



Competitive Analysis

Keith Bracken – Task 1.7 – 3/10/21

Competitor Profile

PayPal

Simple and secure app that makes it easy for users to send or receive money. Ability to transfer and receive funds from businesses and social contacts (must also have PayPal). Ability to send a variety of currencies to multiple countries. Scan QR codes to pay securely with the PayPal app and setup QR codes if you are running a business. Send or receive money with absolutely no transaction fees. PayPal is easy to setup, just enter your phone number, e-mail address, and bank account. PayPal is also highly secure, it includes the latest anti-fraud and security features, plus 24/7 monitoring on all transactions.



Key Objectives

PayPal believes that now is the time to reimagine money, it aims to democratize financial services, so that managing and moving money is a right for all citizens, not just the affluent. It aims at improving lives and transforming how users make payments.

Overall Strategy

PayPal aims to build a customer base by allowing the transfer of funds to and from other users, businesses to conduct payments from anywhere in the world, as well as adding the ability to purchase and sell cryptocurrency.

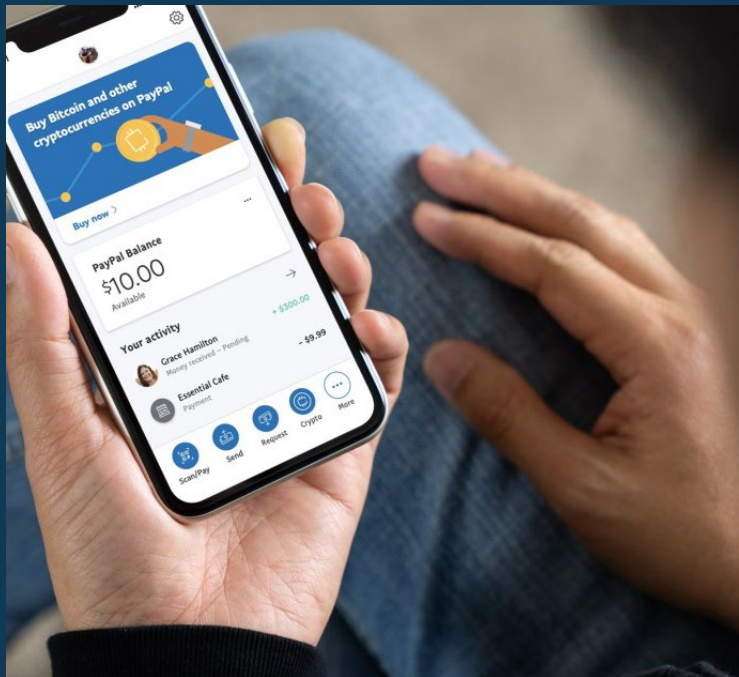
Market Advantage

The major market advantage of PayPal is its name recognition. The company has been around since 1998. Many users trust PayPal because it's secure, listed on the stock exchange, and has up to date security features. PayPal also owns a huge list of other companies, Venmo and Xoom are two of its most popular assets.



Marketing Profile

PayPal is one of the best digital payment services in 2021. It has had a long history of using different marketing tactics to get to where they are. One of the best marketing strategies they have implemented has been a referral program. A user could send a friend a code to sign up to PayPal and then they would get anywhere from \$5 to \$20 dollars. This brought in giant numbers and was rumored to cost the company \$60-70 million dollars. Now in 2021, they rely heavily on marketing through different businesses and social media apps. If a user is shopping on a website and continues to the payment method, they will be offered the ability to pay using PayPal. PayPal also relies heavily on users creating businesses and in turn offers a blog to help these businesses grow.



SWOT Profile



Strengths

- Large Customer Base. As of 2020, PayPal now has 325 million worldwide users, with half of those users living in the United States.
- PayPal has a large Global Presence; it's used in 202 countries and growing.
- It's easy to use. The UX/UI design experience is nearly flawless, you can send and receive money, as well as setup a business payment system with a few taps.
- With the addition of Cryptocurrency – PayPal continues to innovate its services to users who want to pay or receive money as well as invest.
- Security is some of the advanced in the e-wallet / digital payment industry.

Weaknesses

- PayPal is dependent on being connected to the internet. If anything happens to the infrastructure of places around the world, people could not access their funds.
- Fraud is a major concern, even though it has top notch security – PayPal is still susceptible to phishing and hoax attacks.
- PayPal charges high processing fees for certain transactions, including international cards, chargebacks, and card authorizations.

Opportunities

- A stronger social media presence to entice younger users to use PayPal.
- Adding the ability to buy and trade equity.
- Using a device to conduct business transactions with a credit card would be useful
- The app and mobile site are simplistic but feel outdated and old to a younger demographic.

Threats

- Major competition is a giant threat for PayPal. With other apps such as ApplePay, GooglePay, and WePay being used to make digital payments, it's a constant battle for PayPal to dominate the market.
- Hacking and fraud can leave customers feeling unsafe about using a digital currency. With methods like phishing and hoaxes it's hard to be absolutely secure.
- Other competition might waive certain fees that PayPal enforces.
- Not enough incentives. PayPal once allowed people to be paid \$20 to \$5 for inviting friends, that stopped, and they are using different marketing methods to grow now.

UX Analysis

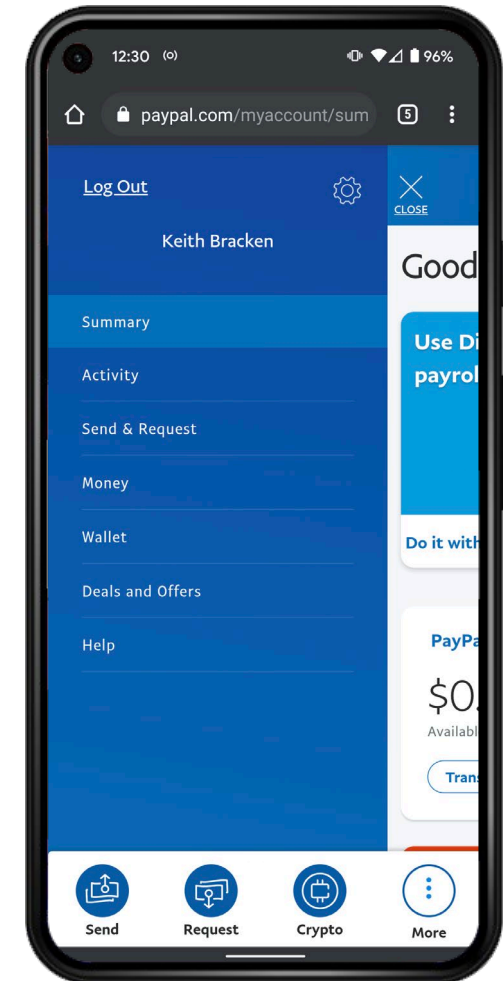
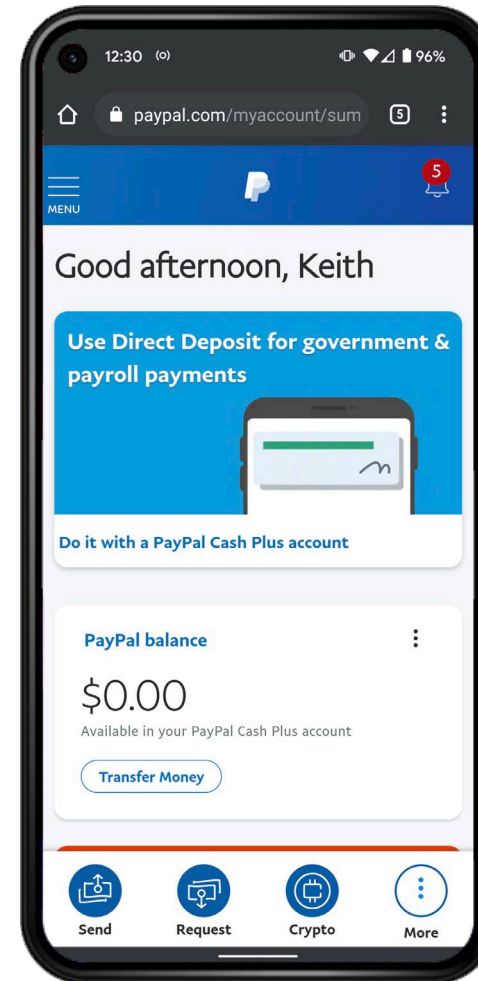


Usability

PayPal is very simple to use, its design is very aesthetically pleasing and gets straight to the point. When you start the app, it requests a verification to enter the account. The navigation bar has everything a user could want to do, as well as a hamburger menu for more in-depth customer settings. The top right has a notification window to tell the user what recent activity has happened on the account.

Layout

The layout breathes simplicity, the app has a simple navigation bar with icons and text, as well as an aesthetically pleasing menu throughout each feature of the app. A notification icon allows users to see what has happened recently on the account. A settings icon is there for more options to the account including personalizing the account, adding different banks or cards, automatic payments, etc.



UX Analysis

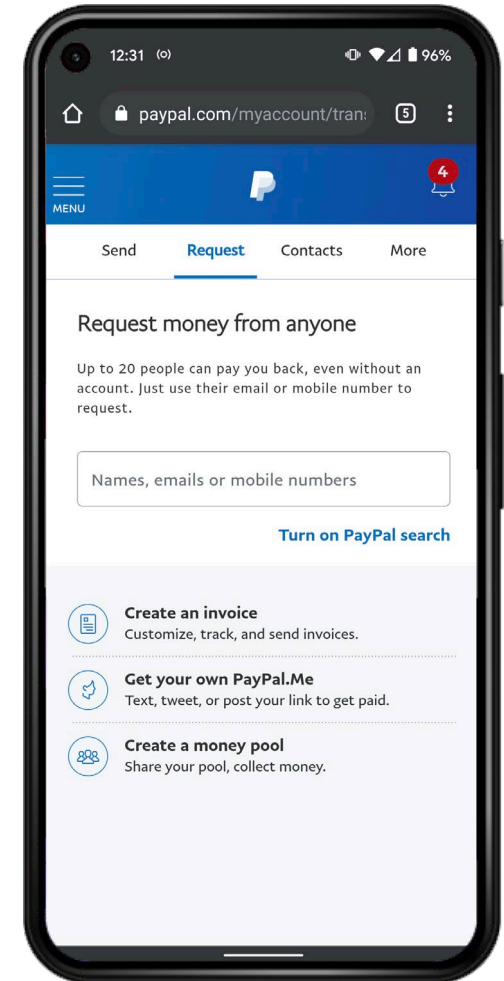
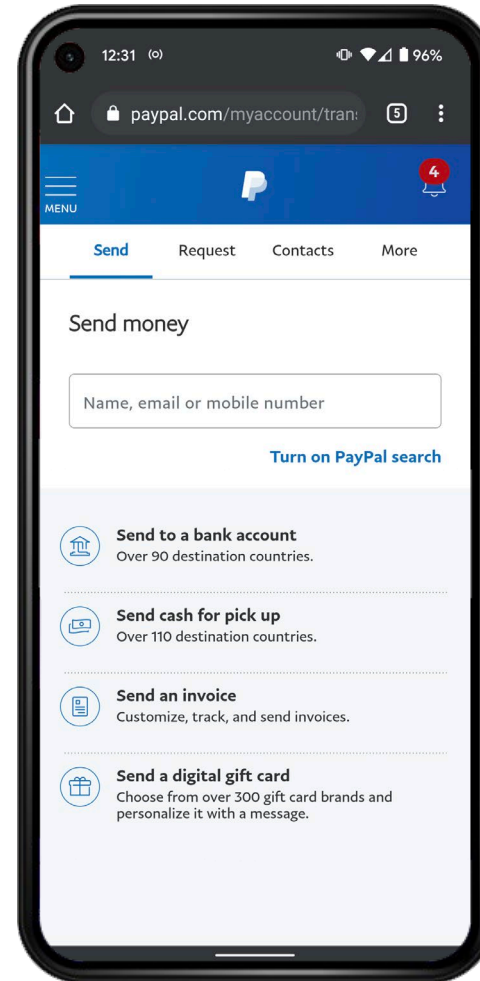


Navigation Structure

From the beginning of the sign-up process, PayPal aims at creating a safe experience for the user, a simple onboarding experience then launches the user into the app which contains multiple choices of what a user might want to do. If you click on Send Money or Request Money in the navigation bar, it will bring up options including sending or receiving money directly from the bank or another user. Everything is setup in a way that is easy for a user to navigate.

Compatibility

The compatibility between the app, mobile site, and desktop site are near flawless. The app is almost the same as the mobile site, the only difference is the ability to scan/pay using a QR code. The website is straight to the point as well, a top bar has all the options a user might need and then throughout the page it has the users balance, and some ads for offers through different companies.



UX Analysis

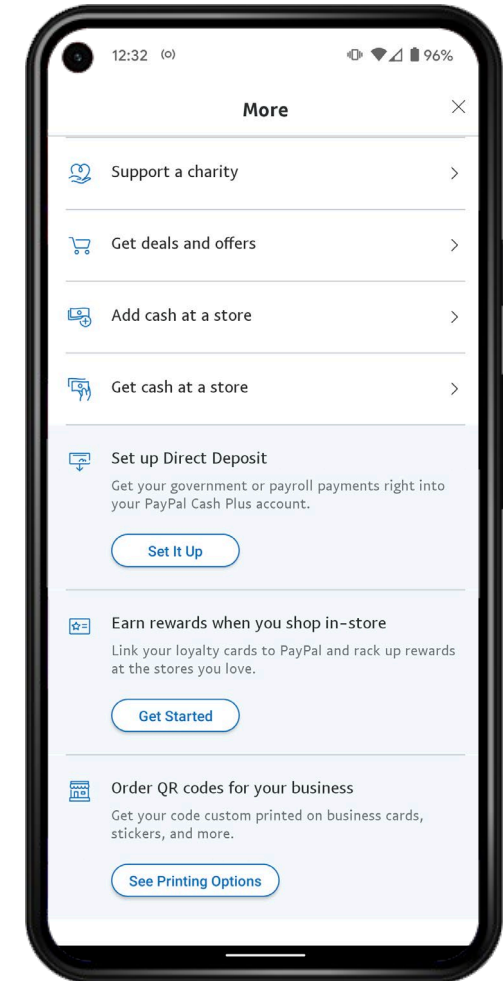
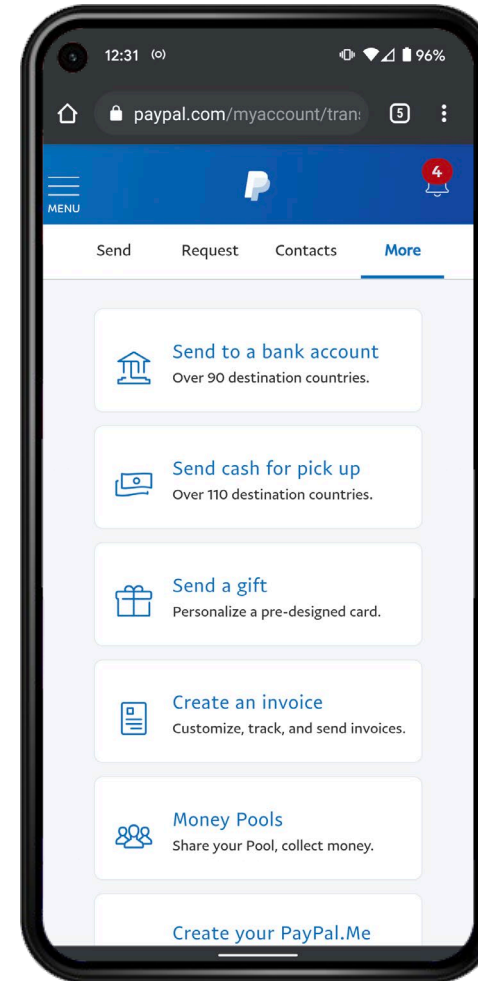


Differentiation

Where PayPal might lack is with new apps, the use of emojis, gifs and other ways to be social would be more beneficial for a younger demographic to use. PayPal is very simple, but it also might be easier for someone a little older to use because it feels more like an actual bank. Which also is a positive aspect of PayPal because it's been around since 1998, users trust it more than other new apps. They also offer a PayPal Plus account which entitles a user to send money using balance, hold a balance, shop in-store with balance where GooglePay or SamsungPay is accepted and transfer money from PayPal to Acorns App for investments. PlutoPay can stand out by implementing more social aspects like emojis, gifs, stocks, and cryptocurrency purchases.

Call for Action

A simple bell notification symbol informs the user if they have any recent activity they should review. To sign up for the PayPal Plus account you have to just sign up for the Debit Mastercard PayPal offers, set up direct deposit to add pay checks to the users PayPal balance, and setup goals to manage money being held.



Competitor Profile

Cash App

Cash App is a way to send, spend, save and invest your money. It was established in 2013 by Square. It also provides banking services and issues debit cards. It protects all your payments and investments with a passcode, TouchID, or FaceID. You can sign up and make your first payment in a few minutes as well as instantly send and receive money from friends. Cash App can also allow users to trade stocks and purchase Bitcoin. Its marketing strategies have made it one of the most popular digital payment apps on the market.



Key Objectives

Cash App is one of the leading peer-to-peer payment services which lets users use their smart phone to pay for goods and services, pay bills, and transfer money to friends and family. Cash App has also expanded to reach a broader market by allowing purchasing of stocks and Bitcoin. Cash App must continue to compete in a market full of digital payment services by using interesting marketing techniques.

Overall Strategy

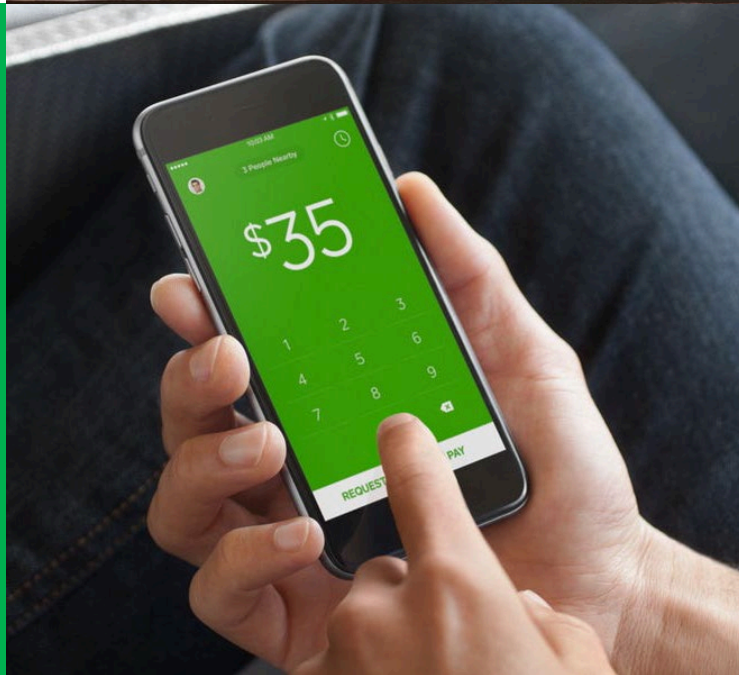
Cash App's strategy to make money is to charge businesses to use their application and by charging individual users transaction fees to access additional services either by using the application peer-to-peer payment to a business or using the Cash Card – a visa prepaid card that users to order and use their balance to pay a business.

Market Advantage

Cash App continues to compete against the other digital payment services by rolling out new features that attract new users. They have a strong marketing campaign that has been utilizing podcasts, linking up with different social media influencers and using smart advertisements in all forms of media to attract a younger demographic of users. They also offer "Boosts" which are used to get discounts at certain businesses.



Marketing Profile



Cash App is using a unique strategy that works by hiring social media influencers to market the app to their user base. In the last three years, the platform has grown 60% and has reached 24 million active users. It's annual net revenue grew to 1.11 billion, a 157% increase. Cash App makes it simple by allowing users to send and receive money to others using a "\$Cashtag" – this allowed Cash App to use social media platforms like Twitter to start a #SuperCashAppFriday campaign. Every Friday, users would simply retweet Cash App's post with their \$Cashtag and then a lucky group of users would receive up to \$50,000. Cash App would continue to do this with major celebrities and other businesses to drive growth. They have a referral program that gives \$10 to the user who refers a friend. Another big marketing technique is using podcasts, mainly to sponsor certain shows – they offer a code to sign up and it helps the podcaster, sometimes causes and fundraising programs as well.

SWOT Profile



Strengths

- Easy and simple design. Users can easily figure out the navigation bar. The app is very sleek and aesthetically pleasing.
- The ability to buy stocks and Bitcoin give this app an edge over some competition.
- Lots of incentives with referrals for money, the social media aspects of winning money and different coupons with other businesses.
- Easy Pre-Paid card links directly to the account balance.
- Using \$Cashtags is an easy method of sending money to other users and businesses.

Weaknesses

- Cash App does not offer a mobile site or website to send or receive funds. The only way to do that is using the app.
- Not all cryptocurrency is offered, only Bitcoin.
- Hasn't reached multiple countries yet.
- User reviews complain of lack of customer service.
- Fraud, hacking, phishing, hoax attacks have been utilized to steal customer funds and information.

Opportunities

- Ability to grow using social media through use of social media influencers as well as campaigns.
- Access to more Cryptocurrency options.
- Strong customer support utilizing different techniques like Chat bots to help users resolve problems.
- Allowing users to buy shares instead of fractional shares.
- Stocks are still new but comparing it vs an app like Robinhood - it has a long way to go to build a proper stock trading structure.

Threats

- Huge competition from other digital payment apps.
- App might not be trusted to invest in stocks and cryptocurrency.
- Security issues such as hacking, fraud, phishing, and hoaxes.

UX Analysis

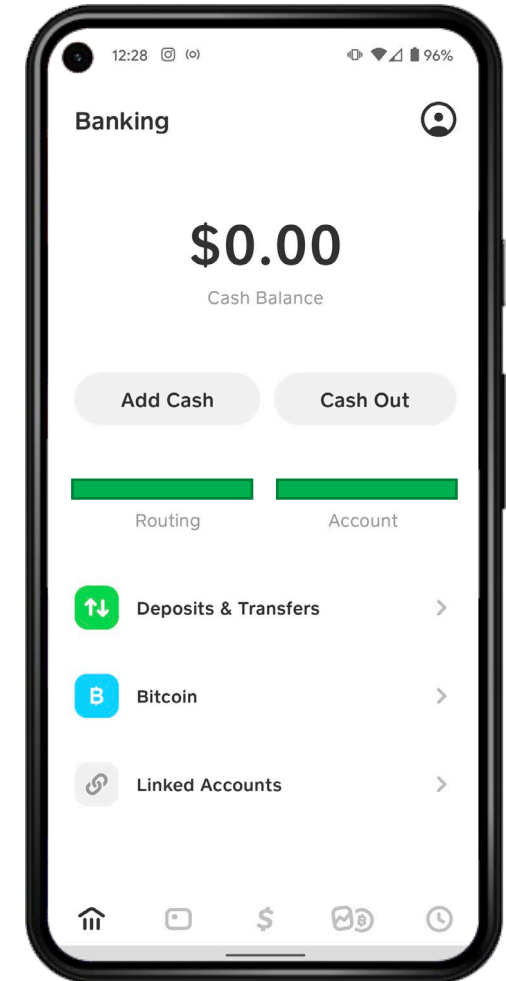
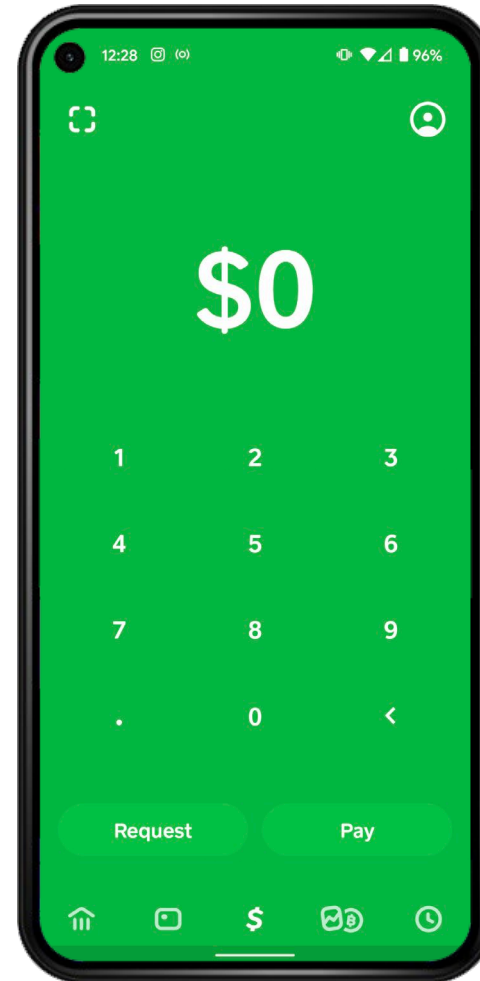


Usability

The layout and UX/UI designs let the users figure out how to send and receive money without issue. Ordering stock and bitcoin is also simple – users must add more information for a verification check. Users also can customize their Cash Card in the app.

Layout

Layout is entirely simplistic, and it's designed so users cannot get lost at all. It's straight to the point – navigation bar at the bottom has all the features, a QR code icon on the top starts the camera to snap a QR code and the profile setting is simple.



UX Analysis

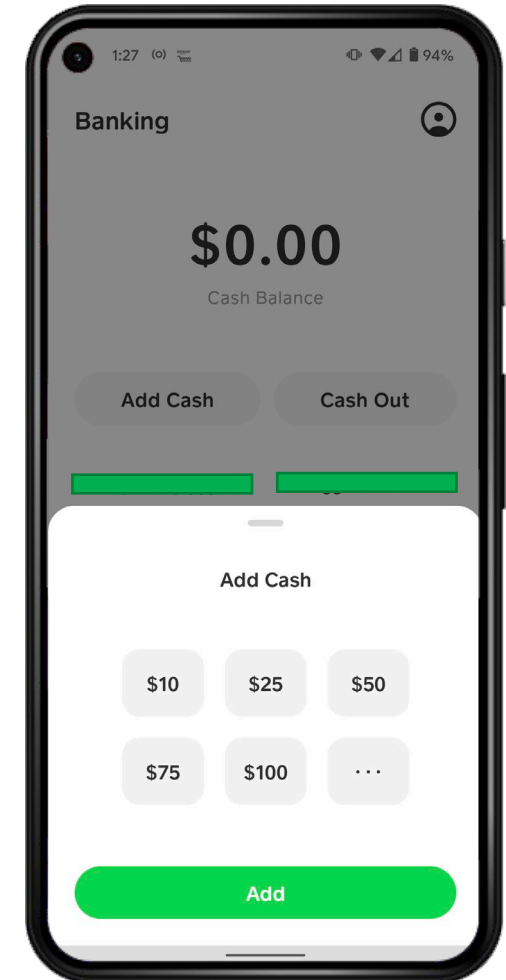
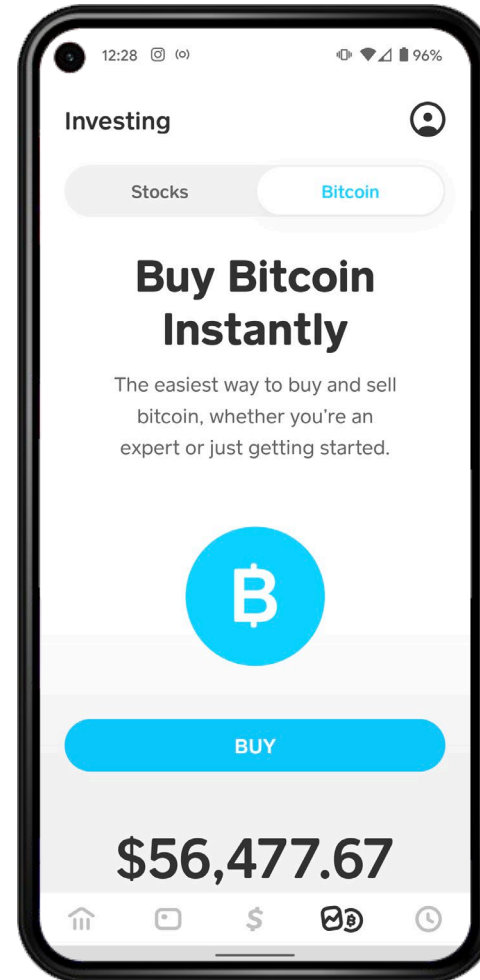


Navigation Structure

Navigation bar at the bottom has five options – Home – Cash Card – Cash (Send and Receive money) – Stocks and Bitcoin – and Activity which shows a history of transactions. Users should have no problem navigating the UI.

Compatibility

This is a big area where Cash App is lacking vs competitors. The mobile app and website just give information about Cash App and tells users to download the app.



UX Analysis



Differentiation

Cash App doesn't really stand out as a must have digital payment service. As of now it has the backing of its company Square to invest in different aspects of the financial world. It has a hard time competing with major competitors but it's still new, it has to continue to innovate. PlutoPay has the ability to take the positive aspects of Cash App like the stocks and Bitcoin feature and add to it. A more professional looking UI is needed to entice an older demographic to use the stock and cryptocurrency feature.

Call for Action

Notifications appear in the bottom right under activity and show whenever a recent transaction has happened. Cash App has services a user must fill out information before using like the Cash Card, stocks, and Bitcoin features.

