

Naturgy Mexico increased approval rates ~2x with PayPal's Advanced Checkout solution



Naturgy Mexico is the leading natural gas company in Mexico's \$185 billion oil and natural gas market. Currently serving 1.6 million customers, at the end of 2022, across 62 rural and urban areas across Mexico. The company is highly regarded due to its focus on dependability and customer service, as well as its forward-looking stance on innovation, sustainability, and social responsibility. Globally, Naturgy Energy Group serves 16 million customers in 20 countries on 5 continents.

The opportunity.

Naturgy Mexico was in search of a way to make paying digitally online a better experience for its customers.

Central to this effort was finding a reliable payment processor to increase its customers' comfort and confidence in making digital payments. This was especially important after customers had experienced several issues with Naturgy's previous processor.

"As a distribution company, we are part of our clients' lives — we need to be reliable," says Luis Nava, Collections Manager for Naturgy.

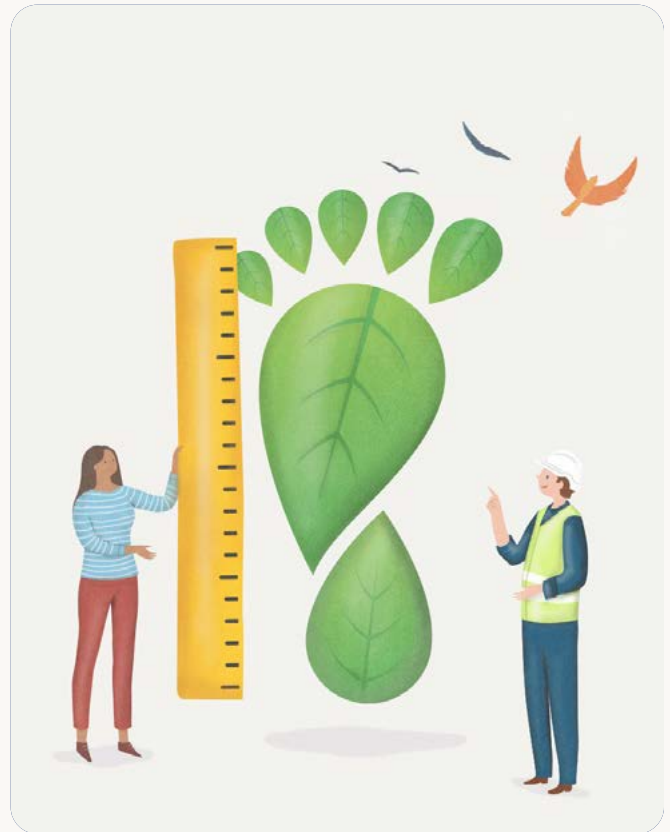
Naturgy wanted to offer customers unfailing service, multiple payment options, and the ability to pay with a single click.

"Mexico is a country in which many utility customers feel most comfortable paying their bills at the bank or the grocery store," says Nava. "But many times, you just forget the bill, it's 10:40 p.m., obviously you're not going out to a supermarket. So you open your app, make the payment; and it's easy for you."



Our decision to switch to PayPal was the right one. We have great confidence in partnering with a leading company that provides comprehensive solutions.

Diana Garcia Almazan
Director of Strategy, Transformation,
and Clients, Naturgy Mexico



The solution.

Naturgy chose PayPal's Advanced Checkout for its reliability and cutting-edge technology.

The Advanced Checkout solution is the only payment processing platform offered in Mexico that includes PayPal, credit and debit cards, and alternative payment methods in a single integration. It efficiently enables Naturgy to accept payments securely while maintaining control of the user experience on desktop and mobile.

PayPal supported Naturgy every step of the way, helping ensure smooth and efficient implementation as well as ongoing operations. In Nava's words, the PayPal team "responded exceptionally" to the exhaustive pre-launch tests Naturgy's IT team conducted.

"We had absolute availability and reliability from the PayPal support team," says Nava. "We are also a service company, and we really appreciate when a supplier understands our needs and is available basically 24/7 for a tiny detail or a large problem."

Naturgy was also impressed that the required level of effort for implementation was far lower than they anticipated. "We were able to go live two months earlier than expected and never had to use the 'war room' once," says Nava.

With its focus on promoting reliability and ease-of-use, Naturgy wanted to institute Advanced Checkout's single-click payment option to streamline the checkout process. This functionality allows customers to make repeat purchases without having to re-enter their details with every payment. Advanced Checkout securely stores the customers' billing information to apply to future purchases, reducing time and friction at checkout and driving customer satisfaction and loyalty.



The impact.

Naturgy's adoption of Advanced Checkout resulted in a near-doubling of the approval rate, to a near-perfect 98-99%.*

After implementation, the number of customers using the app to access their account information increased by more than 50%, from 450,000 to 700,000.* And the number of recurring customers tripled, from 50,000-60,000 transactions per month to 150,000-170,000 per month.*

The Naturgy team has found PayPal's solutions both user-friendly and informative. Real-time transaction data and purchase history provided by PayPal help Naturgy streamline customer service and reporting.

"The user experience of the PayPal portal is extraordinary," says Nava. "It's simple for us to check the payments, to download the reports, to make accounting conciliations. The insights, the tools available, and the portals make a huge difference."

With the new payment system benefitting both Naturgy and its customers, Nava said he'd give Advanced Checkout a 10 out of 10, in part because of how "deeply reliable" PayPal is in helping Naturgy implement the solution well.*



"Reliability is the characteristic we appreciate most," says Nava. "We offer reliability for customers. That same reliability is what we're getting with PayPal's Advanced Checkout."

Naturgy Energy Group's subsidiaries in Brazil and Argentina are learning from Naturgy Mexico's experience and analyzing the benefits of implementing PayPal solutions. With PayPal, Naturgy is positioned to continue leading the way in the fast-evolving energy sector.

~2x

approval rates for reliable customer experience.*

3x

increase in recurring customers.*

2

months early launch due to low LOE on implementation.*

50%

increase in customers using the app to access account info.*

10/10

satisfaction rating from Naturgy.*

*Data is from Naturgy, May 2023. 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.