Digitize ◼ Thrive

USER EXPERIENCE

The importance of optimizing UX in a digital world.

PayPal

WHAT IS UX?

User Experience (UX) is made up of all the different interactions someone has with your business on the web or their mobile device. Every page, screen, or click associated with your brand shapes the user experience. To optimise UX, businesses need to understand their users—their needs and expectations, abilities and limitations, and what's important to them.

The shift to digital over the past year has shown incredible progress, gaining almost 10 years of momentum in a matter of months. As a result, eCommerce sales have grown dramatically. In fact, 56% of consumers across 13 markets surveyed say they are shopping online more than before. And this increase is expected to continue with 44% of global online shoppers expecting to spend more in 2021/2022 than they did in 2020[1].

Consumers today have high expectations as they have more options and more access to goods, services, and information anytime and anywhere with a seamless experience. From hailing a ride right from your phone to shopping cross-border with the touch of a button, innovations have streamlined and simplified how we do things, and online shoppers expect nothing less.

Your user experience impacts your competitive position and can help you adapt to changing consumer expectations. For many companies, great UX has become a key differentiator. In a world where half of consumers would switch to a competitor after just one bad experience and 80% would do so if they had more than one issue, removing friction and frustration is everything[2]. Even small changes to UX can give businesses the boost they need to get ahead.
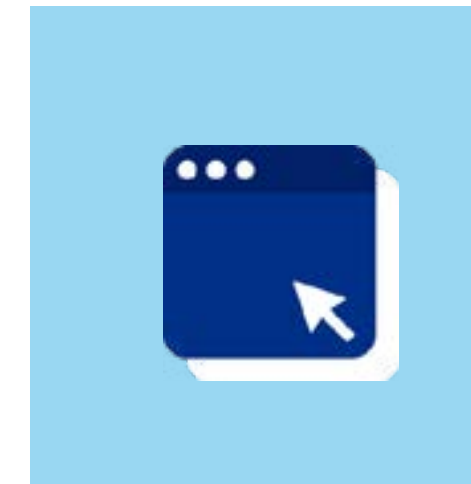
1. PayPal commissioned Ipsos MORI PayPal Cross-border Insights 2021. n=13,000, 13 markets. Online survey of adults (aged 18+ who have purchased online in the past 3 months) between December 2020–February 2021.
2. Zendesk, Customer Experience Trends Report, 2021.

OPTIMIZING UX
CAN DRIVE BUSINESS SUCCESS

VALUE OF UX

84% of customers say that UX is as important as the actual products and services offered[3].
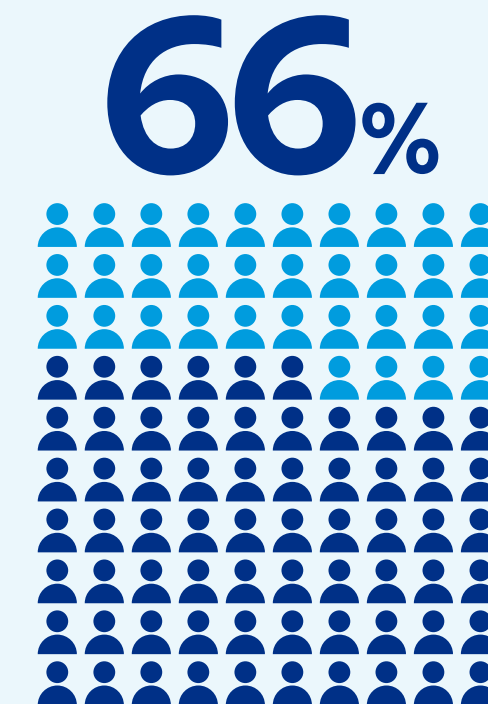
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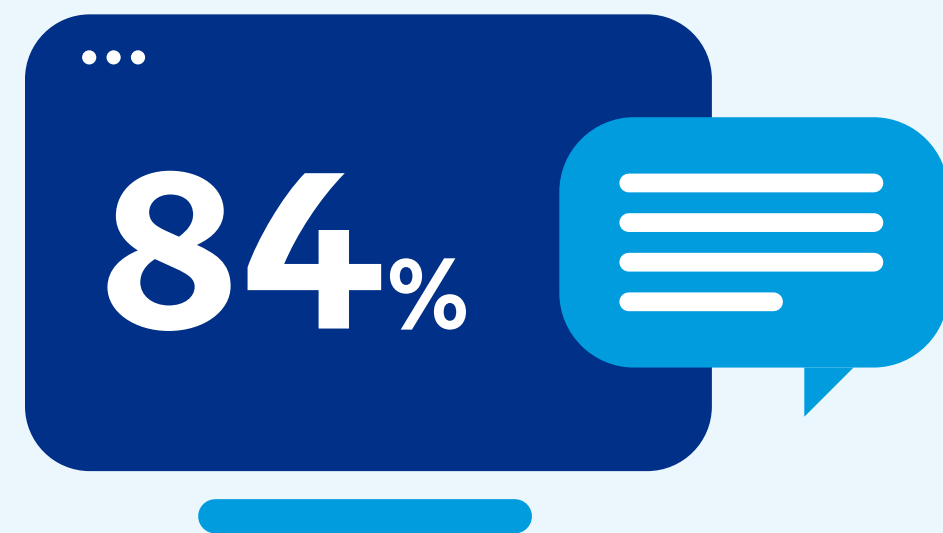
RETAIN CUSTOMERS

90% of consumers have left a website if it loaded too slowly[4].

90%

INCREASE REVENUE

66% of customers are willing to pay more for a great experience[4].

66%

RETURN ON INVESTMENT

For every **$1** invested in UX research, companies **save $10** in development and **$100** in post-release maintenance[5].

3. Salesforce, Insights from 8,000 Consumers - Rethink Your Approach to Customer Engagement, January 14, 2020.   **4.** Yotta, Inc., 2020 Retailer Website Performance Evaluation - The Digital Experience: Retailers Who Neglect It Face Serious Consequences, August 11, 2020.
5. Interaction Design Foundation, Improve Customer Experience with UX Investments That Increase ROI, July 29, 2020.

WHY OPTIMIZING UX MATTERS

The heart of improving user experience is making things easy and eliminating points of friction. This can have important advantages for your business:

DRIVE CONVERSIONS

A seamless UX design can help reduce cart abandonment, keep customers focused on their purchase, and increase bottom line results.

MAXIMIZE INVESTMENTS

If you spend resources to get customers to your site, you want to make sure you don't lose them due to friction so you can get the most out of every marketing dollar.

RETAIN CUSTOMERS

Building an engaging and smooth user experience flow can help attract customers and build loyalty to your brand.

In a world where customers have more options than ever, optimizing your UX is essential. PayPal can help with providing best practices and improving overall user experience on your website.

5 Tips for Optimizing Your UX

Delivering an outstanding user experience starts with looking at the world from your customers' perspective. Use these five tips to improve your UX and delight customers.

1. **Streamline the path to purchase**
2. **Take a mobile-first approach**
3. **Tap into customer insights**
4. **Test your UX to uncover what works**
5. **Prioritize customer support**

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STREAMLINE THE PATH
TO PURCHASE

When it comes to eCommerce, fewer clicks and less load times mean more conversions. Strive to get your customer through to checkout completion without any hassle.

With 70% of online shopping carts abandoned before the sale is completed, removing friction and unnecessary steps is key to closing the sale[6]. Even a small site speed improvement of as little as 0.1 seconds can increase your conversion rates by an average of 8%[7]. Create a more efficient journey by looking at all touchpoints and paths to purchase on your customer journey. Proactively removing points of friction and minimizing the number of clicks to complete a purchase will help reduce cart abandonment, drive sales, and increase customer retention.

With over 30 million merchants, 400+ million customers, and 100 million annual transactions processed worldwide, PayPal is continuously exploring, testing, and optimizing the checkout experience. PayPal Checkout can help you speed up transactions for your customers.

Here are a few tricks that streamline your purchase path and reduce friction:

✓ Give shoppers the option to access checkout directly from your product pages.

✓ Provide a subscription option to help save time for returning customers.

✓ Ensure the checkout button is easy to see on key pages.

✓ Let customers save items in their cart for later so they can easily purchase a few things at a time.

✓ Remove unnecessary steps in the checkout process such as creating an account.

✓ Make it easy to indicate when billing and shipping addresses are the same without requiring duplicate entries.

✓ Make sure your site speed is optimized to avoid customer drop-off.

✓ Only ask for essential information during the checkout process to avoid customer drop-off.

6. Statista, _Online Shopping Cart Abandonment Rate Worldwide from 2006 – 2019_, July 7, 2021.   **7.** Deloitte, _Milliseconds Make Millions_, 2020.
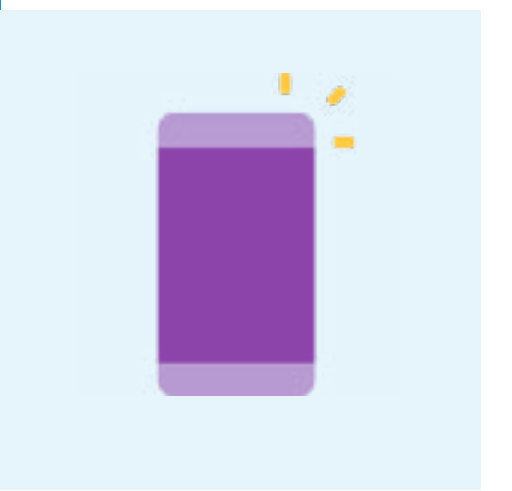
2 TAKE A MOBILE-FIRST APPROACH

Mobile adoption is on the rise. Optimizing your mobile experience can build loyalty, and drive return purchases.

The pandemic accelerated mobile devices becoming the primary access point for global shopping. This makes your mobile experience a top priority, especially when it comes to reaching digital native consumers (e.g. GenZ and Millennials). In fact, 50% of users will use a site less if it isn't mobile friendly, even if they like the business itself[8] and 85% of adults think a company's mobile site should be as good or better than their desktop site[9].

A quick loading mobile page can also impact performance[10] as faster mobile sites encourage people to stay longer and buy more[11]. In addition to site speed, responsive design that automatically adjusts content to mobile, tablet, and desktop formats is key. Ensuring that visitors have a similar but tailored experience to the device they are on positively impacts perception.

Overall, an optimized mobile page can drive 30% more sales, 40% more unique page views, 50% decrease in bounce rates, and over 70% increase in overall products sold[12].

When it comes to checkout, PayPal can help make sure you are mobile ready. Our mobile payment solutions work seamlessly on desktop and mobile with minimal implementation effort. A few lines of code and your checkout is mobile optimized and ready for any type of device.

8. UX Collective, 7 Findings That Prove the Importance of Great UX, June 29, 2020.   **9.** UXCam, 20+ Powerful UX Statistics to Impress Stakeholders, February 8, 2021.   **10.** Deloitte, Milliseconds Make Millions, 2020.   **11.** Google, "How Speeding up Your Mobile Site Can Improve Your Bottom Line," June 2020.
12. Djamasbi, Soussan, et.al., "Designing for Success: Creating Business Value with Mobile User Experience (UX)," August 17, 2020.

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TAP INTO
CUSTOMER INSIGHTS

The better you understand your customers, the more effectively you can meet their expectations.

Surveying your customers or simply monitoring typical behaviours on your site can help you see where their pain points are and uncover the best ways to optimize based on their needs. Using this approach, one company was able to adjust its support strategies, which increased customer satisfaction by 800% and reduced churn by nearly 60%[13].

Clicks, downloads, and time spent on your page can be good indicators of engagement. By creating a heat map of the typical user journey on your website — from homepage to checkout — you can see where drop-offs happen and identify if UX is an issue. You can also tap into your community forums or social pages as virtual focus groups to uncover ways to improve their experience with your business. And be sure to talk to your customer-facing staff to find out what they hear from customers. All these inputs can help you refine and optimize your user experience.

13. McKinsey & Company, Elevating Customer Experience Excellence in the Next Normal, May 21, 2020.

4 TEST YOUR UX
TO UNCOVER WHAT WORKS

Testing your UX offers the ability to make data-driven design decisions and gives your users the power to show their preferences.

Identify optimal solutions to pain points, see what resonates, and discover what drives the greatest conversions with testing. User testing is also a powerful way to identify friction points. By gathering user insights, you can refine your approach and prevent issues that require expensive re-design. While optimizing your UX is an iterative process, the more you test before, during, and after the design process, the more efficient you can be.

There are two types of testing to consider: A/B testing and usability testing. A/B testing is also known as split or bucket testing. This is where you create two different pages or screens that you simultaneously test against one another to see

which delivers the best conversion. It's important to only test one variable at a time during A/B testing to clearly identify which element causes any shift in results.

Usability testing involves observing users as they navigate your site. This helps uncover spots where they struggle and what they like. Usability testing can be moderated, where there is a person working with the user, or unmoderated, which involves navigating the experience on their own. Be sure that the audience you are working with reflects your target audience to ensure the findings are relevant. You will also want to be careful about over-instructing them, which can influence your results.

5 PRIORITIZE CUSTOMER SUPPORT

Customer support plays a powerful role in shaping the experience, driving sales, building loyalty, and setting a business apart.

Even with great UX, customers can still have issues or questions. How you respond to them is what matters. They want easy, quick answers that help them resolve the issue as efficiently as possible. Surveys have shown that 77% of customers say they are more loyal to businesses that offer top-notch service[14]. Likewise, 75% of customers are willing to spend more with companies that provide a good customer experience[14].

And because unresolved issues can deter customers from completing a purchase, strong support throughout the customer journey is a smart investment in your UX optimization process.

To deliver on customer support expectations, it's important to provide support at every stage and across a variety of channels. While some customers prefer phone interactions for complex issues, many appreciate live chat, SMS/text, or social media as a means of communication. The key is to get ahead of problems before they become larger issues. And fast resolution is an important objective because 73% of customers say speed is the top factor in good service[15]. For customers paying with PayPal, solutions like PayPal Buyer Protection and PayPal return shipping can improve the service experience. Whether there's an issue with the transaction or it isn't exactly what the customer wanted, PayPal helps address the situation.

14. Zendesk, Good Customer Service: 10 Ways to Deliver Great Customer Service, January 15, 2020.   **15.** Zendesk, Customer Service Definition, Skills, and Important Principles for 2021, May 26, 2021.

DELIVER AN ENJOYABLE
USER EXPERIENCE WITH PAYPAL

An end-to-end approach to delivering an optimal user experience has far reaching results. When you delight your customers and remove friction from their experience, you stand out. Making it easy to find what they need from any device, differentiates your brand. By eliminating unnecessary clicks, you have the power to reduce cart abandonment and maximize sales. Great customer support builds goodwill and loyalty. And with the ease of PayPal Checkout and the confidence that comes from using a payment solution trusted by hundreds of millions of customers worldwide, your user experience can be second to none.

Get Started →