

Innovation via Pragmatic & Accessible Insights for PayPal

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SKIM

decision behavior experts


A photograph of three people sitting on concrete steps outdoors. A woman with long blonde hair and glasses is holding a smartphone, showing it to a man with short blonde hair and glasses who is resting his chin on his hand. A woman with long brown hair is sitting to the left, looking at a laptop. The background shows a building with a slatted facade. The entire image has a blue tint.

What we will cover today

1 | Intro and Hypothesis

2 | Innovation in Setup & Analysis

3 | Innovation in Actionable Insights

A person with long blonde hair is seen from behind, standing in a field of tall grass. Their arms are outstretched to the sides. In the background, there are rolling hills or mountains under a clear sky. The entire image has a light blue tint.

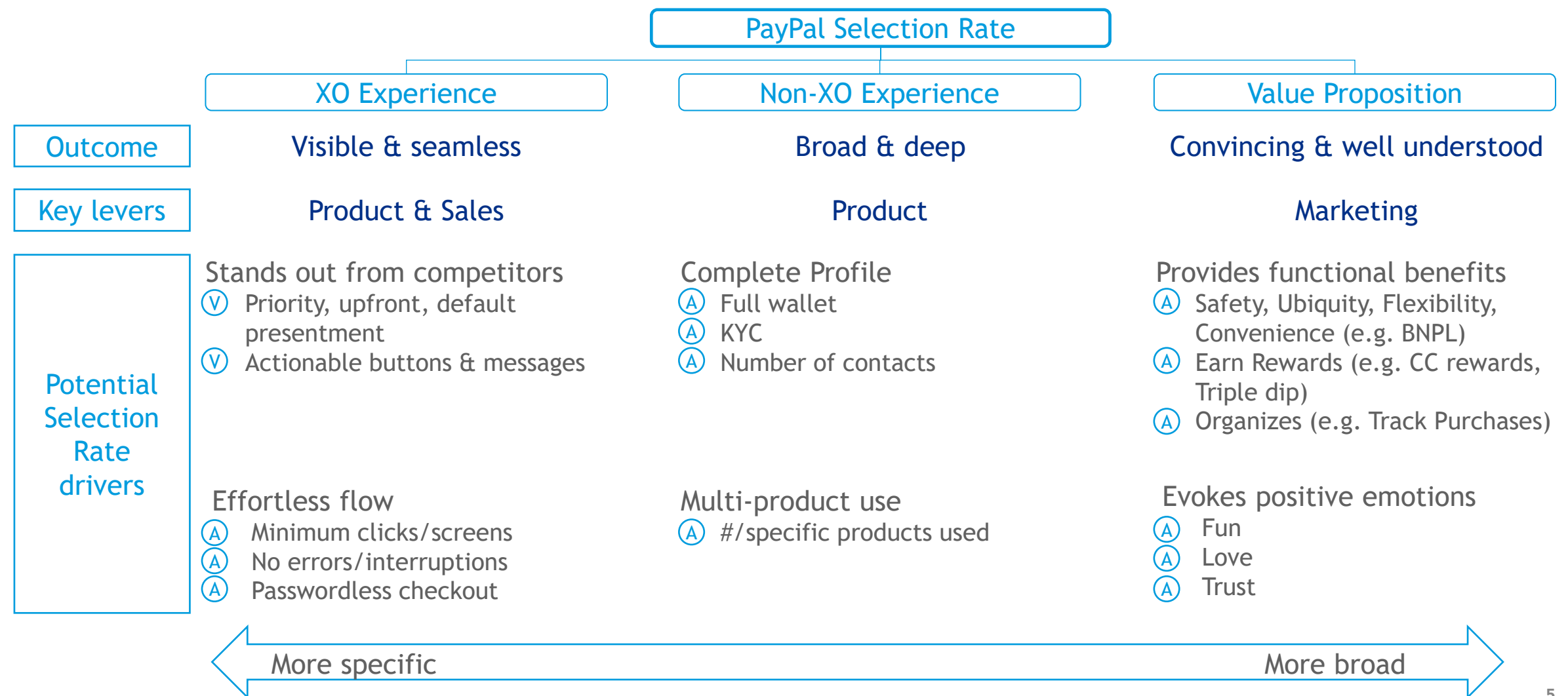
Introduction and Hypothesis

Introduction to Paypal Projects and Topic of Innovation

Introduction

PayPal and SKIM recently developed a pragmatic approach to isolate behavioral drivers of consumer shopping journey at the digital checkout stage among online merchants. We innovated on survey design experience by simulating checkout experience and combining conjoint and non-conjoint analytics. Further, we translated answers into actionable business recommendations that were accessible to non-technical audience as well.

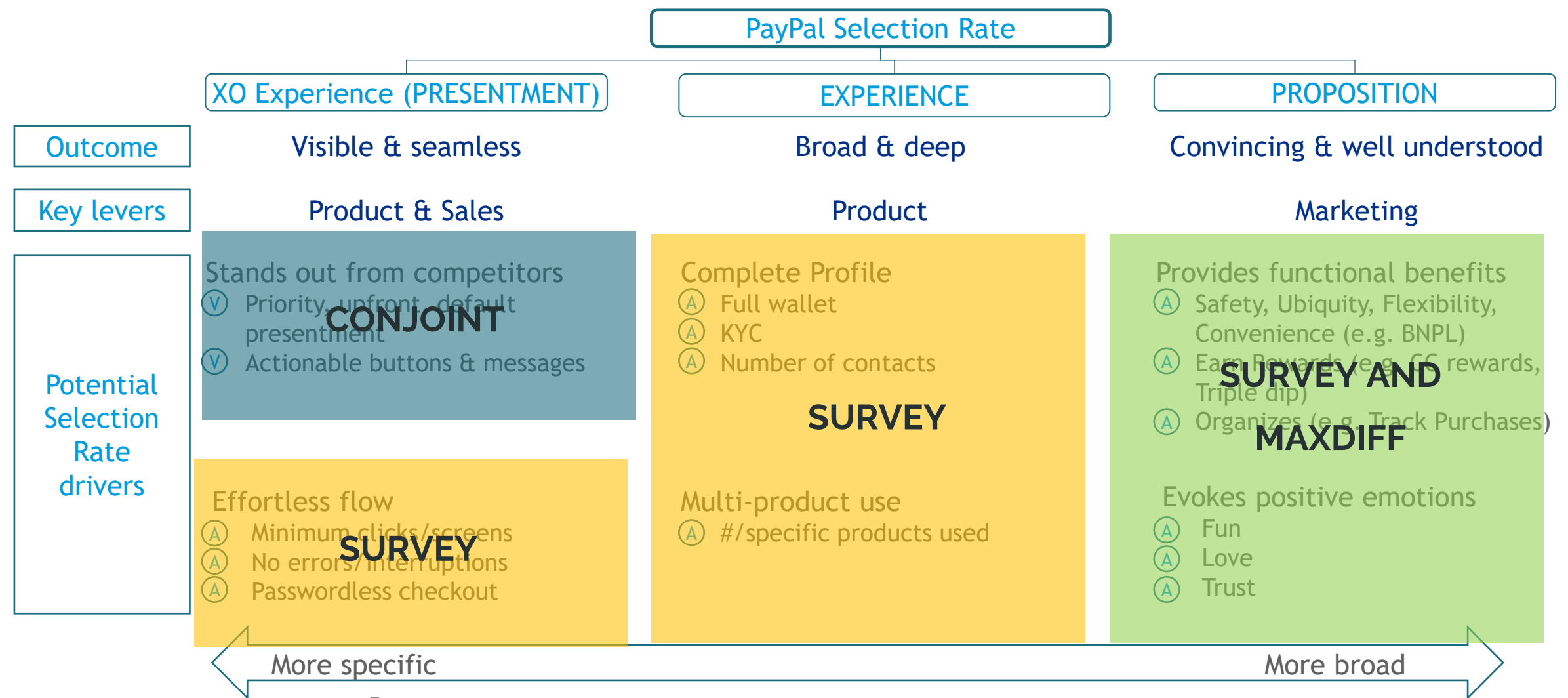
Hypothesis: Solutions to drive increase in Paypal Checkout Selection Rate



A person wearing a white shirt is sitting at a desk, writing on a notepad with a red pen. The notepad has some handwritten notes and diagrams. In the background, there is a laptop and a pair of glasses. The entire image has a blue tint.

Innovation in Setup & Analysis

Multi-Staged Project to Tackle the Hypothesis




Unique Approach to Illustrate Experience in Conjoint


Imagine you are shopping online for a product and are about to check out and pay

Select which payment method you would prefer to use for the given scenario

On each screen, the online store, product, and price will vary


Imagine you are shopping at RAYCON 


Order Summary







Headphones
\$25.00
Quantity: 1
Color: Blue/Black
Size: OS


Subtotal	\$25.00
Tax	\$1.75
+ Apply Promo Code	
Total	\$26.75


1. Shipping Address 


2. Delivery Options 


3. Payment Method


☐ Credit/Debit Card    


☐  Pay


☐  Pay

☐  Klarna. 4 Interest-Free Payments

☐  PayPal Earn credit card rewards

☐  venmo

☐  affirm 3 Interest-Free Payments

☐  shop Pay

[Continue to Review Order](#)

Unique Approach to Illustrate Experience in Conjoint

Imagine you are shopping at  QANTAS

1. Shipping Address ✓

2. Delivery Options ✓

3. Payment Method

☐ Credit/Debit Card 

▼ More options

☐  Pay in 3 interest-free instalments

☐  Pay

☐  Pay

☐  Pay

Order Summary



SYD - LAX
\$500.00
Roundtrip

Subtotal	\$500.00
Tax	\$35.00
• Apply Promo Code	
Total	\$535.00

[Continue to Review Order](#)

STAGE #1: CONJOINT AND SIMULATOR



Check Out Design Simulator | July 2021



Save scenario Remove scenario Run scenario

Select a scenario

Filters N = 6029

Country

On US
On UK

System

On Desktop
On Mobile

Demographics

On Value Seeker
On Digital Native
On Affluent
On Established
On Planner
On Unknown

Engagement

On High Engaged
On Likely To Churn
On Low Engaged
On Mid Engaged
On New Active
On Re-engaged

Tenure

On Less than a year
On 1-2 years

On 2-5 years

On 5-10 years

Primary Payment Method

On PayPal
On ApplePay

On Google Pay

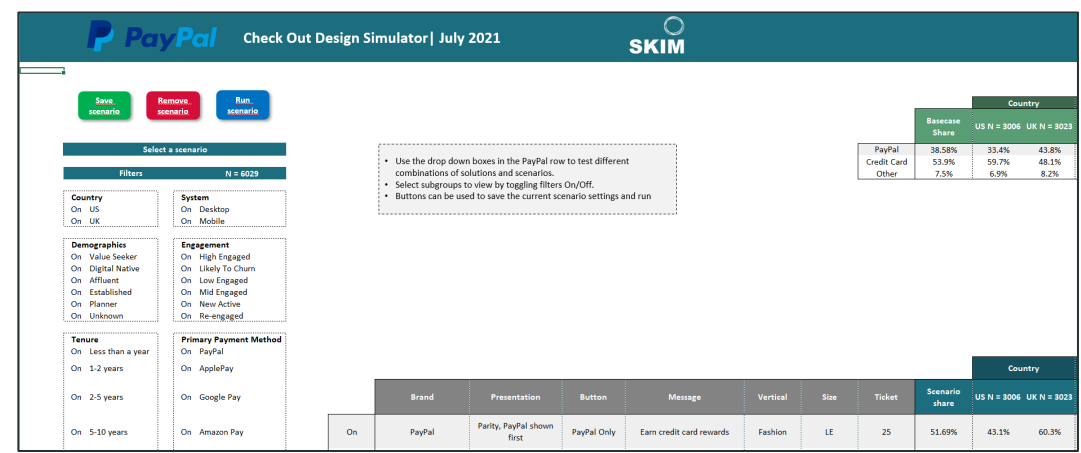
On Amazon Pay

- Use the drop down boxes in the PayPal row to test different combinations of solutions and scenarios.
- Select subgroups to view by toggling filters On/Off.
- Buttons can be used to save the current scenario settings and run

	Basecase Share	Country	
		US N = 3006	UK N = 3023
PayPal	38.58%	33.4%	43.8%
Credit Card	53.9%	59.7%	48.1%
Other	7.5%	6.9%	8.2%

	Brand	Presentation	Button	Message	Vertical	Size	Ticket	Scenario share	Country	
									US N = 3006	UK N = 3023
On	PayPal	Parity, PayPal shown first	PayPal Only	Earn credit card rewards	Fashion	LE	25	51.69%	43.1%	60.3%

STAGE #2: SIMULATOR AND DRIVERS TO WATERFALL



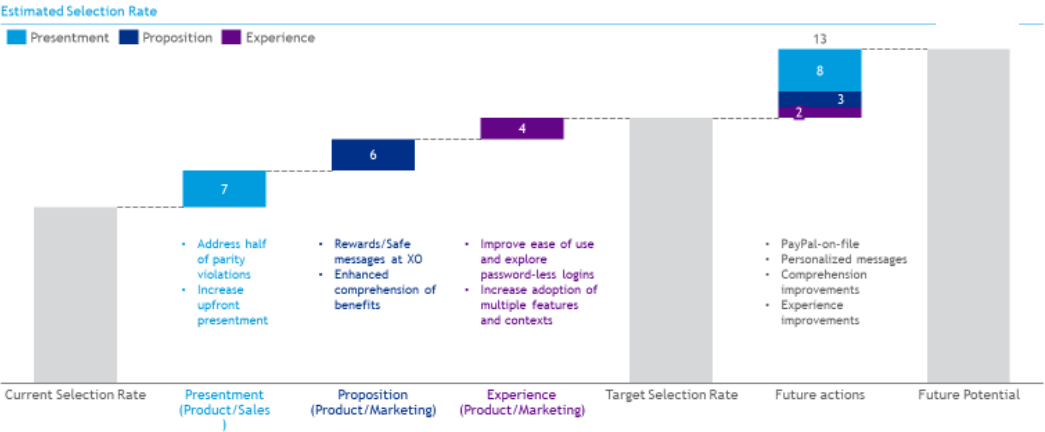
US Impact		Value Seeker	Digital Native	Affluent	Established	Planner
MergedEaseBoth	PayPal is easy to use AND PayPal is easy to use on my Mobile/Desktop Device	2.53%	2.88%	2.85%	2.73%	2.65%
C4b_r6	I only use PayPal in specific cases (e.g. eBay, unknown merchants)	6.84%	6.85%	6.85%	6.84%	6.85%
C3b_r2	PayPal protects me from fraud	2.17%	2.58%	2.86%	2.07%	2.32%
C3b_r5	PayPal is accepted where I usually shop	2.67%	2.53%	3.43%	2.98%	3.11%
C4a_r5	I can get my credit/debit card benefits, like insurance, when I use PayPal to checkout	1.84%	1.78%	1.82%	1.73%	1.86%
S5b_morethan1	PayPal Usage - More than 1 context	2.44%	2.02%	2.35%	2.43%	2.06%
C3b_r6	PayPal allows me to get the best deals	1.94%	1.87%	1.65%	1.81%	1.71%
Product.Count	Number of Products used	2.13%	2.12%	2.09%	2.16%	2.18%
C4a_r4	I can earn credit/debit card rewards when I use PayPal to checkout	2.01%	2.06%	2.10%	1.98%	2.06%
C4a_r8	My purchases are covered through Buyer Protection with PayPal	1.28%	1.43%	1.55%	1.39%	1.30%
C4b_r3	I can use any payment method stored in my PayPal account to pay for a purchase	0.89%	0.78%	0.90%	0.95%	0.70%
C4b_r1	PayPal helps me keep track of my spending	1.40%	1.39%	1.37%	1.38%	1.34%
Desktop	Desktop Survey Viewers	1.00%	0.71%	1.28%	1.29%	0.95%
C6_56	Bad Experience: I got locked out of my account / I had to reset my password	0.40%	0.50%	0.33%	0.31%	0.54%
C3b_r4	PayPal has great customer service	1.34%	1.54%	1.55%	1.45%	1.55%
C3a_r3	PayPal is fun	0.00%	0.00%	0.00%	0.00%	0.00%

US

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Preliminary

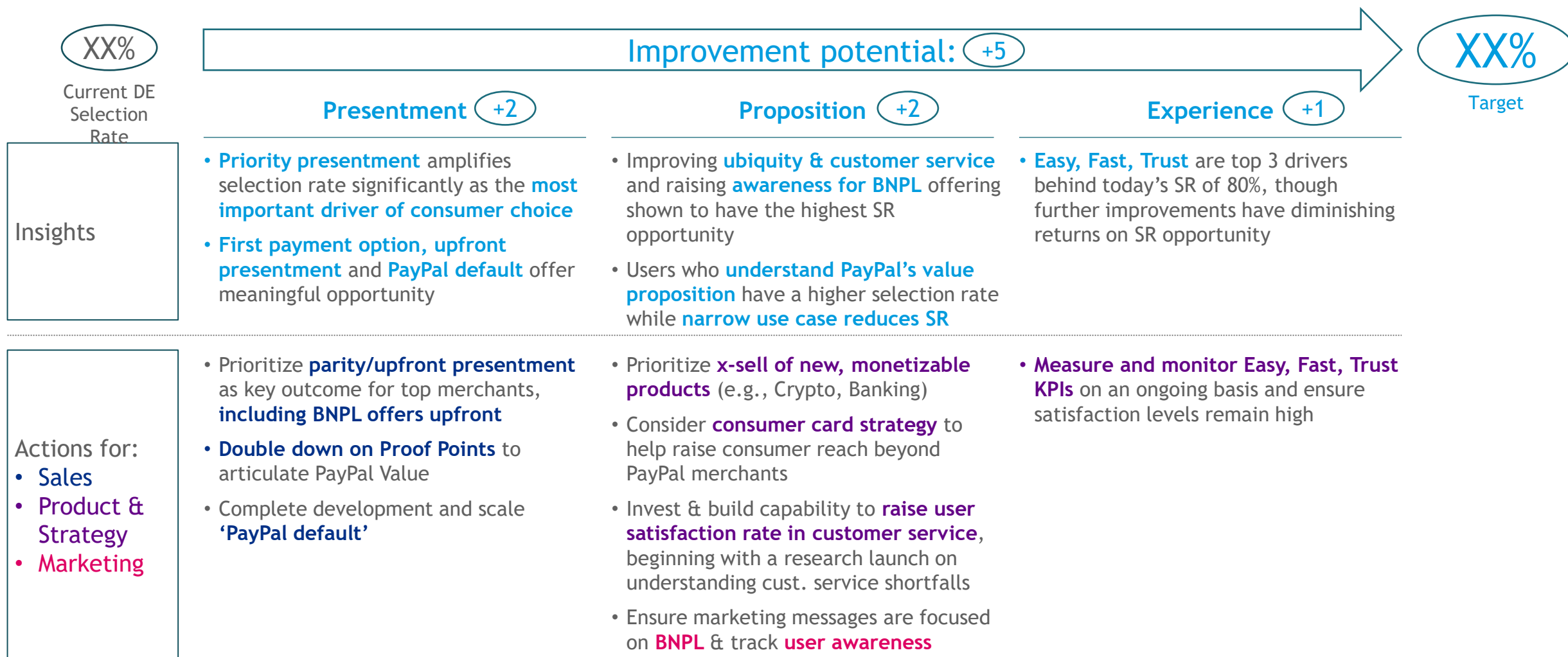
Path to 50% selection rate in US through tangible actions from Product, Marketing & Sales



A person in a white shirt is writing on a notepad with a red pen. The notepad has some handwritten notes and diagrams. In the background, there is a laptop and a pair of glasses. The entire image has a blue tint.

Innovation in Reporting & Actionable Insights

Selection rate estimated to be XX%, with 5pp opportunity

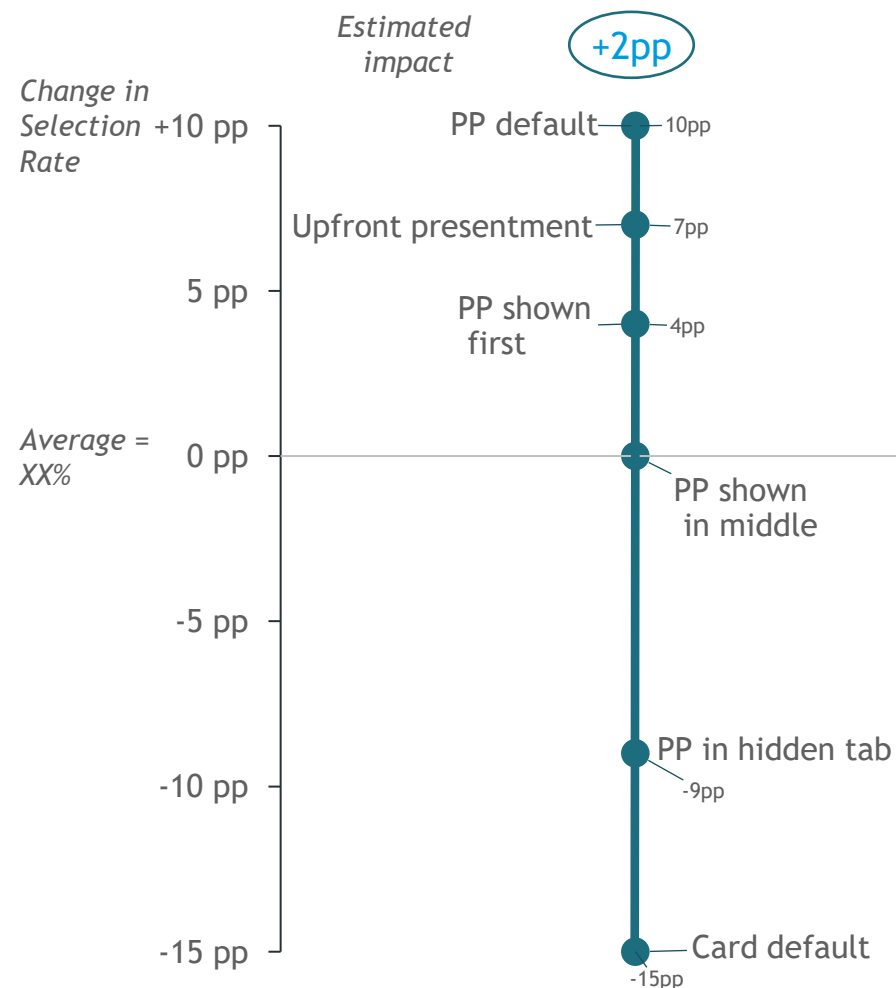


Survey among 2,153 [Country] PayPal customers

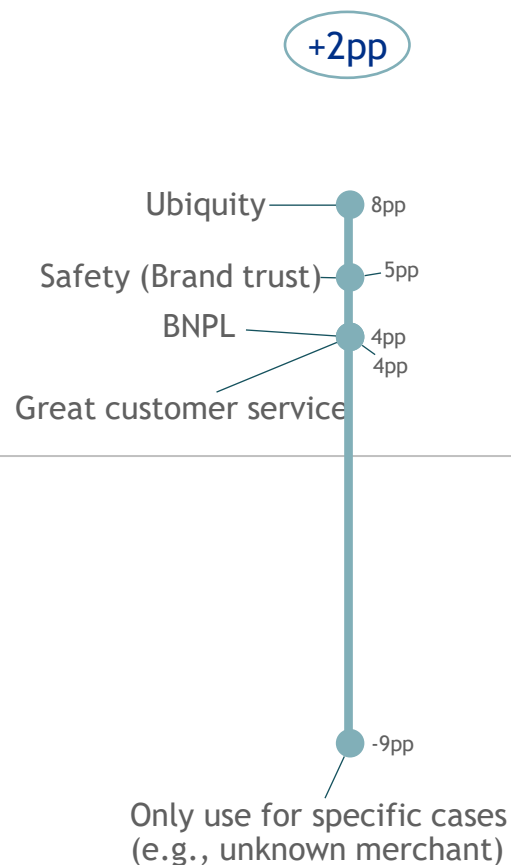
14 attributes contribute up to 5pp in selection rate opportunity

Not additive

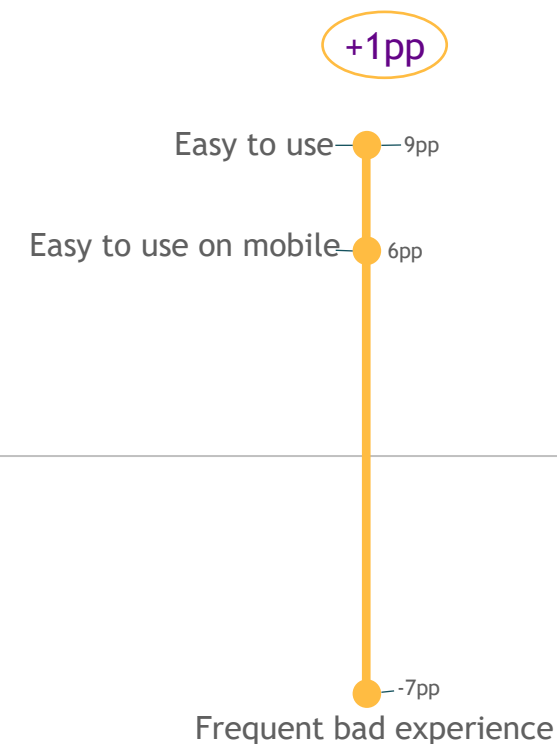
Presentment



Proposition



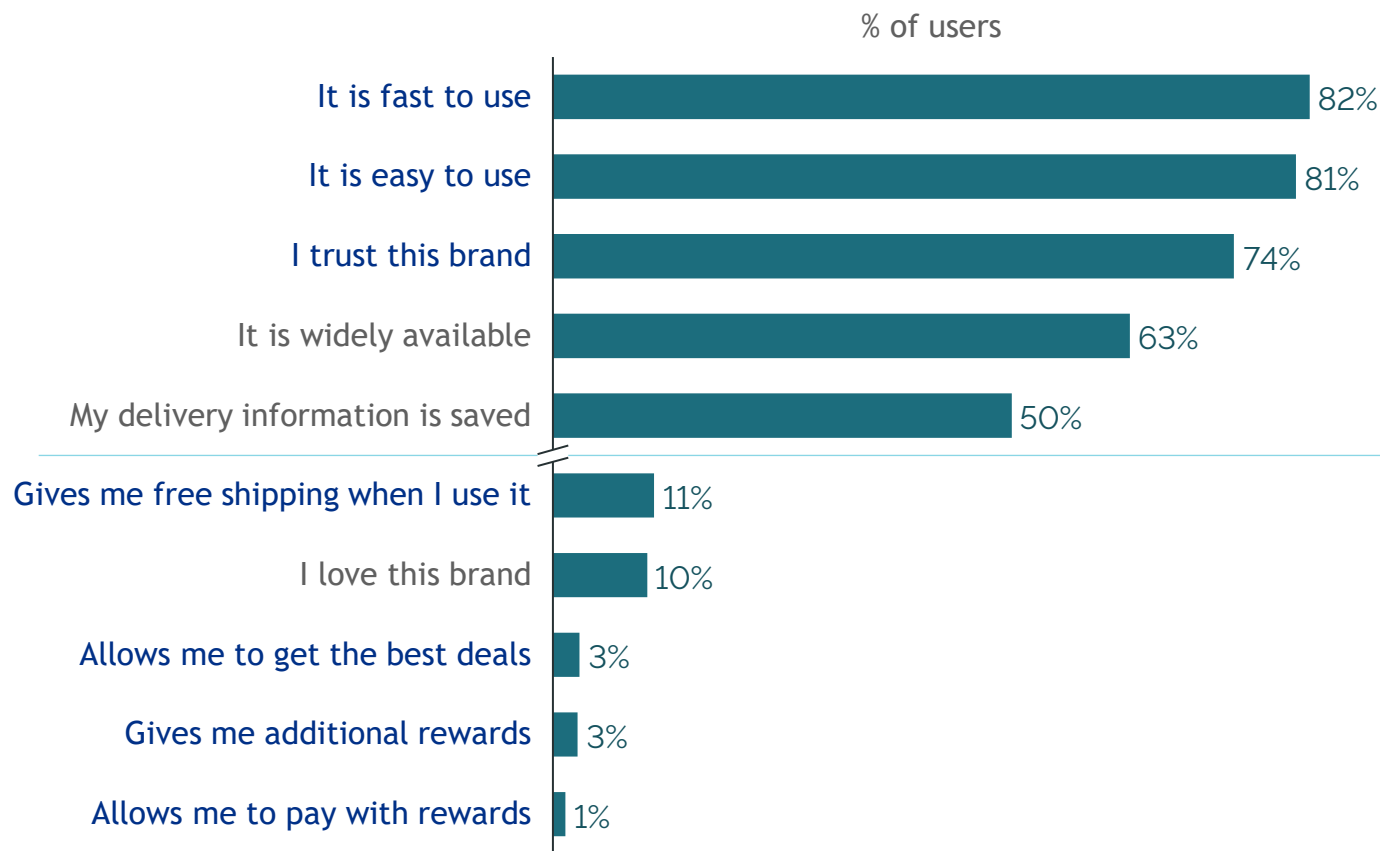
Experience



SR drivers: Key selection rate drivers to track are Easy, Fast, and Trust, whereas Rewards remain relatively irrelevant

Q: You previously stated that PayPal is your primary online payment method. Why do you use this method the most often?

Please select all that apply (n=2,153); Top 5 & Bottom 5 options shown out of 20



Summary of top drivers

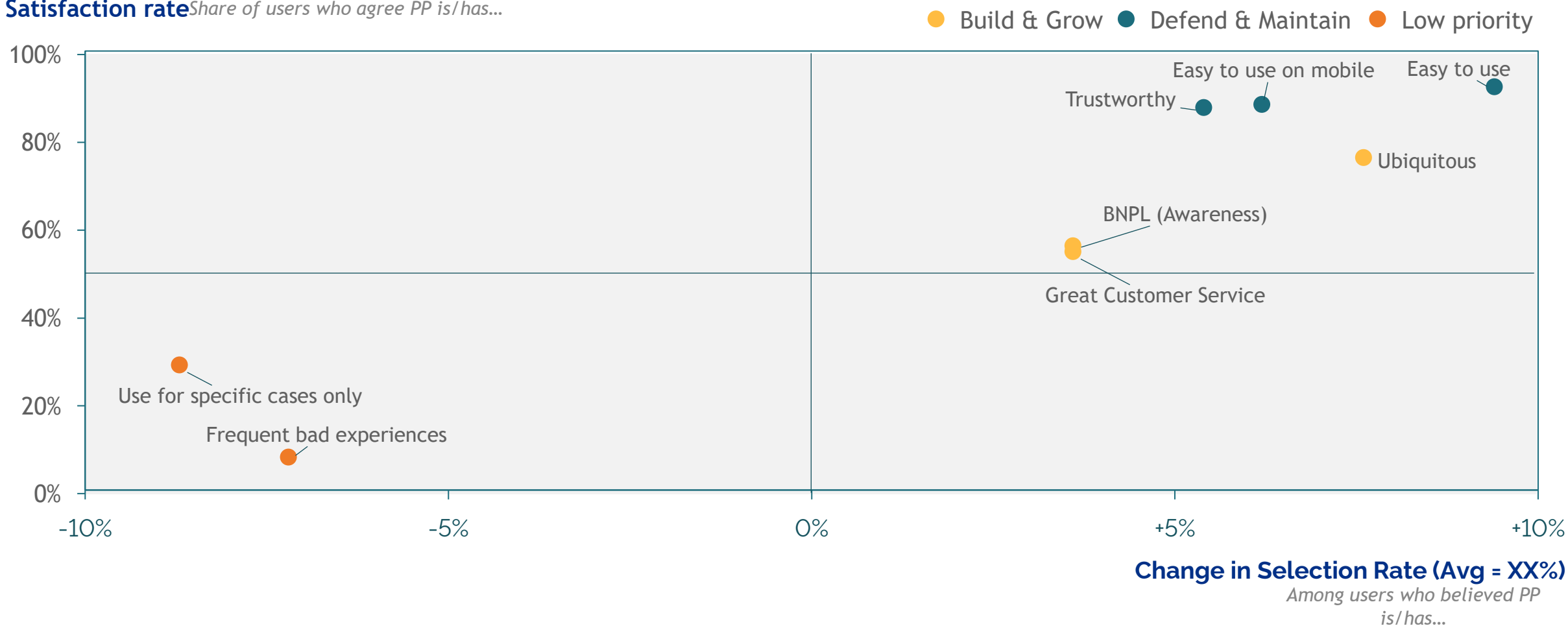
- Main drivers were **mostly saturated metrics** (e.g., Trustworthy, Easy to use) with limited SR opportunities
- As the main drivers behind selection rate - Easy, Fast, Trust are the **key metrics which should be measured & maintained** to ensure user retention

Summary of least relevant drivers

- **Rewards and deals**, much like other wallet competitors, contributed little to drive selection rate (Average of 3% of users among competitors)

SR opportunity: Improving ubiquity & customer service and raising awareness for BNPL were the highest SR opportunity

Satisfaction rate *Share of users who agree PP is/has...*



Conclusion

Innovation at the Setup, Design, Analytic stages and especially in the actionable insights elevated Checkout workstream as a strategic priority at PayPal and adoption of these recommendations to the product, marketing and sales roadmap.