

PayPal Open

Designing SaaS payments

How a unified
flow helps protect
revenue and trust.



Payments as a product layer

There was a time when payments sat quietly in the background of platforms. They processed the charge, stayed out of the way, and that was that.

But that's no longer the right way to think of them.

Today, payments are moving closer to the center of the SaaS platform experience — shaping how users move through a journey, how businesses engage, and where value is created.

Users don't tend to experience "browsing" and "paying" as two separate things. They experience a flow. And when that flow breaks down, the consequences can go beyond the transaction. Trust may erode, intent may evaporate, and customers may be less likely to come back.

As a result, platforms should start to rethink payments as:

- ✓ **Part of the product experience**
- ✓ **A driver of engagement and retention**
- ✓ **A potential source of revenue**

This eBook looks at how that shift is playing out and what it means for platforms that think about payments as more than just infrastructure.



If the experience breaks, the journey breaks too

Think about the moment a user decides to complete a transaction. Up to that point, everything has been designed to guide them forward. The interface is familiar. The flow is consistent. The experience feels intentional.

Then the payment step introduces something different. Perhaps it's a new layout, an unfamiliar process, or simply a pause. That's often where momentum is lost.

Expectations have shifted

Users now expect to move from browsing to paying without feeling like they've left the platform. Continuity across devices, across sessions, across touchpoints is the baseline expectation now, not a premium feature.

For SaaS platforms, this is a design challenge that goes beyond the checkout screen. It's about whether the payment step feels consistent with what came before, whether it introduces friction or reduces it, and whether it reinforces trust or quietly undermines it.

Consistency matters

Platforms that keep the experience cohesive tend to have more influence over how users move through it. That tends to show up in how easily users complete actions, how confident they feel, and how likely they are to return.

Reduce complexity, improve the experience

For platforms managing payments at scale, consolidating how transactions and payouts are handled can have a meaningful operational impact¹.



I found a partner that can help me, guide me, assist me with compliance...with the whole flow managed by one vendor...that takes care of multiple parts of our payments business.

Yaniv Kalo
Senior Director for Payments and Strategy, Freightos

What happens behind the scenes shapes the outcome

Two users can have the same intent, take the same path, and reach the same payment step. But where one transaction succeeds, the other fails.

From the outside, it can seem unpredictable, but from the inside, it often comes down to how the payment is handled. Routing, retries, and method selection all play a role in what happens next.

When these backend details decide the success of a user's journey, they cease to be just background processes. They become a critical touchpoint that requires deliberate attention.

Performance is the focus

In the past, these mechanics were treated as part of the infrastructure, and once set up, they were left largely unchanged.

This passive approach assumed the underlying system would simply function as intended. However, relying on a static setup can create performance gaps that grow over time.

Now, platforms are taking a closer look. They are asking:

- ✓ **Is every transaction taking the best possible path?**
- ✓ **Are there opportunities to recover failed payments?**
- ✓ **Are certain methods performing better in specific contexts?**

This is what payment orchestration means in practice — not a feature to deploy, but an ongoing approach to managing performance.

Less friction means better outcomes

Some SaaS platforms are improving transaction outcomes by making the payment layer more responsive and reducing friction in recurring payments.

25%

reported lift in Grubhub subscription authorization rates compared to other digital wallets²

By improving authorization rates in checkout, we are ensuring a seamless experience and improving the likelihood of our customers returning to our platform.

Emma Cai
Director of Product, Lifecycle and Commerce, Grubhub



Impact is built on small changes

At an individual level, the difference between a successful and failed transaction might seem minor.

At scale, those differences accumulate.

Recovering even a small percentage of transactions, or reducing avoidable failures, can influence overall revenue in a meaningful way over time — particularly for platforms processing at scale.

It's part of why payments are increasingly being treated as something worth actively managing.

And as platforms look to improve performance, another factor comes into play... the options available to the user in the first place.

One size does not fit all

As SaaS platforms grow, they encounter a simple reality. Users do not all pay the same way. Preferences vary by region, by context, and by individual habit. What feels familiar in one market may feel unfamiliar in another.

Ignoring that difference creates friction – and recognizing it creates opportunity.

The goal is to ensure the payment step aligns with local expectations. When that alignment is missing, even a highly motivated user may reconsider their decision to proceed.

Choice influences behavior

When users see a payment method they trust, the decision to continue feels straightforward.

When they don't, the experience changes. There's hesitation, and sometimes there's abandonment.

For platforms, this makes payment choice a strategic consideration rather than a technical one.

Payments that fit their preferences

Expanding into new markets or segments isn't just about availability, it's also about relevance.

Platforms that adapt their payment options to the expectations of their users are better positioned to:

- ✓ **Reach new audiences**
- ✓ **Support different use cases**
- ✓ **Maintain consistency across regions**

When that happens, payments can start to do something more than facilitate transactions. They can help the platform grow.

But growth also depends on something less visible, and just as important. Trust.

It's about **enabling** users to act on intent without introducing unnecessary barriers



Trust is built in moments

Every transaction asks the user to trust that the platform and process are legitimate. That trust is not established once. It is reinforced with every interaction.

Balance fraud protection and ease

Too many checks can slow users down, whereas too few can expose the platform to risk.

Finding the right balance is not always straightforward, and what is changing is how that balance is achieved.

Instead of applying the same level of scrutiny to every transaction, SaaS platforms are moving toward more adaptive approaches:

- ✓ Evaluating context and behavior in real time
- ✓ Adjusting verification based on perceived risk
- ✓ Allowing trusted interactions to proceed with minimal interruption

Make protection part of the experience

When done well, these measures aren't visible to the user, whose experience feels simple but is supported by layers of decision-making behind the scenes.

For platforms, this means risk management is no longer separate from the experience, it's part of it.

And as more decisions move closer to the moment of transaction, the ability to process and respond to information becomes increasingly important.



Data is already there. The question is how it's used.

Every payment generates data. Over time, that data forms patterns in behavior, in performance, and in outcomes. This constant stream of information can overwhelm traditional setups, making it difficult to spot points of friction.

From static systems to responsive ones

AI and machine learning are changing what's possible here. Instead of manual review workflows, modern SaaS ecosystems handle this data efficiently at scale.

The challenge isn't accessing data, it's making sense of it in a way that improves decisions.

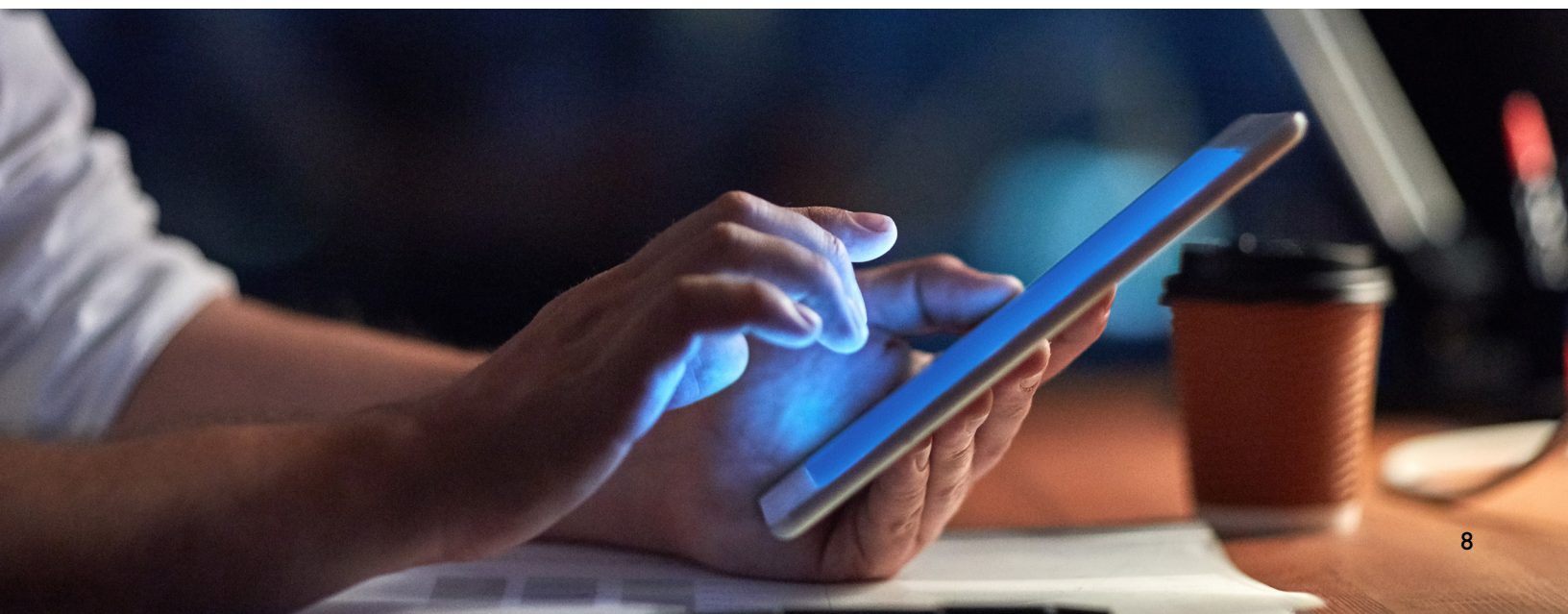
Instead of relying on fixed rules, platforms are exploring ways to make the payment layer more responsive:

- ✓ **Adjusting decisions based on current conditions**
- ✓ **Identifying patterns that aren't immediately obvious**
- ✓ **Learning from past outcomes to inform future ones**

Adapt to customers over time

The difference is that these approaches evolve. As more transactions are processed, models can become more accurate and more aligned with real-world behavior — which means the payment layer can improve over time, not just operate.

This brings us to the final shift — what it all means from a business opportunity perspective.



Monetize from cost to contribution

For a long time, payments were viewed primarily as a cost. They enabled transactions, but they did not actively contribute to growth beyond that. That view is starting to change.

As payments become more integrated into the platform experience, they also become a point where value can be created.

Build on the payment layer

SaaS platforms are beginning to explore how the payment layer can support additional capabilities. These might take the form of financial tools that support their users, insights that help businesses understand performance, or services that can simplify operations or improve efficiency.

These additions can deepen the role the platform plays in its users' day-to-day activities.

Create long-term value

When payments are part of the product experience, they naturally become part of the platform's value proposition.

Over time, this can lead to benefits including stronger engagement and more opportunities to introduce new services.

At that point, payments aren't just supporting the business, they can help to drive it.

Value that goes beyond the transaction

As platforms expand what they offer through the payment layer, the value can extend well beyond transactions. Shopware supports thousands of merchants across its platform, processing billions in payments annually³.



“The value...is far deeper than just payments. It has to do with the ability to do returns, how effective you are at fraud...”

Jason Nyhus
President and General Manager, Shopware

The shift is still unfolding

The role of payments is changing, but it's not changing all at once, and different platforms are at different stages of this shift. Some are still treating payments as infrastructure, while others are starting to see them as part of the product.

However, it's becoming clearer that platforms taking a more active approach to payments can tend to get more out of them.

This isn't because they've made one big decision, but because they've started asking different questions — about how payments fit into the broader experience, not just how they function at the end of it.

As user expectations continue to shift, that question is only going to matter more.

PayPal works with platforms as they navigate this shift — across experience, performance, and the broader role payments can play in how they grow.

[Want to see how we can help?](#)

Explore PayPal's solutions for SaaS platforms.

[Learn more](#)



¹ <https://www.paypalobjects.com/marketing/brc/us/enterprise-solutions-freightos-case-study/Freightos-Case-Study-Payouts-US-2022.pdf>

² PayPal Internal Data, Aug 2023 – Jul 2024, from https://www.paypalobjects.com/marketing/ppxp3_grubhub_casestudy_updates_031825_v2.pdf

³ https://www.paypalobjects.com/marketing/web23/us/en/brc/testimonial-videos-shopware-testimonial-videos/paypal_casestudy_shopware_us.pdf

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