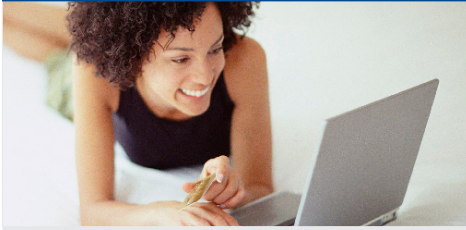




<https://www.paypal.com>

Customer Case Study | ZipZoomfly.com



Company

ZipZoomfly is an online retailer that provides affordable performance computer equipment and accessories for both individual and business needs.

Challenge

To offer an affordable and customer-friendly additional payment option that provides improved fraud control.

Solution

PayPal's Express Checkout - a secure payment option that speeds up the payment process

Results

• New customers

After adding PayPal's Express Checkout ZipZoomfly's new-customer rate more than doubled, from 9% to 20%.

• Increased sales and transactions

In just a few months, PayPal's Express Checkout lifted total ZipZoomfly sales through PayPal by approximately 90%. Ten thousand new customer transactions were made through Express Checkout.

PayPal's Express Checkout increased transactions made through PayPal from 8.5% to 15%.

• Repeat business

With PayPal's Express Checkout, the site's return-customer rate in terms of numbers of PayPal user transactions increased from 8% to 15%.

• Lowered Costs

ZipZoomfly's fraud rates have decreased, lowering business costs and reflecting more qualified sales.

ZipZoomfly (www.zipzoomfly.com) is the place to go for a superior selection of the computer industry's lowest-priced hardware, software, and accessories.

The Challenge: To add a user-friendly payment method that increases sales, lowers the site's cost per transaction, and provides more control over fraudulent orders.

ZipZoomfly began as an online reseller of computer components. Several years ago, it adapted the PC distribution model to sell directly to the end user. Today the company staffs nearly 150 employees, has a growing and loyal buyer network, and has recently experienced record quarters.

ZipZoomfly had grown to a size where both transaction costs and the potential of fraud could have slowed further growth. Andy Wang, ZipZoomfly's marketing manager, wanted a payment option that would resolve these issues.

The Solution: PayPal's Express Checkout

PayPal's Express Checkout Boosts Sales

ZipZoomfly needed a payment option that did more than just drive new customers and increase sales. It had to be both easy to integrate and inviting to the company's existing customer base. It had to be affordable to both implement and operate, since the site's transaction volume had grown tremendously. Finally, it had to provide a way to better manage and control risk. PayPal's Express Checkout met all expectations.

For ZipZoomfly, integrating PayPal was very simple. "There were modules that were ready to go, so we didn't have to reinvent the wheel," Andy recalls. Plus, Express Checkout was completely compatible with ZipZoomfly's order system, going hand-in-hand with the site's shopping cart redesign. And PayPal's dedicated technical service representatives were on-site, assisting during the launch. According to Andy, "PayPal has delivered a stable, reliable system."

Customers also approved--the site experienced increased revenue after just a few months. "Before we integrated [PayPal's] Express Checkout, PayPal's share of wallet in terms of percentage of transactions was 8.5%. After we added Express Checkout, it increased to 15%," Andy says.

Overall sales through PayPal improved, too. Andy recalls, "When we implemented Express Checkout, ZipZoomfly's total credit card sales remained stable, while our PayPal sales increased from 6.3% of total sales to 12% of total sales. The increase in PayPal sales improved our revenues and profits." For ZipZoomfly, PayPal was clearly boosting sales, revenue, and customer confidence.

Driving New Customers and More Qualified Orders

PayPal's Express Checkout provides ZipZoomfly's shoppers with a streamlined checkout process that solidifies customer loyalty and leads those customers to return to the site. In fact, after implementation, ZipZoomfly has seen its rate of return customers using PayPal increase from 8% to 15%!





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“PayPal has delivered a stable, reliable system... Try it – you’ll love it.”

—Andy Wang,
Marketing Manager
ZipZoomfly.com



“[With PayPal], someone is always there to help with any issues: fraud, technical, etc. They are very accessible.”

—Andy Wang,
Marketing Manager
ZipZoomfly.com



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PayPal satisfies ZipZoomfly’s customers as well. The online retailer never gets tired of receiving comments and messages such as these left on the site’s feedback page: “I liked that I had the option to pay with PayPal.”; “...I love that I could pay with PayPal.”; “Very sweet. Able to pay using PayPal, even sweeter.”

Even more exciting to ZipZoomfly than all its new customers is the fact that those customers are paying with PayPal’s fast checkout solution. Andy offers some compelling data: “Before we implemented [PayPal’s] Express Checkout, approximately 9% of our new customers used PayPal. Now that number averages about 20%.” And when they compared the number of new customers before and after implementing PayPal’s Express Checkout, ZipZoomfly had recorded approximately 10,000 new transactions through Express Checkout in just a few months.

With the improved fraud control that comes with PayPal’s Express Checkout, serving first-time customers has become less risky. ZipZoomfly’s fraud rates have decreased, lowering business costs and reflecting more qualified sales. Previous problems with unconfirmed addresses are now quickly resolved. Andy says, “When we found out about PayPal’s Express Checkout and the opportunity to be able to dictate what [transactions] we will or will not accept—we were convinced that this was the way to go.”

The Results: Bottom-Line Benefits

ZipZoomfly strives to live up to its name in the quality of the products it sells, the speed at which it reaches the customer, and through its newly streamlined checkout process. PayPal users seem to appreciate ZipZoomfly’s move: in the months after PayPal’s Express Checkout was launched, most of the site’s PayPal users switched to the faster payment method.

ZipZoomfly appreciates the value and integrity PayPal brings to the relationship, from the co-marketing opportunities it offers, to fraud protection, to service and reliability. ZipZoomfly has come to rely on PayPal’s quick response time whenever a technical, customer, or operational issue comes up. According to Andy, “...someone is always there to help with any issues: fraud, technical, etc. They are very accessible.”

For ZipZoomfly, PayPal’s Express Checkout has made an overall impact on business. The site has experienced an increased level of comfort, both financially and operationally. Andy adds, “Transaction costs are lower, and we experience less fraud, so operational costs are lower as a result.” For any online retailer who’s thinking of adding a payment option, Andy has just one piece of advice about PayPal: “Try it - you’ll love it.”

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