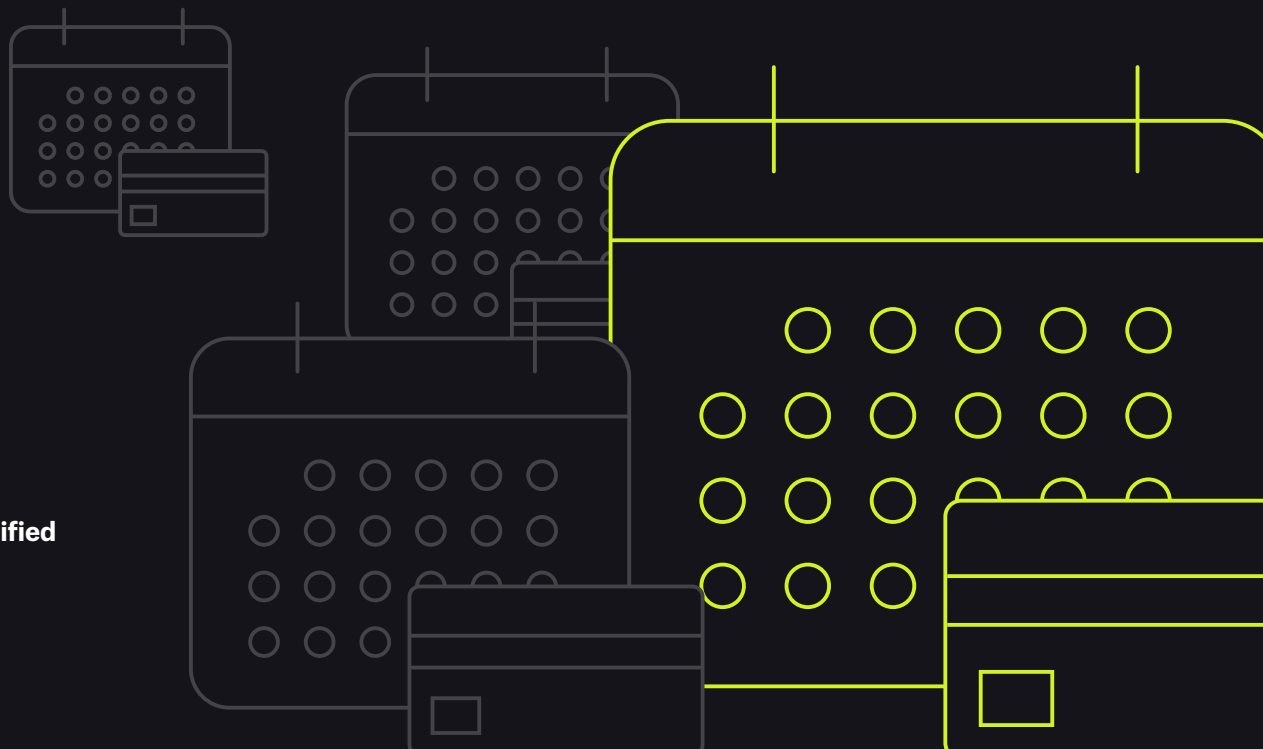




Introduction to Shop Pay Installments

Partner Enablement Series

Last modified
03/2022



What is Shop Pay and Shop Pay Installments?

Shop Pay:

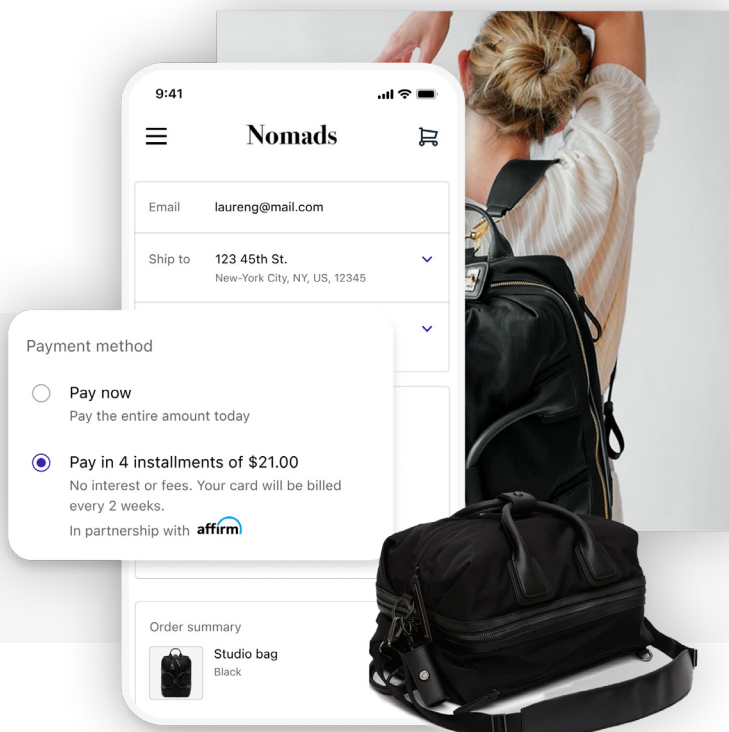
Shop Pay is the best-converting checkout experience on the internet. By using an accelerated one-click checkout, it is now trusted by over 100 million shoppers worldwide. Shop Pay is included with Shopify Payments and 100% of the delivery emissions will be automatically offset.

- 4x faster checkout
- 1.7x higher checkout-to-order rate
- 1.91x higher conversion rate on mobile

Shop Pay Installments:

Shop Pay Installments (SPI) is powered by Shop Pay and is the most popular Buy Now, Pay Later provider on Shopify. SPI allows merchants to maximize their customer's buying power so shoppers can:

- Split purchases into four, interest-free payments, for orders between \$50 - \$3,000 USD with
- 0% interest
- No additional, hidden, or late fees or impact to their customers' credit scores



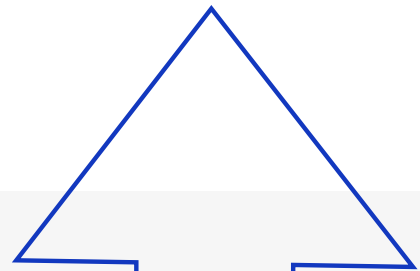
How does Shop Pay and Shop Pay Installments create value for merchants?

Merchants are seeing tremendous impact as a result of Shop Pay Installments, including up to:

- 50% increase in average order value
- 28% decrease in cart abandonment
- 23% boost of repeat purchases among first time buyers
- 17% reduction in sales refunds

50%

increase in
average order value



Introduction to Shop Pay Installments

Merchants also unlock value through:

- **Upfront Payments:** Merchants receive the full purchase amount upfront, less fees.
- **One Integrated Solution:** Merchants can offer a seamless, transparent checkout experience to customers with no redirects, all while tracking sales and fees in one place from the Shopify admin.
- **Avoid Overselling:** Because Shop Pay Installments is fully integrated with their online store, merchants can avoid overselling during flash sales.

How does Shop Pay Installments create value for partners?

Merchants who leverage Shop Pay and Shop Pay Installments see significantly stronger performance on the platform, unlocking future investment in their store and opening new business opportunities for partners.

Partners can unlock incremental value for merchants around SPI, including:

- Drive more sales, reduce cart abandonment, increase repeat purchase, and attract new customers.

How to evaluate Shop Pay and Shop Pay Installments vs competitors.

- Merchants that optimize for conversion over the cost + services, will win every time. If merchants compare Shopify payments as a cost + service it will be more expensive than other providers, however the significant increase in conversion and AOV make SPI offer significantly more growth opportunities. This discussion can feed into other value based conversations between partners and merchants.

Where is Shop Pay and Shop Pay Installments currently offered?

Activate Shop Pay

SPI is available in the USA only. Merchants can activate SPI from their Shopify admin with the following steps.

- 1 From [Shopify admin](#), go to Settings > Payments.
- 2 In the Shopify Payments section, click Manage.
- 3 In the Shop Pay section, check Shop Pay, and then click Save.

Activate Shop Pay Installments

- 1 For [eligible](#) merchants to use Shop Pay Installments, go to Settings > Payments.
- 2 In the Shopify Payments section, click Manage.
- 3 In the Shop Pay section, check Shop Pay Installments.
- 4 Accept the terms and conditions, and then click Save.

How to determine if a merchant is a good fit for Shop Pay Installments

Focus on the merchants' current strategy for checkout and conversion rate optimization.

Key discovery questions to ask include:

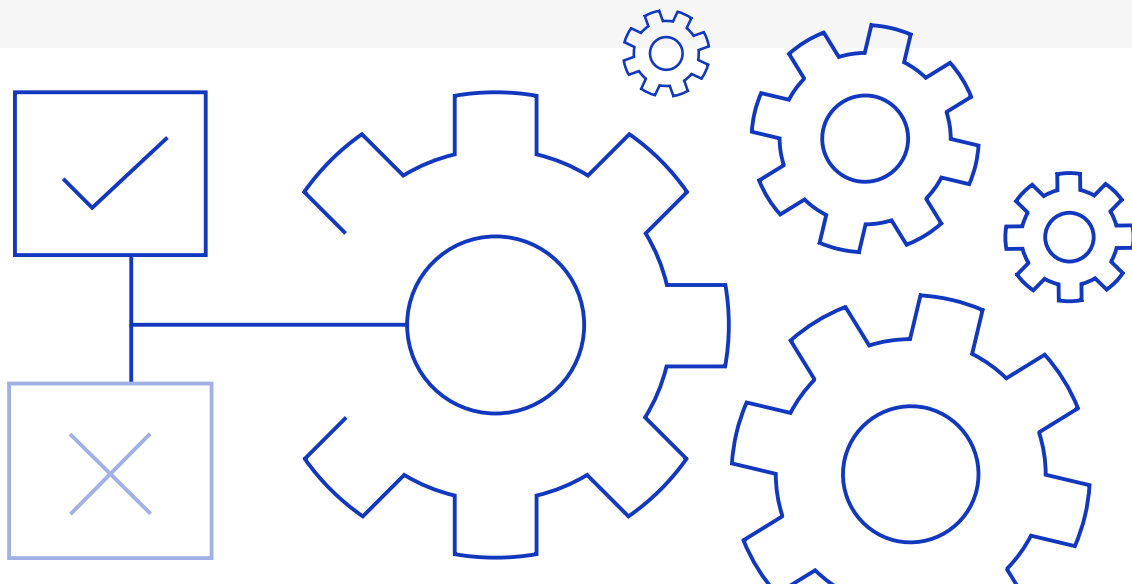
- What is your current and target AOV? What strategies are you leveraging in order to grow AOV?
- How are you focused on increasing conversion rates?
- Do you know what your abandon cart rate is?
- Do you have flash sales or product drops? [Learn more](#) about merchants' risk with overselling.



Our average order value on Shop Pay Installments transactions increased by 60%.

Stephen Pinto

Director of Product & eCommerce at Dr. Squatch



How much does Shop Pay and Installments cost merchants?

[Shop Pay](#)

It is included with Shopify Payments.

[Shop Pay Installments](#)

As is standard with any installments provider, merchants will pay a transaction fee on every order (only once per order) where the buyer paid using SPI. For Core merchants*, the transaction fee is 5.9% + 30¢, and for Plus merchants it's 5% + 30¢. Shopify Payments credit card rates are included in these fees.

* Rates are non-negotiable for merchants on non-Plus plans. Plus merchants can negotiate depending on size and if they're currently leveraging a competitor.



I feel like there's more trust in Shop Pay Installments. Customers are leaning towards the Shopify experience over other providers.

Will Beck

Director of business development, Pillow Cube

Learn More: Merchant Case Studies



Pillow Cube

[Read case study](#)



Ondo

[Read case study](#)



Dr. Squatch

[Read case study](#)