

Mastering the Payment Experience (PX): How to convert customers and build loyalty

Four strategies for retailers looking to fuel growth with an exceptional PX.

Seamless, convenient, and personalized shopping experiences have become a baseline expectation at every touchpoint, whether consumers prefer to shop in person, in-app, or online. As customers continue to tighten their wallets, retailers must optimize every aspect of the customer journey, from first contact to checkout and beyond, to drive conversion and create loyalty. One way to accomplish this? Offering flexible payment methods to meet customers where they are in their financial journeys.

Doing this well requires mastering the Payment Experience (PX)—or rather, mastering Payment Experiences tailored to each consumer’s unique needs. In the era of personalization, there is no “one-size-fits-all” approach to payments, and retailers must have access to a suite of payment and financing solutions to convert shoppers into buyers.

High-performing PX is about more than just offering flexible payment methods. It’s about embedding them at key moments to optimize conversion, reduce cart abandonment, and build lasting loyalty.

In this guide, we’ll share four high-impact PX plays for merchants ready to modernize their Payment Experience and connect with more customers.



1. Let customers pay their way

The days when retailers could rely solely on traditional payment methods—debit card, credit card, cash, and checks—are long gone. Today’s consumers are increasingly diverse in their payment preferences, spanning traditional credit and debit cards to mobile wallets, peer-to-peer payment apps, and flexible


payment options like Buy Now, Pay Later. These preferences are particularly pronounced among younger consumers who want to use their preferred payment method at their favorite stores. Providing a breadth of payment options isn’t just about convenience—it’s about access.

The evolving payment landscape

Yesterday’s payment methods:

- Cash
- Debit
- Credit card
- Check

Today’s payment methods:


- Cash
 - Debit
 - Credit card
 - Check
- 
- Private-label credit and lending programs
 - Buy Now, Pay Later (BNPL)
 - Digital wallets (e.g. Apple Pay, Google Pay)
 - Contactless payments (e.g. contactless payment cards, e-transfers)
 - Crypto/digital currencies
 - Peer-to-peer (P2P) payment services

Digital wallets, in particular, have surged in popularity in recent years, thanks in part to widespread adoption amongst younger consumers:



**752
billion**

The number of digital wallet transactions in 2023.¹



67% of Millennials
and **79%** of Gen Z
regularly use digital
wallets to complete
transactions.²

Digital wallets offer unparalleled convenience for consumers. “Shoppers don’t always want to keep their wallet on hand, and they want the ability to shop on the go,” says Peter Maher, Senior Director of Sales. “By allowing shoppers to pay using a digital wallet on their favorite mobile device, retailers can attract convenience-oriented consumers—and they won’t lose out on business if, for example, a shopper forgets their wallet at home.”

Today’s consumers also flock to flexible payment solutions, and they’re looking for alternatives beyond the private financing and credit card options already provided by many retailers. Merchants who rely on these historically sound payment methods risk missing out on a growing segment of shoppers: Consumers who are limited to debit cards or choose not to use traditional credit methods. These shoppers are often savvy and intentional in managing their cash flow and seek flexible, transparent alternatives like buy now, pay later.



38%

of American
consumers used
BNPL in 2024.³

“We’re seeing BNPL emerge, not just as a financing solution for big-ticket items, but for everyday purchases as well,” says Maher. “Shoppers love BNPL as an option to make their purchases work within their budget.”

However, BNPL solutions are not one-size-fits-all, and retailers should consider curating a suite of solutions to meet a range of customer needs. This ensures they’ll be able to offer BNPL to customers with established credit histories making large purchases, as well as those newer to credit or those with limited access to other credit options.



Empower customers to select their preferred payment method with prequalification calculators

Ideally, your financial services tech stack should offer several financing options to meet the full spectrum of shoppers’ needs. That said, retailers should also offer resources to help shoppers select their preferred payment option.

Zip’s prequalification calculators make it easy for shoppers to determine if they may qualify for BNPL financing with Zip, as well as learn more about their payment schedule, should they be approved for financing. It gives shoppers the tools they need to financially plan for their purchase, and helps retailers reduce friction to boost conversion rates.

By accepting a range of payment options and offering a suite of credit and lending solutions tailored to consumers’ unique needs, retailers can offer a highly personalized PX and convert the broadest range of shoppers possible.

2. Meet customers at every checkout

As the lines between digital and physical shopping blur, retailers must be prepared to meet customers wherever they choose to transact. Whether that's online, in-app, or in-store, today's checkout must be fast, seamless, and familiar. A unified PX across all touchpoints not only meets rising consumer expectations but also directly impacts conversion rates and brand loyalty.

Doing this well calls on retailers to partner with payment and credit providers that support omnichannel experiences so shoppers get a consistent experience no matter where they prefer to shop. The right solutions should make it equally convenient to check out in-store, in-app or online, helping to reduce friction and boost conversions across all channels.

Third-party lending solutions should integrate seamlessly into a retailer's omnichannel ecosystem so customers can move seamlessly across channels, for example, with curbside pickup or Buy Online, Pickup In Store (BOPIS), whether they're paying by debit, credit card, or BNPL solution.



Omnichannel-ready lending: How Zip's flexible payment solutions fit seamlessly into complex customer journeys

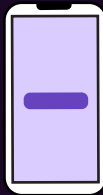


Online:

Offer express checkout to help minimize cart abandonment.

Benefit for retailers:

Enhance conversion by eliminating unnecessary steps to check out.



In-App:

Allow customers to apply for and use BNPL directly within your branded apps, or allow customers to connect with your retail portal via Zip's app.

Benefit for retailers:

Provide a branded PX, or reduce friction by allowing customers to shop via an ecosystem they're already used to.



In-store:

Accept physical or virtual cards powered by BNPL (e.g. a virtual or physical Visa card) to enable customers to finance their purchase nearly anywhere Visa is accepted.⁴

Benefit for retailers:

Expand access to credit solutions, leveraging existing payment processing capabilities without a new integration.

3. Embed marketing and education into the customer journey

While offering flexible payment options can help retailers connect with a broader customer base, they'll reap the most benefits by pairing these efforts with education and marketing campaigns.

Shoppers may simply not be aware of the breadth of payment options available to them. That's why proactive education and timely marketing are essential components of a high-performing PX strategy. Retailers can reduce checkout friction and boost conversion rates by making payment options visible early and often in the customer journey.

Successful PX activation begins with visibility: clear branding on homepages, banners, and product detail pages that educate customers about their financing choices. This extends to prequalification tools that allow customers to assess whether they qualify and assess their estimated spending power⁵ before checkout. When a transaction fails, customers can be prompted with an offer to check out using BNPL.

However, retailers have an opportunity to go a step further with in-store outreach throughout the customer's journey.

Consider adding signage at checkout to alert shoppers they have the option to pay over time. You might also consider placing signs strategically around the store: An electronics retailer might opt for signage about private label credit cards (PLCC) as well as BNPL options beside best-selling items, so shoppers know they have multiple ways to pay.

"The key to unlocking revenue is to explore when, where, and why customers are dropping off along their journey—and reaching out with targeted resources to help," says Joe Heck, Zip's U.S. CEO. "When you make the right offer at a key friction point, you aren't just boosting your chance of conversion, you're also building a relationship by showing you understand your customers' needs."

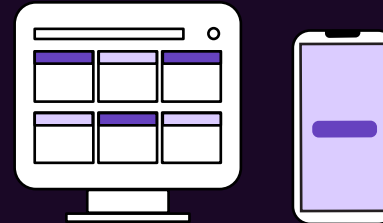
Creating touchpoints along complex customer journeys

Retailers have several opportunities to reach out to omnichannel shoppers about their financing options



In-store:

- Window signage
- In-store signage:
 - At checkout
 - At BOPIS counter
 - In dressing rooms
- Targeted signage near best-selling items, discounted items, and new products
- Geolocation notifications to alert shoppers to financing options when they enter the store.
- Store associate and cashier training to troubleshoot BNPL related purchases.



Online and in-app:

- BNPL solution branding/logo on homepage
- Landing and FAQ page for financing solutions
- Prequalification calculators
- Payment calculators
 - Including on product pages
- Express BNPL checkout

Finally, retailers can enhance conversions—and reconnect with lost shoppers—with proactive outreach when customers are most likely to buy. Alert customers when an item they’ve viewed is on sale, highlighting the options available to finance their purchase and how much it now costs upfront. Similarly, retailers can send abandoned cart emails highlighting flexible payment options, including links to prequalification or payment calculators, encouraging shoppers to re-engage with their journey.

Options for proactive outreach

- Owned channels (merchant emails, social, SMS)
- Cart abandonment emails
- Retargeting ads
- Exit-intent pop-ups
- Co-marketing and affiliate campaigns with credit/lending solution providers
- Influencer and user-generated marketing



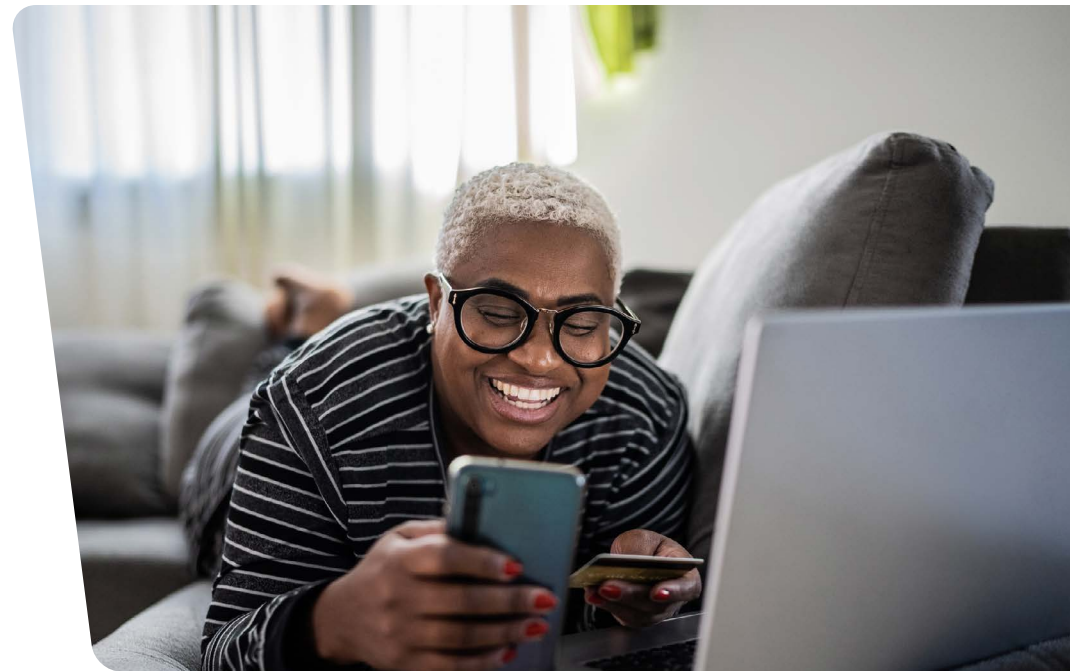
4. Build trust with branded Payment Experiences

Though you offer in-house financing and credit options, you're likely to work with a number of third-party credit and lending providers as you curate your financial services tech stack. As you evaluate potential partners, ensuring they share your vision for an outstanding PX is critical.

“Even if customers are engaging with a third-party financing solution, they perceive the experience as coming from your brand,” Heck explains. “If the process is complex, inconvenient, or they're surprised by hidden fees, they won't just be upset at the payment solution—it will damage their relationship with you.”

As you seek potential partners, ask about their approach to PX and the experience they're prepared to offer your customers. The ideal providers should allow you to customize how customers engage with the solution, allowing you to create a consistent, branded experience across channels. They should also offer transparency so customers can easily understand the terms of their credit agreement and the total cost of borrowing, with no surprises and no hidden fees.

Finally, retailers should seek payment providers that empower customers to tailor their payment terms to their needs. “When you can offer flexibility, not just in how customers pay but also when they pay, they feel empowered to make purchases with the confidence that they can pay it back,” says Heck.



Ready to build an elite PX?

As customers seek personalized and flexible Payment Experiences, retailers must curate a portfolio of payment, credit, and financing solutions to meet customer needs. Zip complements retailers' private lending programs and big-ticket BNPL solutions with a focus on flexible payment options for everyday purchases designed to support the needs of everyday Americans, particularly those seeking flexible alternatives to traditional credit.



Zip offers:

For customers

- Financing for purchases up to \$1,500
- Transparent pricing and fees
- Flexible payment terms (Shoppers can adjust their payment schedule around their paydays)

For retailers

- Easy integration with existing payment solution (Zip is available nearly anywhere Visa is accepted⁴)
- Full suite of solutions to enhance conversions online, in-app and in-store
- A seamless, branded Payment Experience that builds trust with consumers.
- Unique PX strategic placements
 - Prequalification
 - Private label credit card declines



**Discover how Zip can integrate
with your current stack and
help you reach customers that
traditional solutions overlook.**

Learn more

1. <https://globalclient.visa.com/digital-wallet-report>
2. <https://www.pymnts.com/mobile-wallets/2024/got-leather-almost-a-third-of-consumers-prefer-carrying-physical-wallet/>
3. <https://www.pymnts.com/buy-now-pay-later/2025/new-pymnts-data-shows-affluent-shoppers-use-pay-later-for-gucci-and-groceries>
4. Zip can only be used for US purchases. Certain merchant, product, goods, and service restrictions apply. VISA is a trademark owned by Visa International Service Association and used under license. Loans through Zip Pay Anywhere and Zip Web Checkout (including any “powered by Zip” loans) are originated by WebBank.
5. Estimated spending power is a point-in-time estimate of how much a customer may be able to spend, is not guaranteed, and is impacted by a number of factors. Zip or WebBank may decrease a customer’s estimated spending power within its reasonable discretion, including where the customer has previously had an unpaid balance or an amount past due. Estimated spending power is not an open line of credit. Each transaction is separately reviewed for approval. For additional details, please see the terms and conditions.



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