

PayPal Credit Extends Online Promotional Financing for Lower Cost Purchases

Responding to market demand, PayPal Credit launches 3 Month Easy Payments at 0% APR offer on items starting at \$30, opening up additional online promotional financing options to qualified retailers this holiday season

SAN JOSE, Calif., Sept. 18, 2019 /PRNewswire/ -- [PayPal Credit](#) is enhancing its promotional financing offering to purchases starting at \$30, making it possible for more retailers to now tap into the millions of consumers in the U.S. who already use PayPal Credit.

To help more retailers attract more customers and drive sales this holiday season, PayPal Credit is extending its promotional financing offering to purchases starting at \$30 for the first time. Retailers will be able to offer 3 month Easy Payments at 0% APR on purchases of \$30 and above with no down payment, and the retailer gets paid up front ([See terms](#)). PayPal Credit is providing an easy integration with a singular line of code that will allow merchants to promote the offer across their online storefronts. When consumers use this new offer from PayPal Credit, the merchant gets paid in full, and PayPal Credit manages the consumer's digital, reusable credit line. In partnership with Synchrony Bank, the company is piloting this offer during the holiday season, with the intent to expand rollout in 2020.

Online purchase financing has become an important tool for consumers looking to buy now and pay over time. This is especially true during the holiday season, where U.S. consumer holiday spending has historically increased¹. Mobile shopping eclipsed desktop shopping for the first time in the 2018 holiday season², while data from PayPal revealed that 80% of PayPal Credit transactions are under \$99, even without a special financing offer³.

With 45% of PayPal Credit volume on mobile, consumers are looking for seamless, mobile-first financing options for purchases at increasingly lower ticket sizes⁴.

For merchants, PayPal Credit helps drive higher sales, increase average order volume, and improve customer loyalty. When businesses add the PayPal Credit button at checkout, retailers see an average 15 percent increase in incremental sales, starting within the first 3 months⁵ and 56 percent of the 2000 users surveyed say they are more likely to shop at a retailer again if they offer PayPal Credit.⁶

"PayPal Credit has created a culture of empowered shoppers. Shoppers do not need to apply for a new credit line each time they use PayPal Credit, they only need to apply once. In fact, unlike one-time use installments products, 90 percent of PayPal Credit spend is made by existing customers reusing their credit line and therefore does not require a new credit application," said Susan Schmidt, VP of US Consumer Credit at PayPal. Susan continued, "With this new offering, merchants will also be able to take advantage of PayPal's affiliate marketing program, with content marketed to more than three million consumers across the customer lifecycle. PayPal helps drive consumers to merchants' websites to help build incremental revenue growth."

PayPal Credit is the only online financing platform that can tap into PayPal's two-sided network of 286 million active accounts, including 23 million merchant accounts. Backed by 15+ years of experience, in February 2019 PayPal Credit surpassed [\\$50B in transaction volume](#) and has withstood financial cycles, including the Great Recession of 2008. Consumers will still be able to take advantage of No Interest if paid in full in 6 months on purchases of \$99 or more. (Interest will be charged to the account from the purchase date if the balance is not paid in full within 6 months. Minimum monthly payments required. Subject to credit approval. [See terms](#).)

About PayPal

Fueled by a fundamental belief that having access to financial services creates opportunity, PayPal Holdings, Inc. (NASDAQ: PYPL) is committed to democratizing financial services and empowering people and businesses to join and thrive in the global economy. Our open digital payments platform gives PayPal's 286 million active account holders the confidence to connect and transact in new and powerful ways, whether they are online, on a mobile device, in an app, or in person. Through a combination of technological innovation and strategic partnerships, PayPal creates better ways to manage and move money, and offers choice and flexibility when sending payments, paying or getting paid. Available in more than 200 markets around the world, the PayPal

platform, including Braintree, Venmo, Xoom and iZettle, enables consumers and merchants to receive money in more than 100 currencies, withdraw funds in 56 currencies and hold balances in their PayPal accounts in 25 currencies. For more information on PayPal, visit <https://www.paypal.com/about>. For PayPal Holdings, Inc. financial information, visit <https://investor.paypal-corp.com>.

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¹ 2018 Deloitte holiday retail survey, <https://www2.deloitte.com/us/en/insights/industry/retail-distribution/holiday-retail-sales-consumer-survey.html>

² 2018 Salesforce Holiday Shopping Report, <https://www.salesforce.com/solutions/industries/retail/holiday-shopping-report/>

³ Internal PayPal Analytics, representative of PayPal and PayPal Credit transaction data between August 2018 – September 2019

⁴ Ibid

⁵ Average incremental sales based on PayPal's analysis of internal data among middle market merchants with annual sales above \$5MM against a similar control population between January 2013 and March 2018.

⁶ Online study commissioned by PayPal and conducted by Logica Research in November 2018 involving 2,000 U.S. consumers, half were PayPal Credit users and half were non-PayPal Credit users.

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