



How PayPal Credit and Pay in 3 are helping BT Shop increase average order value by over 300%



BT Shop is an online electronics retailer within BT Group, the world's oldest telecommunications company. Carrying products from top brands, BT Shop is a popular destination for electronics among consumers.

The opportunity.

BT Shop wanted to give customers more choice in ways to pay, including instalment options.

When BT Shop moved into BT Group's Consumer division, its goal was to turn the site into a respected entity with broad reach and a high level of customer satisfaction. Part of that transformation was offering customers more choice in ways to pay.

From the start, customers could pay seamlessly and securely online using their PayPal wallet.¹ According to Duncan Rutherford, Head of e-commerce for BT Shop, the confidence that customers feel in PayPal was key to building a more robust payment ecosystem on this foundation. Adding additional payment options via PayPal was a logical next step.

"Customers are cautious about what happens to their payment information when they enter it online. And rightly so. That's why it's important we work with companies that embody trust and have real credibility," he says.

Duncan saw that along with a sense of trust, BT Shop's electronics customers want flexible ways to pay. Pay Later options give buyers the flexibility to manage their budgets by paying in monthly instalments for new purchases.

"We recognised that we want to support customers who want options in how to pay for things," says Duncan. "Not having a credit option left us vulnerable to losing those who desired the ability to spread the cost over time."

BT Shop wanted to offer their customers flexible credit options within the checkout process. This would allow BT Shop to be more competitive in the electronics market, where many retailers were already providing credit options.

The impact.

BT Shop's Pay Later sales are increasing along with the average order value.

In the first quarter of 2023, sales from PayPal Credit and Pay in 3 accounted for 35% of total PayPal sales at BT Shop.⁴ PayPal Pay Later options are also prompting an unexpected boost in average order value (AOV), with transactions via these solutions measuring 321% higher than the standard PayPal transaction in Q1 2023.⁴

Duncan believes the increase in AOV is because shoppers are better able to budget for high-priced items and more accessories than they would typically want to pay for upfront.

He also reports that anecdotal evidence suggests customers are satisfied with the new payment options, and he anticipates that over time BT Shop will see more repeat customers as a result.

"It's been really positive for me seeing the AOV come up and knowing that our customers are responding so positively to having those choices presented to them," he says. "I'm anticipating that will really help with customer retention."



He gives the experience of working with PayPal a score of 10 out of 10.⁵ "It's the right fit," he says. "There's no doubt about it."

And there's no doubt that more choice in how to pay is the right fit for BT Shop's customers.

35%

of total PayPal sales use Pay Later options.⁴

10/10

satisfaction rating from BT Shop.⁵

321%

higher Pay Later AOV than standard PayPal transactions.⁴

¹ For more information, please visit: <https://www.paypal.com/uk/enterprise/accept-payments>

² For more information, please visit: <https://www.paypal.com/uk/webapps/mpp/paypal-virtual-credit>

³ For more information, please visit: <https://www.paypal.com/uk/webapps/mpp/paypal-payin3>

⁴ PayPal data from Q1 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.

⁵ Data from BT Shop (rebranded to EE Store 11 July 2023) case study interview with PayPal, June 2023.