

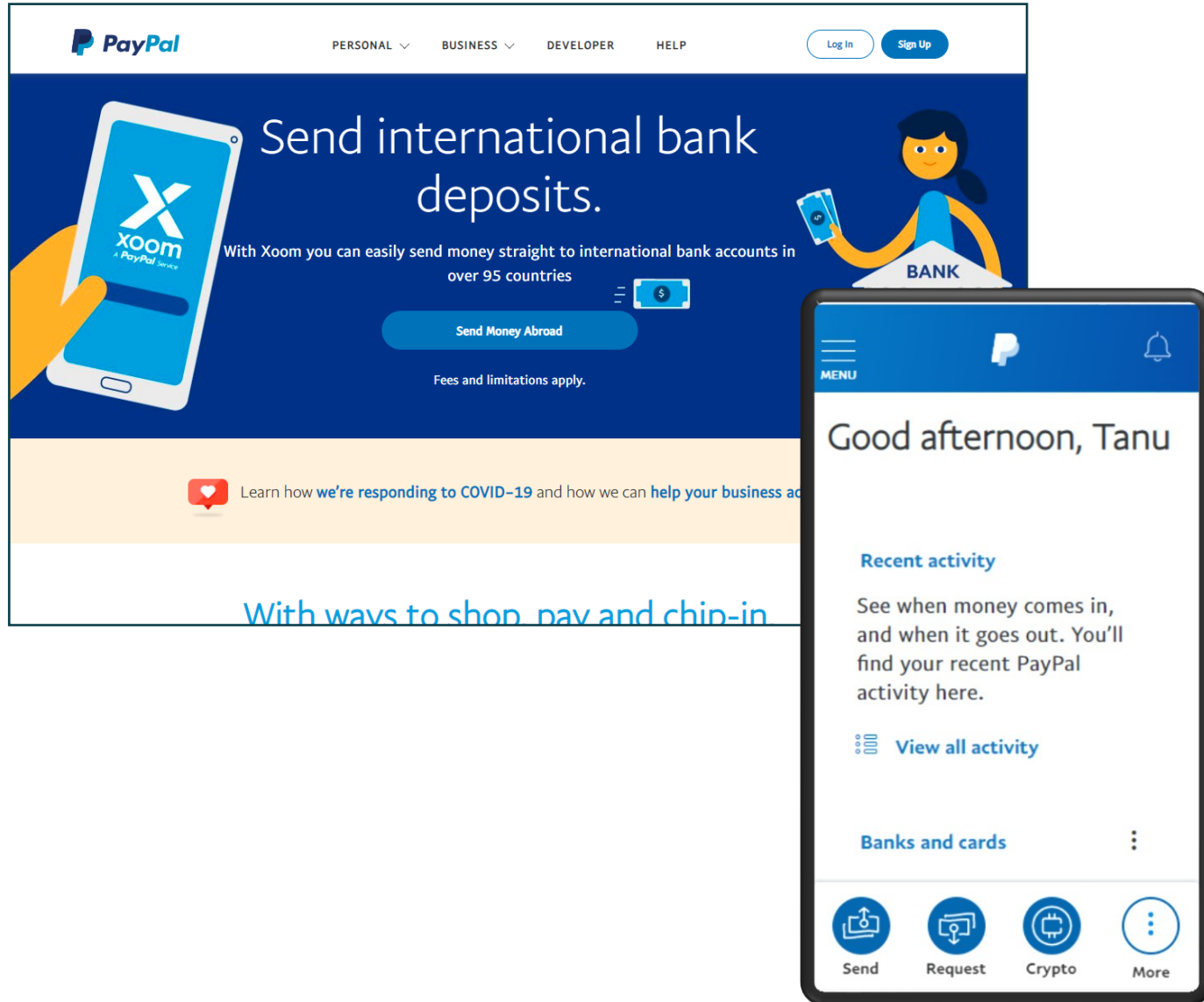
PAYLIGHT

fast & secure e-wallet app

1.7 Competitive Analysis: 'PayPal' & 'Google Pay'



PayPal



We'll be analyzing a potential competitor called PayPal (<https://www.paypal.com/>).

PayPal is a well-known American company started by 1999 and operating a worldwide online payments system that also supports online money transfers and receives, they charge a fee for business transactions and transfers, but without sharing the financial information to others. PayPal had approximately 305 million users at the beginning of 2020.

Overview



➤ Key Objectives

In Financial Technology, they believe in providing simple, affordable, secure and reliable financial services and digital payments that enable the hopes, dreams and ambitions of millions of people around the world.

Bottom Line:

- Provide simple, affordable and secure online payment system.
- Give platform to individuals and businesses to easily transfers and receives money.
- Provide their services worldwide.

➤ Overall Strategy

When PayPal launched in 1999, online card payments were still a challenge for many merchants. PayPal's great breakthrough was determining how individuals and businesses could more easily accept money over the web. PayPal's founders figured out early on that it could make a decent profit in this low-margin business of processing transactions if it could encourage enough users to fund PayPal payments via bank accounts rather than financial cards. Even today, they still hinges on this online platform, the online platform enables its 150 million registered users to send money in 26 different currencies to over 200 countries and territories. Over time, PayPal has also moved into other aspects of financial services, including consumer credit, mobile card acceptance and even card issuance.

Bottom Line:

- Individuals and businesses could more easily accept money over the web.
- Encourage enough users to fund PayPal.
- Hinges on their online platform.

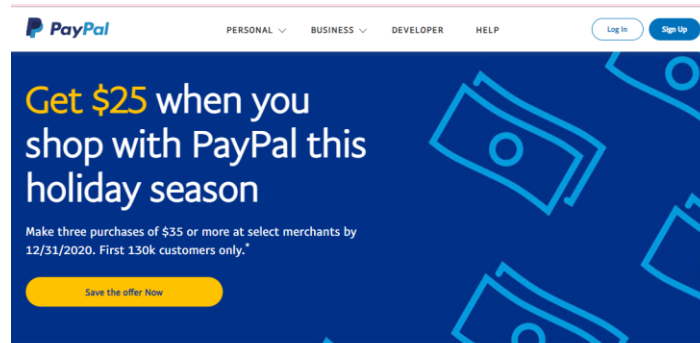
Overview



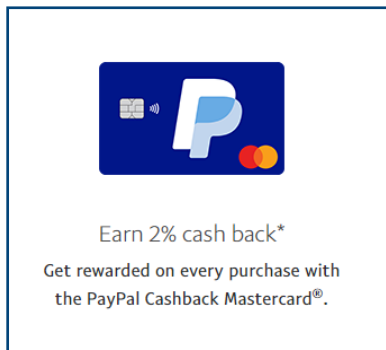
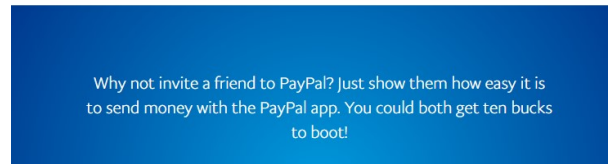
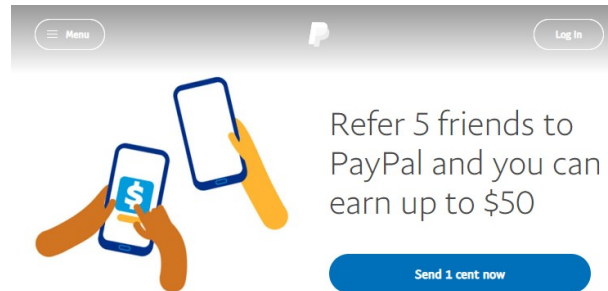
➤ Market Advantage

- PayPal is encouraged to be used by businesses, as PayPal offers business financing options, and they charge a fee for transactions and transfers, but typically does not have as strict limits on transactions size as Venmo and others app does.
- The online platform enables over 200 countries and territories which is the main advantage to maintain strong hold in the market.
- PayPal is more focused on acting as a payment gateway for online purchases, and best for everyday users.
- PayPal lets users send or request payments on the web, while Venmo and some others only offers this function through its mobile app.
- Because PayPal is primarily geared toward merchants, it offers more features for business than others. PayPal's Commerce Platform lets businesses accept a variety of payment types and options, including point-of-sale (POS) systems, virtual terminals, subscriptions, billing agreements, and invoicing.
- PayPal offers fraud and seller protection to protect businesses from chargebacks, reversals, and fees using advanced machine learning to identify new fraud risks.
- PayPal also offers business loans between \$5,000 and \$500,000 based on the financial strength of a business and its credit score.
- Lastly, PayPal offers cashback and points-based credit cards, as well as a digital line of credit wherever PayPal is accepted.

Marketing Profile



Where to shop



Promotions in the marketing mix of PayPal Holdings, Inc.

The world needs PayPal more than PayPal needs the world. PayPal has solved one of the most innocuous problems in the international market. It has leveraged users and enterprises with the power to sell products and services cross-border with great ease.

Promotion in the digital space

PayPal has been quite active on varied social media platforms and has always tried to help people use PayPal better. Their marketing campaigns are designed to educate people about "how they can use PayPal and make their small business grow?". PayPal majorly has its presence and promotions in the digital space. Accordingly, it promotes itself in the internet space and internet conferences and uses varied Digital marketing strategies like search engine marketing (SEM), email marketing, social channels such as Facebook and Twitter.

SWOT Profile



STRENGTH

- PayPal is a **reputable company with enough security** and consumer protection.
- PayPal provide their **services in more than 200 countries**, and they have **237 million plus active users' accounts across the countries**.
- **PayPal provides multiple services to their users** such as PayPal here, PayFlow payment gateway, online invoicing, virtual terminal, digital goods selling option, billmeLater.
- **Users can shop from millions of online stores** in the U.S.A and across 203 global markets by PayPal.
- **eBay is a strong tech background provider** and a main payment provide for PayPal.

WEAKNESSES

PayPal charge a high service fee to their venders such as 2.9% + \$0.30 on debit and credit cards and each banking transaction 4.4 % plus a fixed fee (depending on the country).

PayPal often freezes a user's account without any information and warning when they found some unusual behavior.

Users need to be **dependent on internet connectivity** to use PayPal.

Hacker are constantly trying to break into PayPal services that's why some people says PayPal is **not safe and secure**.

SWOT Profile



OPPORTUNITIES

- PayPal is **investing in fast-growing e-commerce platform** as 22 million merchants that offer partnership to PayPal as a checkout option.
- PayPal has a great opportunity to **move towards developing countries economy which are trying to become cashless.**
- **Venmo is a phenomenal opportunity for PayPal** as it contribute meaningfully to PayPal's top and bottom lines down the road.
- PayPal is trying to **tie-ups with B2C business** which can increase their customer base and money transfers.

THREATS

PayPal has **major global competitors in the market** like WePay, Google Pay, Amazon Pay etc. which have the strong hold in the market.

The countries like **China, Taiwan, Japan** have stringent economic policies which becoming the **main obstacle for PayPal services.**

The **biggest danger** to PayPal is **Central Banks** will launch their own payment solutions in direct competition with it.

PayPal has major **threat with retailers** which offering discounts, free shipping, store credit; or rewards points, for customers that switched to their QR-code payment solutions.

Conclusion of SWOT Analysis

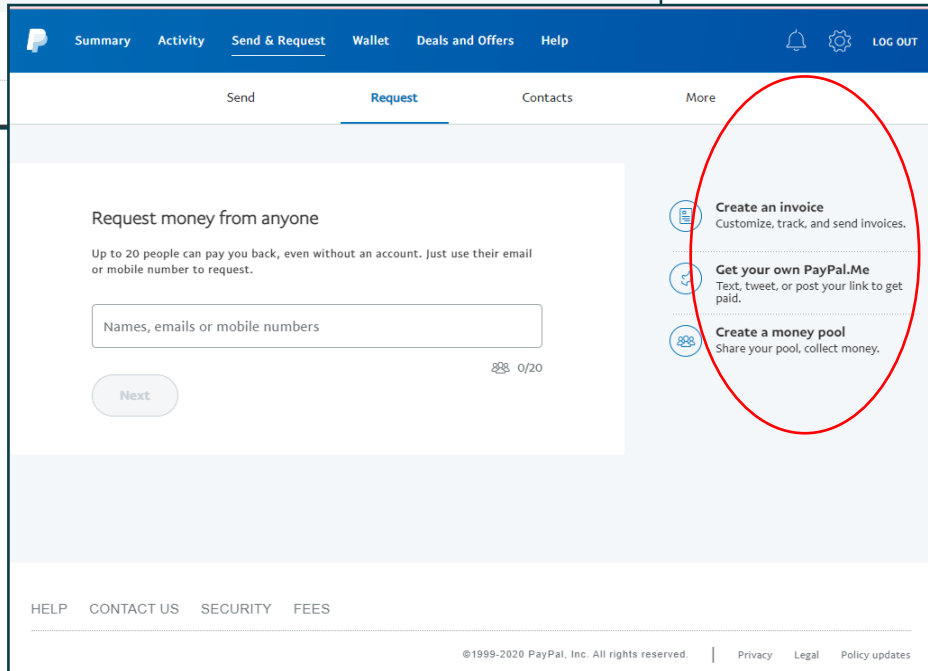
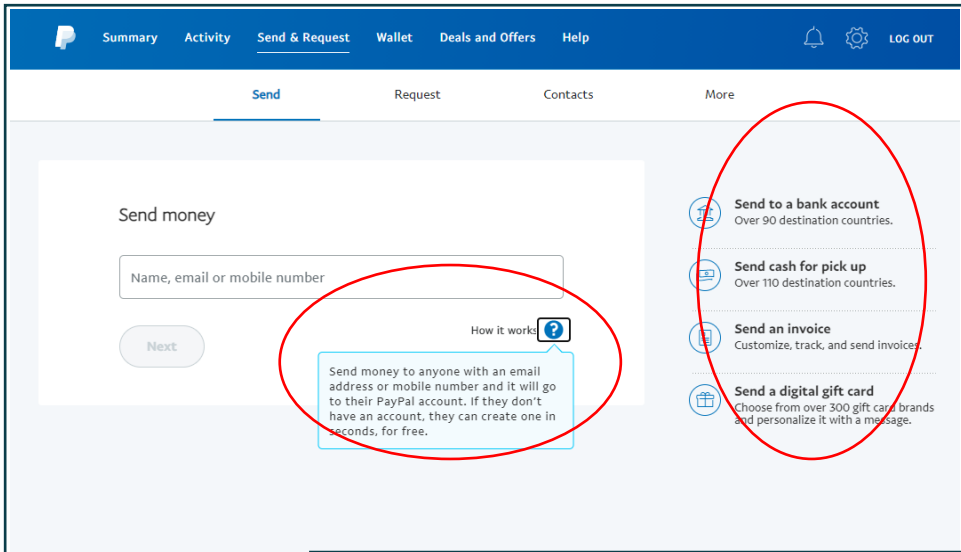
After an in-depth study of the swot analysis of PayPal, we have realized that the company has a strong position in the online fund transferring market. But it shouldn't ignore the threats like banks, retailers, competitors etc. The company should also take advantage of opportunities like expanding its market in developing countries, investment in growing e-commerce platform, B2C businesses etc.

UX Analysis



1. Usability
2. Layout
3. Navigation Structure
4. Compatibility
5. Differentiation
6. Calls to Action (CTA)

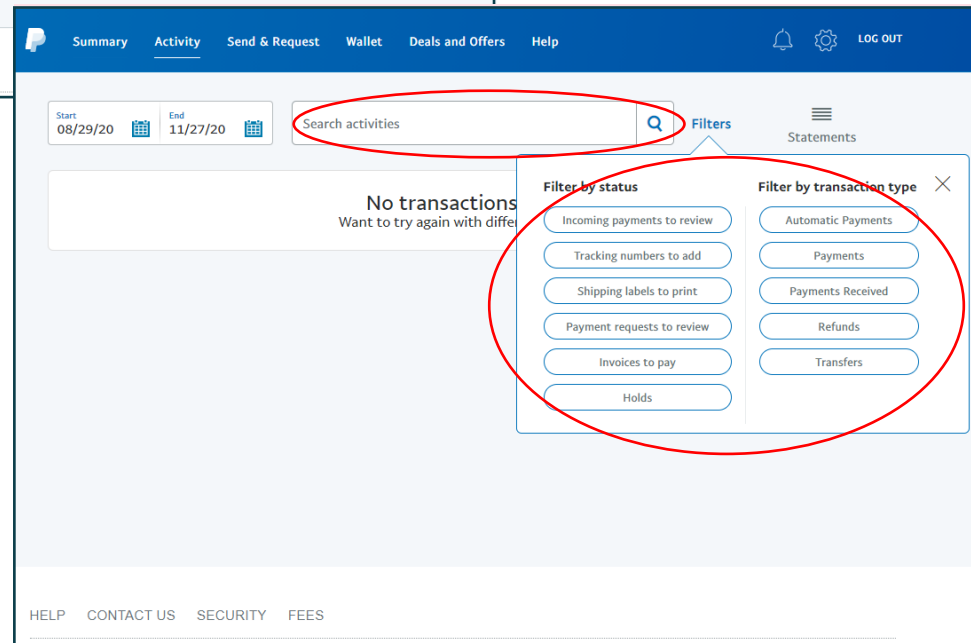
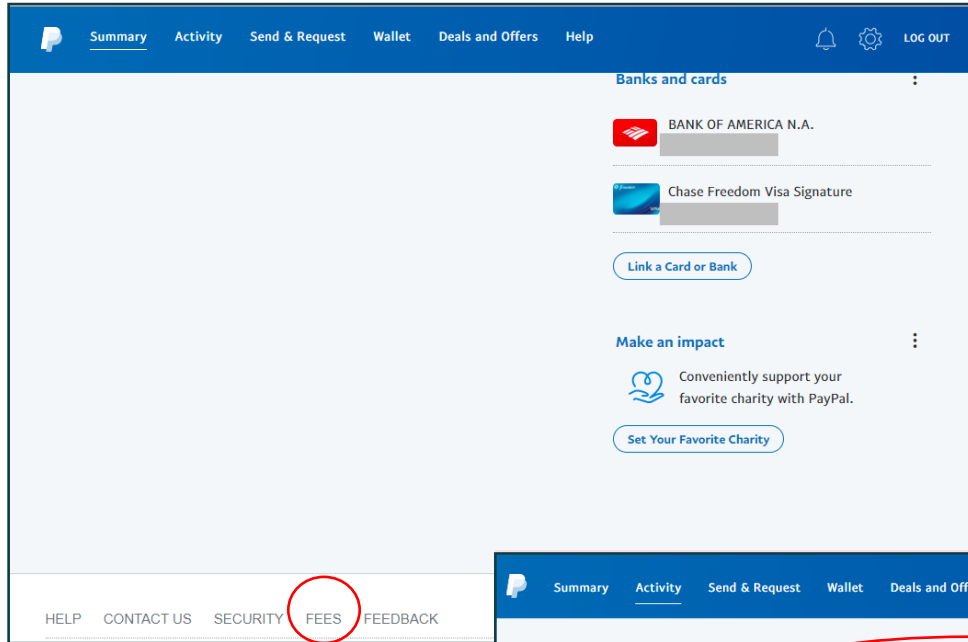
UX Analysis



1. Usability

- PayPal overall user experience of interface is pretty much clear and intuitive as the app isn't difficult to use.
- When I was navigating through, I didn't feel any difficulty to interact with the features provided, but there are some aspects that felt unfinished or not understandable.
- Such as, in **'Send' feature**, when I tried to send money to someone, how will I do that? Through my bank or using my credit card? And the four options provided at the right-hand side are also confusing especially at this time while making decision... do I need to pick an option first from right-hand side or I need to enter details and hit send first? Even the help (?) icon doesn't provide any information about it.
- Same way in **'Request' feature**, the three options at the right-hand side are confusing. Do I need to pick one from here or fill the details first and hit next?

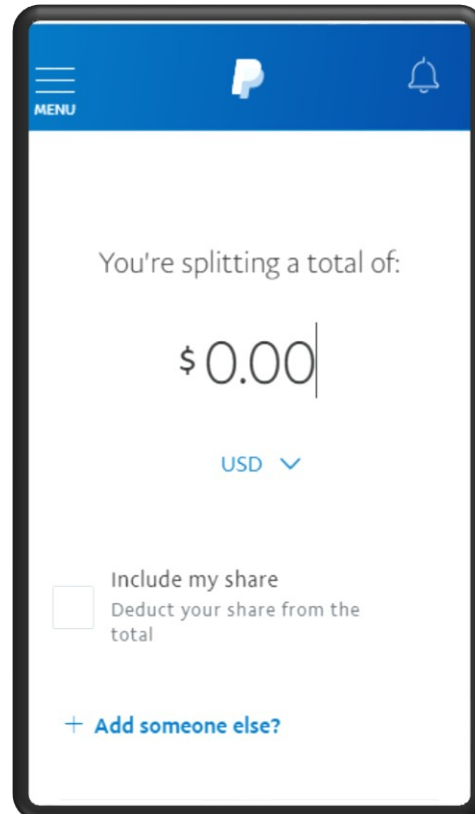
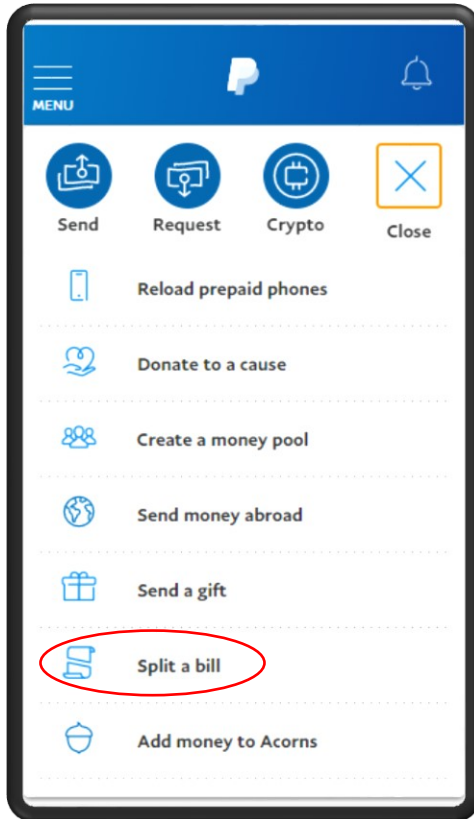
UX Analysis



2. Layout

- The first thing I noticed the PayPal doesn't have a search bar at home screen.
- The next thing I noticed was when I was looking for fee, do they charge anything on credit or debit card or bank transaction? I found at the bottom of the home screen in very light font and not getting my attention. I think it should be in the navigation menu or somewhere in the noticeable area. Since there is no search bar, I can't even find out transaction fee that way.
- The activity search bar isn't clear enough. If they might have mentioned an example or hint for a type of activities in the search bar, that would be helpful for the user. But when I clicked on the filter option, I saw that I can filter by transaction type and status. This is not informing me in any manner what can I type in the search bar.

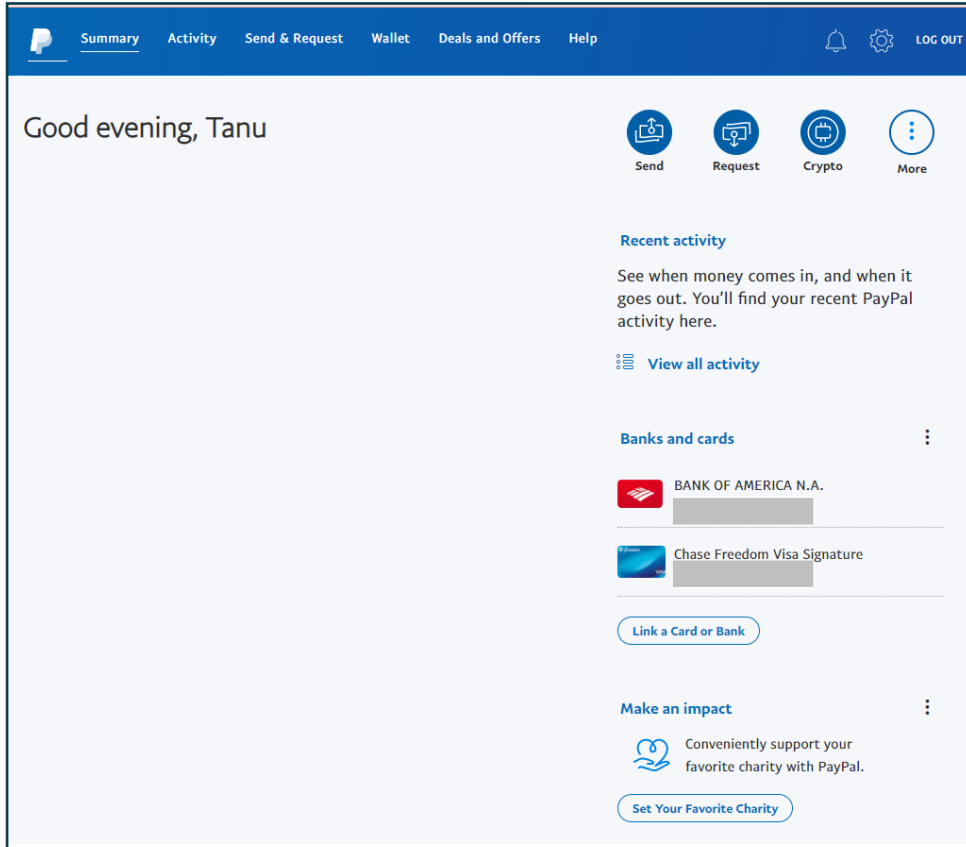
UX Analysis



2. Navigation Structure

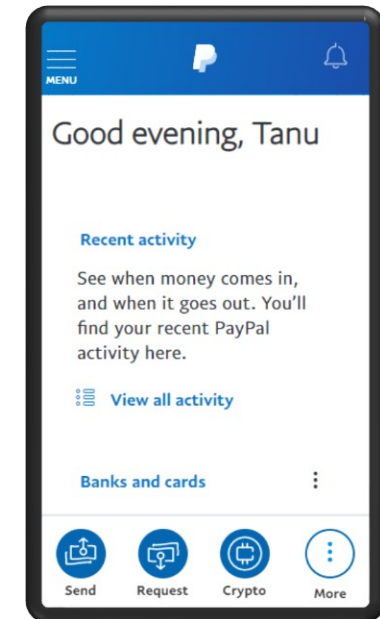
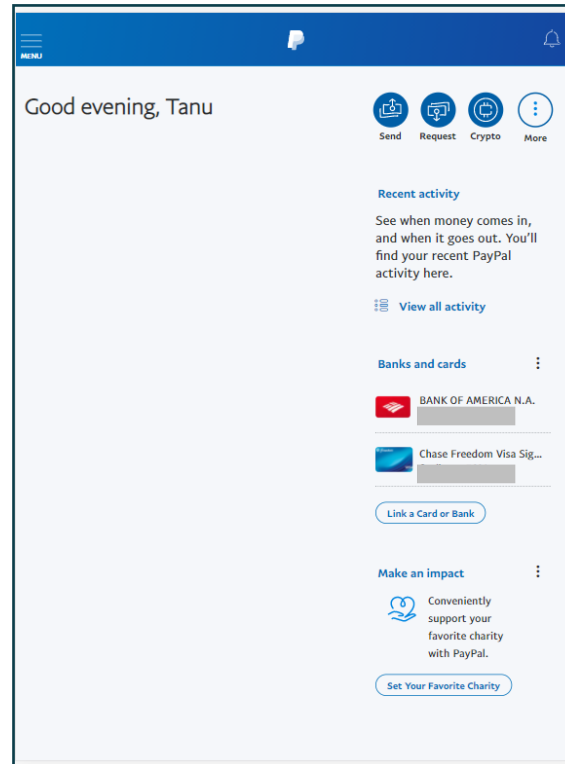
- Overall PayPal navigation structure is very simple and clear enough in both the desktop and mobile.
- But there are few things which could add more value to their navigation structure such as search bar at home screen and split bill option in the navigation menu.
- When I click on more options at the bottom, the menu opens, and we can see the split bill option there. It should be available in the main navigation menu. When I click it, the new page 'You are splitting a total of' opens which is very simple, but not clear enough to me that how will I split expenses here and send or receive money to/from friends.

UX Analysis

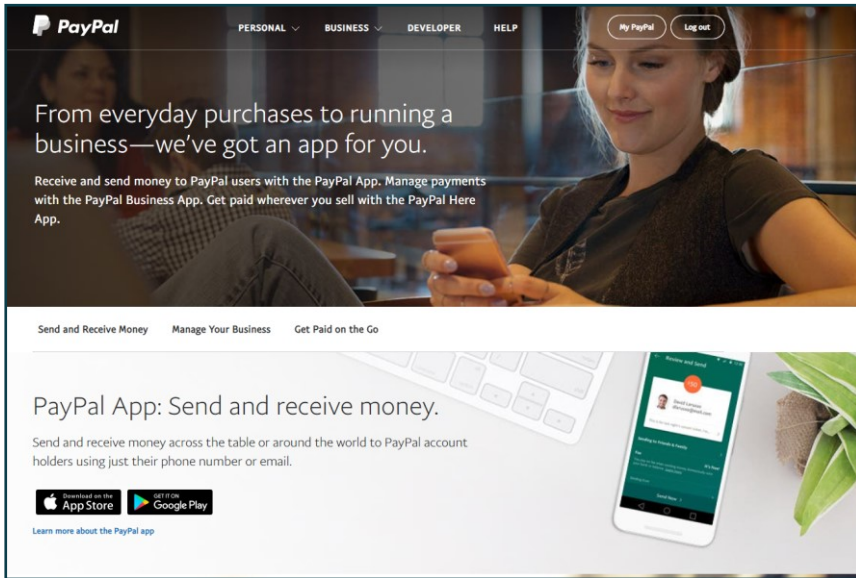


4. Compatibility

PayPal is a responsive website and app which work across devices (phones, tablets, and desktop), operating systems, and browsers (PC, Mac, Internet Explorer, Google Chrome).

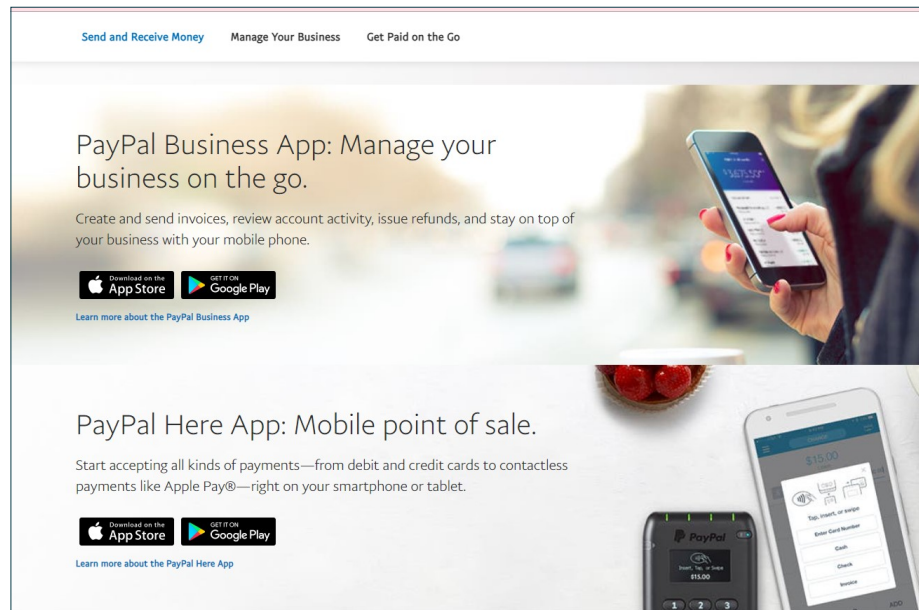


UX Analysis



5. Differentiation

- PayPal provides online funds transferring and online payment services in more than 200 countries worldwide.
- PayPal had approximately 305 million active users at the beginning of 2020, and 15 million users are merchants in 25 different countries.
- PayPal has different type of apps such as PayPal app, PayPal Business app, PayPal Here app, and the apps can be downloaded from Google Play and iOS App Store.
- PayPal offers different types of services to its users like: BillmeLater, PayPal Here, Digital goods selling an option, PayFlow Payment gateway, virtual terminal, and online invoicing.



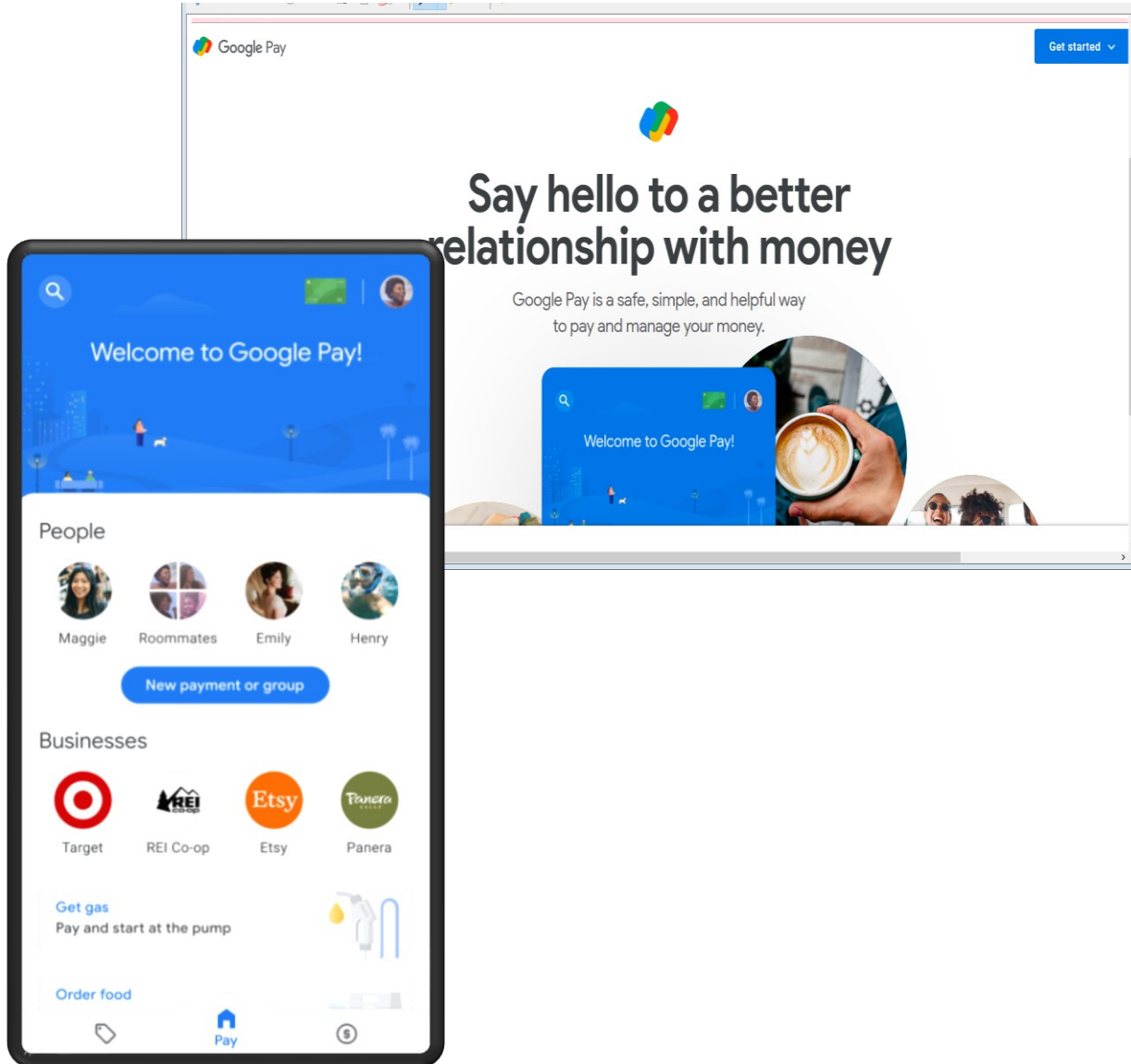
UX Analysis

A screenshot of the PayPal login and sign-up interface. At the top is the PayPal logo. Below it is a text input field for 'Email or mobile number', followed by a password input field. A prominent blue button labeled 'Log In' is centered below the password field. Underneath the button is a link that says 'Having trouble logging in?'. A horizontal line with the word 'or' in the center separates this from a light gray button labeled 'Sign Up' at the bottom.

6. Calls to Action (CTA)

The interface of PayPal is user friendly. The merchants and ordinary users can easily create an account and sign-in and transfer funds and payments with few simple clicks.

Google pay



We'll be analyzing a potential competitor called Google Pay (pay.google.com).

Google Pay is a digital wallet platform and online payment system developed by Google in 2018 to power in-app and tap-to-pay purchases on mobile devices, enabling users to make payments with Android phones, tablets or watches. Users in the United States and India can also use an iOS device, albeit with limited functionality. There are approx. 11.1 million US Google Pay users

Overview



➤ Key Objectives

Google Pay goal was to make it easier to pay in stores with your phone. Send money to a friend or start a group to split expenses for dinner, bills, rent, and more. See where you've made the most recent transactions, right on your home screen. Find past purchases, loyalty cards, offers even online ordering all in one place. Keep credit cards, debit cards, transit passes, and more on your phone for quick, easy access.

Bottom Line:

- Provide easier access to pay in stores and send money to friends.
- Provide facilities to split expenses for dinner, bills, rent and more.
- Keep credit cards, debit cards, transit passes, and more on your phone for quick and easy access.

➤ Overall Strategy

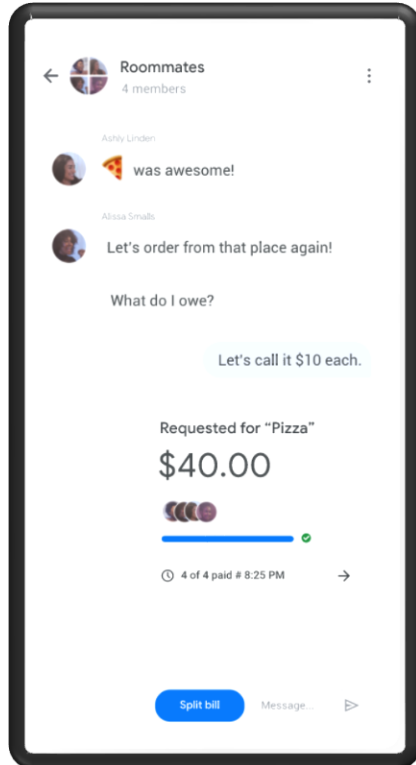
Google's strength is search. This gives the company a unique edge as it expands its mobile wallet strategy to include multiple rival brands. This starts with PayPal, which Google Pay plans to include as a funding option and is fueled by Google Pay's integration throughout the tech giant's ecosystem. By incorporating rival brands, Google can make its wallet app a de facto search tool for finding the right mobile wallet for any particular retailer, website or in-app purchase. With online payments providers Braintree and Stripe setting the stage for embedding one-click payments into e-commerce stream, it has become clear that Google needs to be a part of that market in all of the channels where Google's Chrome and Android ecosystems are active.

Bottom Line:

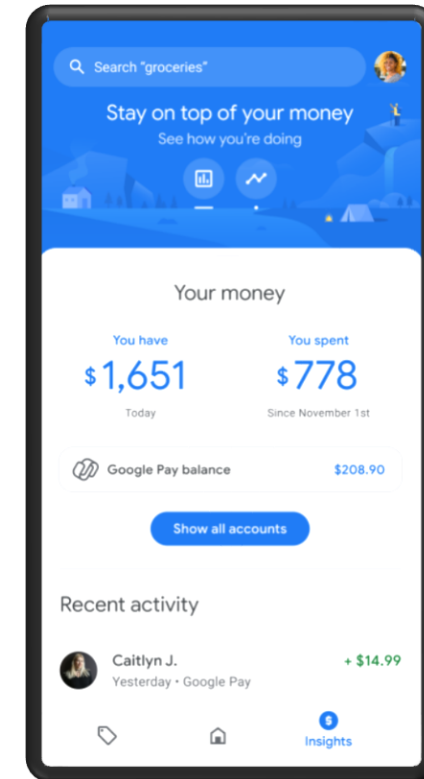
- Google Pay plans to include as a funding option.
- its wallet app a de facto search tool for finding the right mobile wallet for any particular retailer, website or in-app purchase.
- The stage for embedding one-click payments into e-commerce stream.

Overview

➤ Marketing Advantage (Part 1)



Pay a friend or a group in a snap: Send money to a friend or start a group to split expenses for dinner, bill, rent and more. Google Pay will help you do the math and keep track of who's paid

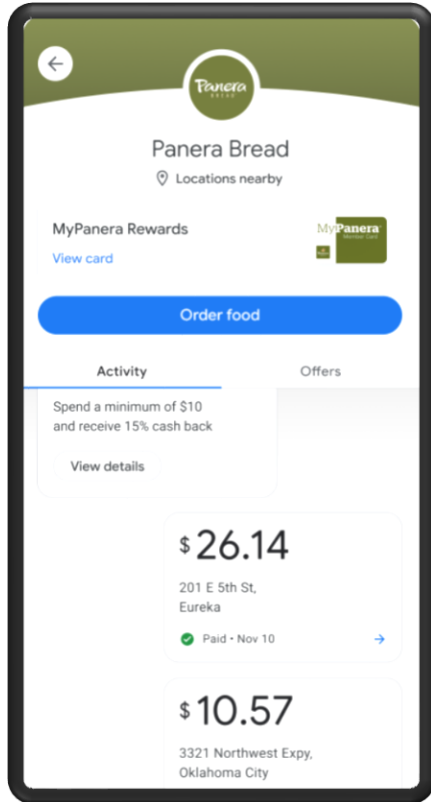


Get a fuller picture of your finances: Bring your accounts together for a clearer view of what you have, what you've spent, and recent activity.

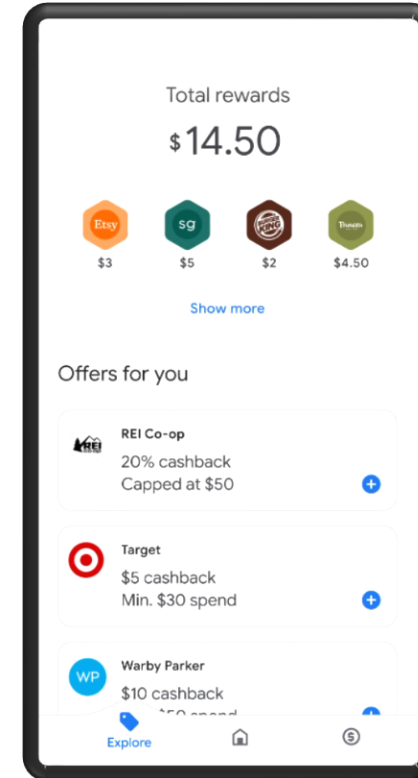
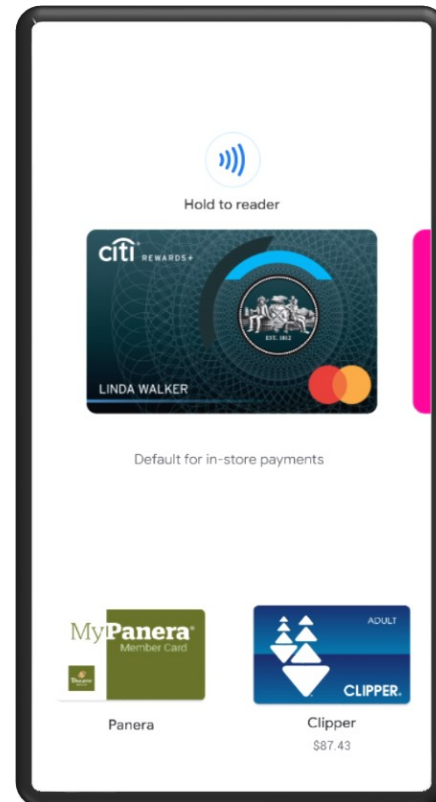
Overview



➤ Marketing Advantage (Part 2)



Stay connected with your favorite businesses: See where you've made the most recent transactions, right on your home screen. Find past purchases, loyalty cards, offers even online ordering all in one place.



Make purchases more rewarding: Earn cashback rewards when you activate offers from your favorite businesses and make everyday purchases.

Keep your cards and accounts within tapping distance: Keep credit cards, debit cards, transit passes, and more on your phone for quick, easy access.

Marketing Profile



Collect all 5 stamps to get ₹251 and a chance to win ₹1 lakh!



Earn with Google Pay

GO
INDIA

Visit all cities in the game to earn ₹101-501 and more exclusive rewards!

G Pay

Install to play

Rangoli Bonanza

Stretch your fingers. Be ready to grab soon.

02:32:07
HS Min SEC

Round unlocked.

Google Pay ran a Holiday campaign in India for the festival Diwali. They put holistic approach in everything from head to toe of the marketing game-plan. Google Pay's idea in this campaign is to dominate the market segment by gaining more users, engaging the users to make every online transaction through Google Pay.

The goal is to engage users and increase the user affinity, so a channel that talks to users and only users are the ideal choice. And that is why Google found their Mobile app is a befitting channel.

Whattttt?

No paid ads?

No email funnels?

No landing pages?

Google said a BIG NO to all of them.

Clean execution without additional back-end integration to any of the funnel pages. (First of all, no funnel pages itself) The whole execution is inside their mobile app which push the notifications and saves the re-marketing/re-targeting costs.

Google did not have to worry about creating the hashtags or make it to be the top trending one. Their users took care of it. Twitter, Instagram and WhatsApp was overflowing with screenshots of stamps, especially the Rangoli stamp.

SWOT Profile



STRENGTH

- There **is no fee required**, Google Pay is totally free.
- Google Pay is **supported by major banks** in the US and other countries.
- Google Pay is **integrated with several mobile banking apps** across the globe.
- Google pay is **accepted in over a million stores** that accept NFC payment.
- Google Pay is used primarily in stores, but users can **also use it for making in-app purchases**.
- Google Pay **provides layers upon layers of security** to protect users from theft and fraudulent transactions.

WEAKNESSES

- **Smaller retailers don't want to accept Google Pay** even if they use NFL POS terminal.
- Google Pay has multilayer security features still **it is not invincible**.
- Google Pay **only works on NFC POS terminals**. It does not work on MST terminals.
- The **transactions are tied to users' device only**. If users' mobile battery is down and they forgot the watch at home, they can't even purchase the item.

SWOT Profile



OPPORTUNITIES

- Google pay has an opportunity **to launch his app in developing countries** like India which are becoming cashless.
- **Citibank is a potential game-changing opportunity** for Google Pay that opens new options for Google Pay business model.
- Google Pay is **growing their user base to 350 million users worldwide.**

THREATS

- Google pay has **lots of competitors** in the market such as PayPal, Apple Pay, Cash App, Samsung Pay, Walmart Pay etc.
- Google's own **android platform is open source**, so it does not have any control on other devices using android which are promoting their apps instead of google pay.
- **Apple Pay is trying to kill Google pay** as Apple devices have a slightly bigger market share than Android in the US. Because of that Apple has a monopoly in the iPhone market. It does not allow third-parties to access the NFC chip on iPhones.

Conclusion of SWOT Analysis

After an in-depth study of the swot analysis of Google Pay, we have realized that we can't always rely on Google Pay as some stores or websites that don't support their service. Even when the store has an NFC POS terminal, there's still a chance that the store won't still allow mobile payment. And in the opportunities, we found that it has main opportunity of city bank and the developing countries. As threats we can count lot of campimeters.

References

PayPal

<https://www.paypal.com/us/brc/article/adventures-in-marketing-your-online-business>

<https://www.paypal.com/us/brc/article/marketing-plan-template>

<https://www.thebalance.com/venmo-vs-paypal-5073175>

<https://www.hustlermoneyblog.com/paypal-promotions/>

<https://www.hustlermoneyblog.com/paypal-promotions/#10 Bonus 10 Per Referral>

<https://www.marketing91.com/swot-analysis-paypal/>

<https://www.marketingtutor.net/swot-analysis-of-paypal/>

<https://www.paypal.com/us/webapps/mpp/paypal-benefits>

<https://www.solution-loans.co.uk/blog/pros-cons-using-paypal/>

Google Pay

<https://pay.google.com/about/>

<https://joyofandroid.com/google-pay-review/>

<https://www.kamilfranek.com/how-google-pay-earns-money/>

<https://www.kamilfranek.com/how-google-pay-earns-money/>

<https://www.paymentsource.com/news/google-pay-takes-big-steps-to-overcome-its-messy-past>

<https://www.business.com/articles/google-pay-vs-apple-pay-vs-samsung-pay/>

<https://bstrategyhub.com/swot-analysis-of-google-2019-google-swot-analysis/>

https://www.researchgate.net/figure/SWOT-analysis-of-Google-Checkout_fig2_240427410

<https://medium.com/@kirithigasundaramoorthy/6-marketing-lessons-from-google-pay-holiday-campaign-a13c127123e6>