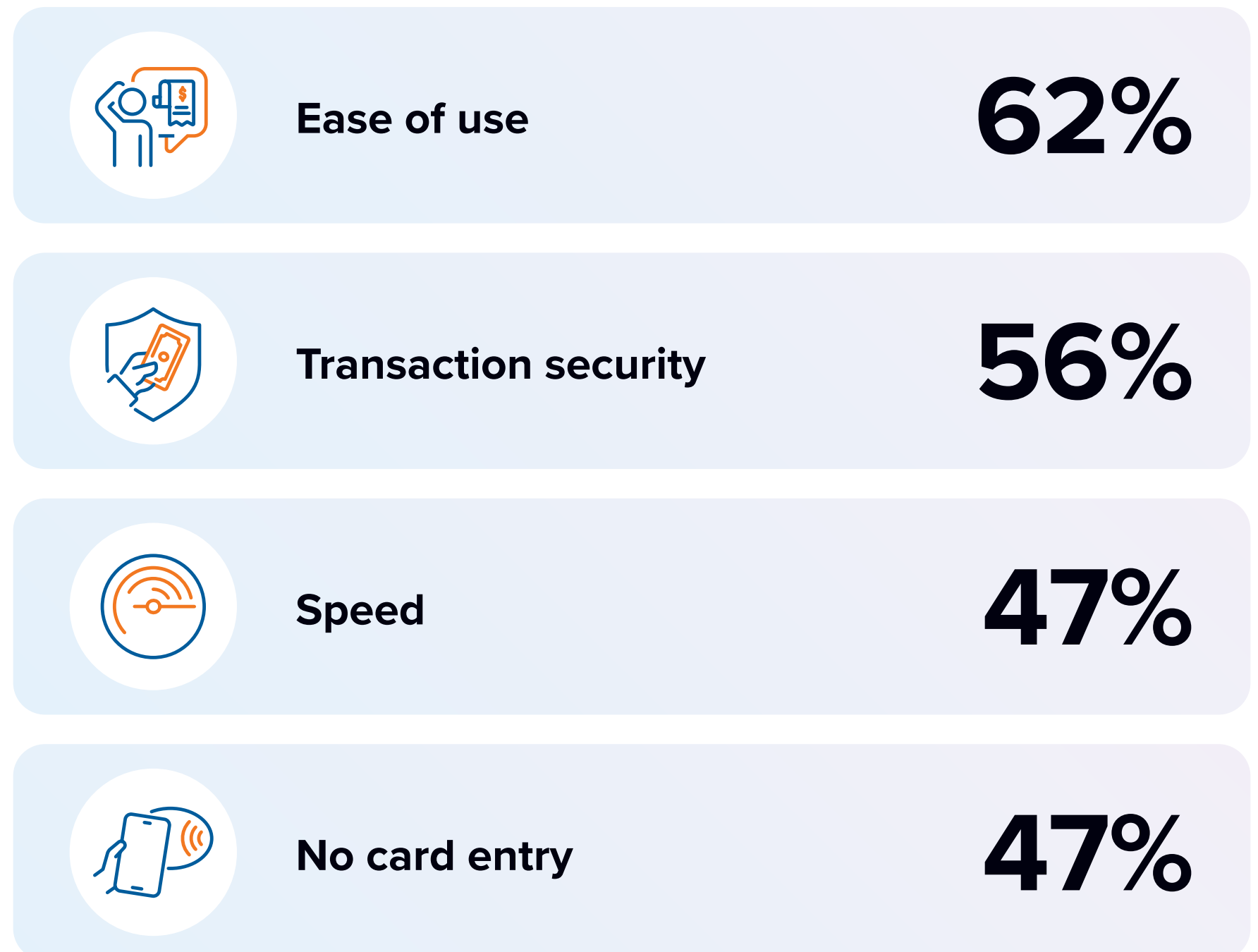
## Checkout tools merchants are adopting for consistent omni-channel payment capabilities:



The advanced features that forward-looking merchants are adopting can give them an edge over competitors that lag in payment innovation. These features include **digital checkout platforms:**

where **86%** of shoppers trust digital checkout as a secure payment option when shopping online.

## The benefits of using digital checkout that shoppers value include:



With shoppers increasingly favouring merchants that align with their expectations for secure and modern transactions, digital checkout could become a powerful tool for attracting and retaining customers.

# The Five Best Practices for Omni-Channel Payment Excellence

IDC research reveals that today's shoppers increasingly expect seamless payment experiences whether shopping online, in a store, or on a mobile device. By placing further focus on these strategic priorities, businesses can work towards creating frictionless commerce experiences that meet evolving consumer expectations while strengthening customer relationships across all touchpoints:



1

## Implement unified payments processing across all channels:

Establish a single payment infrastructure that ensures consistent checkout experiences, reduces technical complexity, and enables real-time transaction visibility across online, mobile, and in-store environments while maintaining unified reporting and reconciliation.



2

## Deploy tap-to-pay and mobile wallet solutions for seamless transactions:

Integrate contactless payment technologies, including near-field communication (NFC), Apple Pay, Google Pay, and digital wallets, to help reduce transaction time, eliminate card handling friction, and meet growing consumer expectations for fast, secure, and modern payment methods.



3

## Create consistent cross-channel loyalty and rewards programs:

Design integrated loyalty systems that recognise and reward customers regardless of purchase channel, enabling point accumulation and redemption across all touchpoints while providing personalised offers based on unified customer behaviour data.



4

## Integrate customer data for personalised shopping experiences:

Unify customer information across all channels to create comprehensive profiles that enable targeted marketing, personalised product recommendations, and tailored checkout experiences that increase conversion rates and customer lifetime value.



5

## Prioritise security while maintaining simplicity across touchpoints:

Implement robust fraud prevention and security measures that operate seamlessly behind the scenes, providing customers with confidence in transaction safety while maintaining fast and intuitive checkout processes that do not compromise user experience.

# Annex

## Merchant Survey Results

### Key Business Objectives

	 UK	 IE	 ES	 NL	 FR	 SE	 DE	 IT
Consistency of customer journey and enhanced customer experience	88%	85%	91%	96%	97%	100%	87%	82%









### Merchants' Key Goals for Achieving Consistent Omni-Channel Payments

	 UK	 IE	 ES	 NL	 FR	 SE	 DE	 IT
1	Improving customer data quality and visibility	Improving customer data quality and visibility	Improving customer data quality and visibility	Improving customer data quality and visibility	Improving customer data quality and visibility	Improving customer data quality and visibility	Improving customer data quality and visibility	Generating customer loyalty
2	Building agility and flexibility in commerce operations	Building agility and flexibility in commerce operations	Building agility and flexibility in commerce operations	Improving contextual personalisation across shopping journeys	Building agility and flexibility in commerce operations	Building agility and flexibility in commerce operations	Building agility and flexibility in commerce operations	Improving customer data quality and visibility
3	Improving contextual personalisation across shopping journeys	Mitigating friction points on customer journeys	Improving contextual personalisation across shopping journeys	Building agility and flexibility in commerce operations	Generating customer loyalty	Mitigating friction points on customer journeys	Better anticipating customer demand	Improving order management and product data integration across channels









# Annex

## Merchant Survey Results

### Top 3 Merchant Omni-Channel Operations Challenges









	 UK	 IE	 ES	 NL	 FR	 SE	 DE	 IT
1	Removing inconsistent payment options across channels	Removing inconsistent payment options across channels	Data synchronisation across channels (e.g., real-time inventory and balance updates for rewards)	Removing inconsistent payment options across channels	Removing inconsistent payment options across channels	Removing inconsistent payment options across channels	Removing inconsistent payment options across channels	Removing inconsistent payment options across channels
2	Lack of consistency in the customer journey (e.g., differing online vs. in-store payment experiences)	Ensuring seamless cross-channel customer support	Ensuring seamless cross-channel customer support	Ensuring seamless cross-channel customer support	Ensuring seamless cross-channel customer support	Ensuring seamless cross-channel customer support	Ensuring seamless cross-channel customer support	Cybersecurity, fraud, and risk management
3	Ensuring seamless cross-channel customer support	Maintaining consistent branding and user interface	Maintaining consistent branding and user interface	Data synchronisation across channels (e.g., real-time inventory and balance updates for rewards)	Maintaining consistent branding and user interface	Maintaining consistent branding and user interface	Maintaining consistent branding and user interface	Maintaining consistent branding and user interface

### Merchants' Priorities in Payment Offerings

	 UK	 IE	 ES	 NL	 FR	 SE	 DE	 IT
Frictionless checkout	67%	66%	66%	73%	66%	64%	73%	69%
Secure payment processing	67%	68%	65%	65%	61%	76%	73%	71%
Consistent omni-channel experience	64%	68%	68%	68%	67%	71%	68%	62%
Multiple payment options	67%	56%	66%	58%	63%	59%	65%	75%
Loyalty perks	54%	48%	62%	46%	55%	49%	62%	63%









# Annex









## Merchant Survey Results

Checkout Tools Merchants Are Adopting for Consistent Omni-Channel Payment Capabilities								
	 UK	 IE	 ES	 NL	 FR	 SE	 DE	 IT
NFC solutions for in-store tap-to-pay	68%	76%	68%	76%	82%	60%	84%	76%
Cross-channel cashback and rewards programs	70%	77%	71%	76%	80%	70%	76%	72%
Fraud management tools for consistent security	74%	73%	68%	60%	60%	70%	72%	64%
Integrated digital wallets and payment options	66%	68%	61%	69%	64%	72%	57%	66%
AI solutions for omni-channel commerce	62%	45%	67%	55%	65%	56%	72%	54%
Unified online and in-store payment acceptance	53%	62%	63%	53%	71%	54%	67%	52%
Streamlined operations and reporting	52%	65%	63%	55%	65%	39%	55%	64%
Connected POS systems	44%	59%	63%	62%	66%	46%	57%	57%

# Annex

## Consumer Survey Results









Key Factors for Shoppers' Purchase Decisions								
	 UK	 IE	 ES	 NL	 FR	 SE	 DE	 IT
Secure payment processing	85%	86%	78%	84%	87%	84%	91%	87%
Loyalty programs	38%	45%	44%	28%	47%	28%	30%	45%
User-friendly checkout	69%	74%	65%	71%	38%	60%	63%	68%
Multiple payment options and preferred payment methods	46%	55%	54%	48%	54%	50%	73%	67%
Consistent omnichannel experience	60%	64%	55%	53%	53%	39%	40%	62%

Factors Encouraging Customers to Shop Again from a Merchant								
	 UK	 IE	 ES	 NL	 FR	 SE	 DE	 IT
No-hassle checkout	73%	76%	72%	76%	82%	71%	68%	74%
Smooth web/app experience	72%	72%	64%	66%	64%	61%	72%	68%
Support for preferred payment options	53%	59%	47%	47%	58%	58%	72%	60%









# Annex

## Consumer Survey Results

### Factors Causing Shoppers to Abandon Their Basket

	 UK	 IE	 ES	 NL	 FR	 SE	 DE	 IT
Hidden costs/fees	78%	79%	80%	74%	75%	78%	73%	80%
Security concerns	75%	78%	78%	72%	77%	70%	67%	79%
Checkout friction	67%	70%	73%	66%	69%	69%	59%	75%
Missing preferred payment methods	58%	59%	61%	55%	59%	59%	57%	65%







### Features Consumers Expect at Checkout

	 UK	 IE	 ES	 NL	 FR	 SE	 DE	 IT
Consistent payment experience across channels	87%	89%	88%	79%	85%	80%	88%	92%
Secure payment processing	85%	86%	78%	84%	87%	84%	91%	87%
Trusted payment systems	81%	83%	73%	78%	79%	82%	84%	78%
Access to loyalty perks	71%	75%	75%	63%	79%	64%	68%	81%
Frictionless checkout	74%	75%	72%	70%	74%	73%	75%	72%









# Annex

## Consumer Survey Results

### % Of Shoppers Trusting Digital Checkout As A Secure Payment Option When Shopping Online

	 UK	 IE	 ES	 NL	 FR	 SE	 DE	 IT
	84%	86%	89%	75%	82%	76%	88%	91%

### Benefits Of Digital Checkout That Shoppers Value

	 UK	 IE	 ES	 NL	 FR	 SE	 DE	 IT
Ease of use	69%	60%	58%	56%	60%	59%	64%	59%
Transaction security	58%	53%	53%	53%	57%	47%	58%	53%
Speed	51%	46%	57%	41%	54%	53%	40%	40%
No card entry	52%	49%	48%	35%	46%	46%	45%	45%



PayPal has remained at the forefront of the digital commerce revolution for more than 25 years. By leveraging technology to make sending money and shopping more convenient, affordable, and secure, the PayPal platform is empowering hundreds of millions of consumers and merchants in more than 200 markets to join and thrive in the global economy.

For more information, visit:

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