

FIVE SIGNS YOU'VE OUTGROWN YOUR PAYMENT PROCESSOR

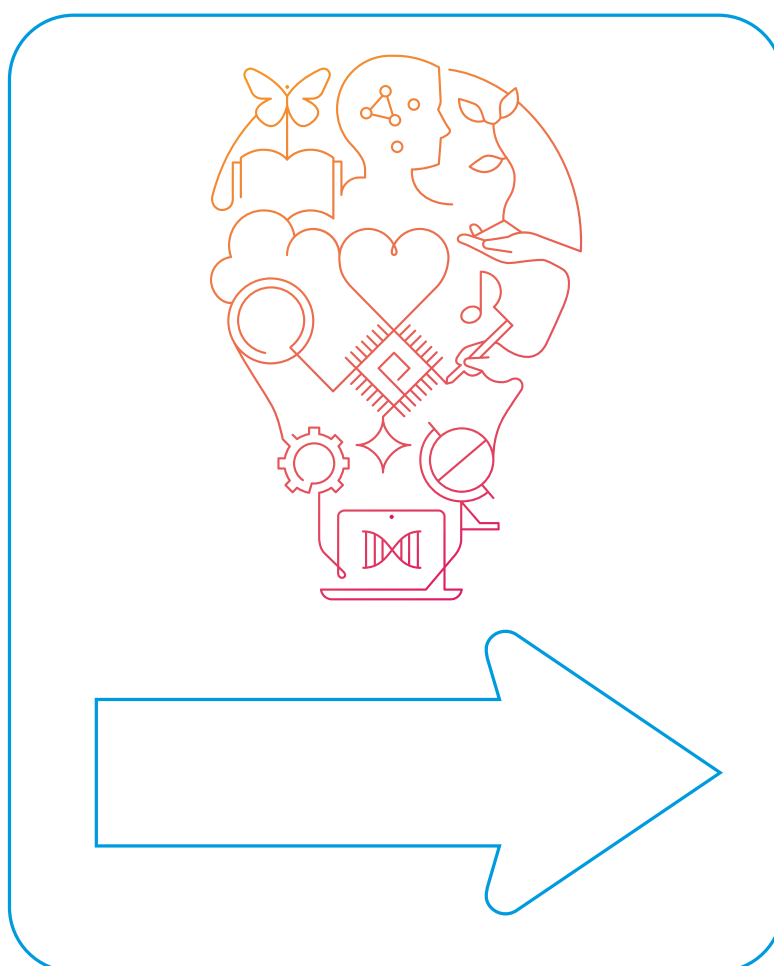


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Most all companies seek to grow — to add markets, customers, and product lines, and boost sales and income. But growth comes with its own set of challenges, ranging from greater complexities of fulfillment and distribution, to lines of internal communications that may not be consistent and unified. While growth is essential to your business, according to the Harvard Business Review only one company in nine has been sustaining consistent growth over time.¹

Changes to the payment industry have been a powerful boost to growth, as customers shift away from checks and cash and toward digital payments. Online payments, once limited to computers, are now possible with smartphones, wearable devices, and voice assistants. Shortly, cars may come payment-equipped. Companies that aren't adapting to the rapid changes in the payments industry may not be able to grow their business in line with (or better than) the competition.

The good news is you're in the driver's seat. Just follow the signs below to assure that your payment processes provide the horsepower you need to succeed.



Sign No. 1:

SPEED LIMIT



You may be failing to respond rapidly to your customers' own growth.

The need for business agility and rapid response to changing conditions has never been more crucial. Yet, you seem to be hitting the brakes instead of the gas. You may be burdened with a legacy payment system, or may be a bit behind your competitors in adjusting to mobile as a key ordering device. Salesforce estimates that just 8% of B2B sales organizations rate their ability to provide mobile sales as "outstanding."²

If your metrics indicate that your customer online experiences are inconsistent, orders are abandoned, and online feedback is negative,³ you may have outgrown your payment platform. Without a best-of-breed payment platform, your brand reputation and time to market may suffer, and revenue and margins may erode.

Solution:

Implementing customer-friendly payment processes.

Customers expect and appreciate multiple ways to complete an online or point-of-purchase transaction, and choose their preferred method. From the customer's standpoint, that could include credit and debit cards, digital wallets, Venmo in the U.S. and PayPal. But the customer experience is perhaps most important. A study by SiriusDecisions noted that acquiring new buyers is most important to companies, and enhancing the customer experience is their top priority.⁴ PayPal is often ranked among the most convenient and efficient online transaction platforms.

Further, when you offer PayPal Credit*, it extends your customers' purchasing power, turning browsers into buyers.



Sign No. 2: **BORDER CLOSED!**

You're behind the competition in accessing new customers and markets.

You'd like to access new markets, but the road ahead is blocked and the crossing gate is down. It may be because your payment processing platform is holding you back from new opportunities. Your competitors may be responding better by offering payment features that new customers appreciate. This may sideline your own efforts which are burdened by inconsistent checkout processes and increasing costs.

In addition, your payment system choices may not be relevant to new markets you'd like to enter, in particular overseas with local currencies and languages. This may be hampering your brand awareness and market growth considerably.

Solution:

Employ the PayPal For Enterprise Platform

PayPal offers numerous different payment methods, including access to credit and debit cards, local payment methods (LPMs), ACH, and the most relevant digital wallets including Apple Pay, Google Pay, Samsung Pay, Visa Checkout, and many more. Importantly, PayPal gives you the ability to accept most local payment methods for your customers and your business, including features like funding for eligible LPMs that may not be available anywhere else.

Further, PayPal is a global platform, used in 200 countries using more than 56 different currencies. That means there is minimal hindrance in entering new markets and countries. Finding new opportunities also means often partnering with local consultants and resellers. PayPal for Enterprise allows for easy disbursements to your own vendors, can lead to happy channel partners and attracting new ones.



Sign No. 3:

ONE WAY

Your current payments platform
doesn't encourage repeat purchases.

Uh oh, your buyers are going down a one-way street with a payment solution that doesn't make return visits easy — you're seeing customers come to your site, buy something, and then leave, never to be seen again. The processes you've put in place in other channels to encourage repeat business simply aren't working with your online transactions.

Solution:

Help boost customer loyalty with PayPal

For companies that offer subscription-based services, PayPal offers recurring billing so they can charge customers automatically in monthly increments. There's no need for separate invoicing, making for an easy, convenient process for you and your customers. This works for software customers or any other subscription-based businesses, as well as for organizations that encourage regularly occurring charitable donations. And if users change subscriptions mid-month, PayPal will automatically work out how much they owe.

Further, PayPal's Vault service allows you to safely retain customer information, including credit card data and passwords, to make repeat billing easy. Vault also can be used for non-recurring transactions so your customers don't need to re-enter their information each time they make a purchase from you.

And PayPal also makes it possible to offer rewards and rebate programs, like Yelp Cash Back⁵, further incentivizing return business. And by adding Store Cash, you give customers who have abandoned their shopping carts a chance to reconsider, encouraged via cash discounts to complete their purchase.



SLIPPERY
WHEN WET

Sign No. 4:

SLIPPERY WHEN WET

Your cost of operations is rising,
while efficiencies may be declining.

Can't gain traction? Are your wheels spinning in place? The fact is, you may be having a hard time accessing account activities in real time, and your payment processes are not linked efficiently to your current financial management platform. To make matters worse, integration costs are rising, and the costs of such transaction-linked tasks as PCI compliance, shipping, invoicing, gaining access to payments and more are also increasing.

Solution:

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Streamline operations with seamless integrations

No more wasting time, money and resources on integrations. PayPal cuts down on developer work by integrating easily into some of the most popular ecommerce platforms, shopping carts, analytics services and billing applications. Our enterprise plug-ins can put your business in overdrive, with such partners as Demandware, IBM Sterling Commerce, Netsuite, Oracle E-business, SAP, and Salesforce.

PayPal also takes the hassle out of PCI compliance. By integrating with our developer friendly SDKs, you can stay on the path to compliance and help minimize the risk to your company even as new threats emerge. This is the perfect lead-in to the next topic...fraud protection.



DANGER

Sign No. 5:

DANGER AHEAD

You're seeing an uptick in fraudulent transactions, and KYC inadequacies.

You can't accelerate your business when the road's full of potholes and crazy drivers threatening your progress. On any highway and byway there are unsafe conditions, and it's equally true when doing business online. The fact is, fraudulent transactions are all too common. Perhaps you've been a victim of excessive transactions involving stolen credit cards, or fraudulent chargebacks. For every dollar of fraud committed, U.S. retailers incur \$3.13 of costs, according to Lexis Nexis.⁶ This can cripple your growth curve, in particular in overseas markets where online fraud is particularly prevalent.

In addition, coping with constantly changing regulatory and market conditions, in particular with Know Your Customer (KYC) regulations to curb fraud, may be disproportionately consuming your company's resources. You may be subject to fees and lawsuits if you're not in compliance.

Solution:

Take advantage of PayPal's risk-mitigation and compliance capabilities.

PayPal helps handle differences in compliance and regulatory requirements in your new markets, PayPal's algorithms and monitoring technologies can help augment your current KYC procedures, recognizing patterns of fraud and satisfying KYC regulatory requirements.



PayPal offers enriched data to help increase authorization rates and lower chargeback costs. The PayPal Commerce platform aids in resolving compliance issues, providing return on investment (ROI) metrics on fraud solutions, and recognizing patterns of fraud at a global scale. Its artificial intelligence (AI) technology evolves continually to the growing global threat landscape.

Simility, a PayPal Service, offers best-in-class ⁷machine learning that empowers global businesses to help you fight fraud and improve customer trust. Simility's Adaptive Decisioning Platform approaches fraud dynamically, treating good customers with a streamlined experience and may add layers of protection when necessary.

The Bottom Line: You're in the driver's seat.

The digitization of payments may be among the dramatic and dynamic changes of our modern world, offering many opportunities that fuel continued corporate growth. It is more essential than ever for companies to adapt to the rapid changes in the payments industry, to take full advantages of new opportunities. You're in the driver's seat, and you can make it happen.

Learn more about PayPal for Enterprise offerings [here](#).

*Subject to consumer credit approval.

[1] Harvard Business Review, "The 3 Things That Keep Companies Growing": <https://hbr.org/2016/06/the-3-things-that-keep-companies-growing>

[2] Source: Salesforce, "State of The Connected Customer": <https://www.salesforce.com/blog/2016/10/state-of-connected-customer-2016.html>

[3] Source: Experience Revolution study by IBM's Institute for Business Value, "Digital Disappointment: Why Some Customers Aren't Fans": <https://www-935.ibm.com/services/us/gbs/thoughtleadership/custexperience/cx-disappointment/>

[4] Source: SiriusDecisions 2017 Global CMO Study: https://intelligentgrowth.siriusdecisions.com/marketing-executive/cmstudy?utm_source=Businesswire&utm_medium=PR&utm_campaign=prioritiesig&utm_term=CMO

[5] <https://www.braintreepayments.com/blog/introducing-braintree-extend/>

[6] Lexis Nexis, "For every dollar of fraud committed, U.S. retailers incur \$3.13 of costs": <https://risk.lexisnexis.com/insights-resources/research/2019-true-cost-of-fraud-study-e-commerce-retail-edition>

[7] Aite Group, based on 14 fraud and AML machine learning platform vendors, March 2019