



## PayPal Survey Reveals Consumers' Top Reasons for Abandoning Online Purchases

### High Shipping Fees and Unexpected Costs Are Most Common Reasons for Checkout Abandonment

SAN JOSE, Calif. - May 28, 2008 - A survey conducted by PayPal and comScore revealed that unexpectedly high shipping fees are the number one reason consumers abandon online purchases. Checkout abandonment is a significant challenge for online merchants, with an estimated two out of every three consumers failing to pay for items they put in their shopping carts.

"In today's e-commerce climate, consumers expect their online-shopping experiences to mirror those found in the offline world," said Arturo Perez-Reyes, professor of e-commerce at the University of California, Berkeley. "This survey shows that consumers are quick to walk away from online purchases when merchants don't fully disclose critical information, particularly related to cost."

The study also found that many consumers abandon their purchases for payment-related reasons. Of those surveyed, more than one in five shoppers didn't complete purchases because their preferred payment option was not offered on the merchant's Web site. Many shoppers simply think it is too much of a hassle to search for their wallets or purses - 21 percent did not complete online purchases because their wallets were not easily accessible.

Online comparison shopping is also a common reason for checkout abandonment. More than one in four indicated that they wanted to compare items at online and offline stores before making a purchase. However, more than one-third who abandon at checkout said they returned to the merchant's Web site at a later time to complete the transaction.

A summary of the survey's findings included:

- 43 percent of consumers didn't pay for items in their shopping carts because shipping charges were too high
- 36 percent of purchasers didn't pay for items because they felt the total cost of the purchase was more expensive than anticipated
- 27 percent of shoppers didn't pay for items because they wanted to comparison shop at other Web sites before making a purchase
- 16 percent of consumers didn't pay for items because they could not contact customer support to answer questions
- 14 percent of shoppers didn't pay for items because they forgot their usernames and passwords for their store accounts created with the merchants

#### About the survey

The PayPal survey was conducted by comScore from March 25 to April 18, 2008. It surveyed online shoppers in the U.S. who recently abandoned the checkout flow on either a large or small merchant Web site. All respondents were asked about their most recent abandoned sessions.

#### About PayPal

PayPal is the safer, easier way to pay and get paid online. The service allows anyone to pay without sharing financial information and gives consumers the flexibility to pay in any way they prefer, including through credit cards, bank accounts or account balances. With more than 60 million active accounts in 190 markets and 17 currencies around the world, PayPal enables global ecommerce. PayPal is an eBay company. More information about the company can be found at <https://www.paypal.com>.

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