

SONY® + *PayPal*

Business Review

PayPal HQ

November 2014



Agenda



The global picture



Customer journey



Marketing opportunities



Fraud and security



Wrap-up



The global picture – PayPal

Reach a growing base of engaged consumers

PayPal buyers are enabling global commerce



157M

active digital
wallets



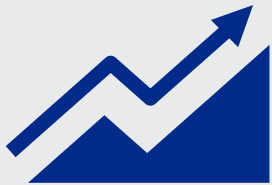
203

markets



\$1B

international revenue



10M

active accounts added
in Q1 and Q2 2014



26

currencies
around the world

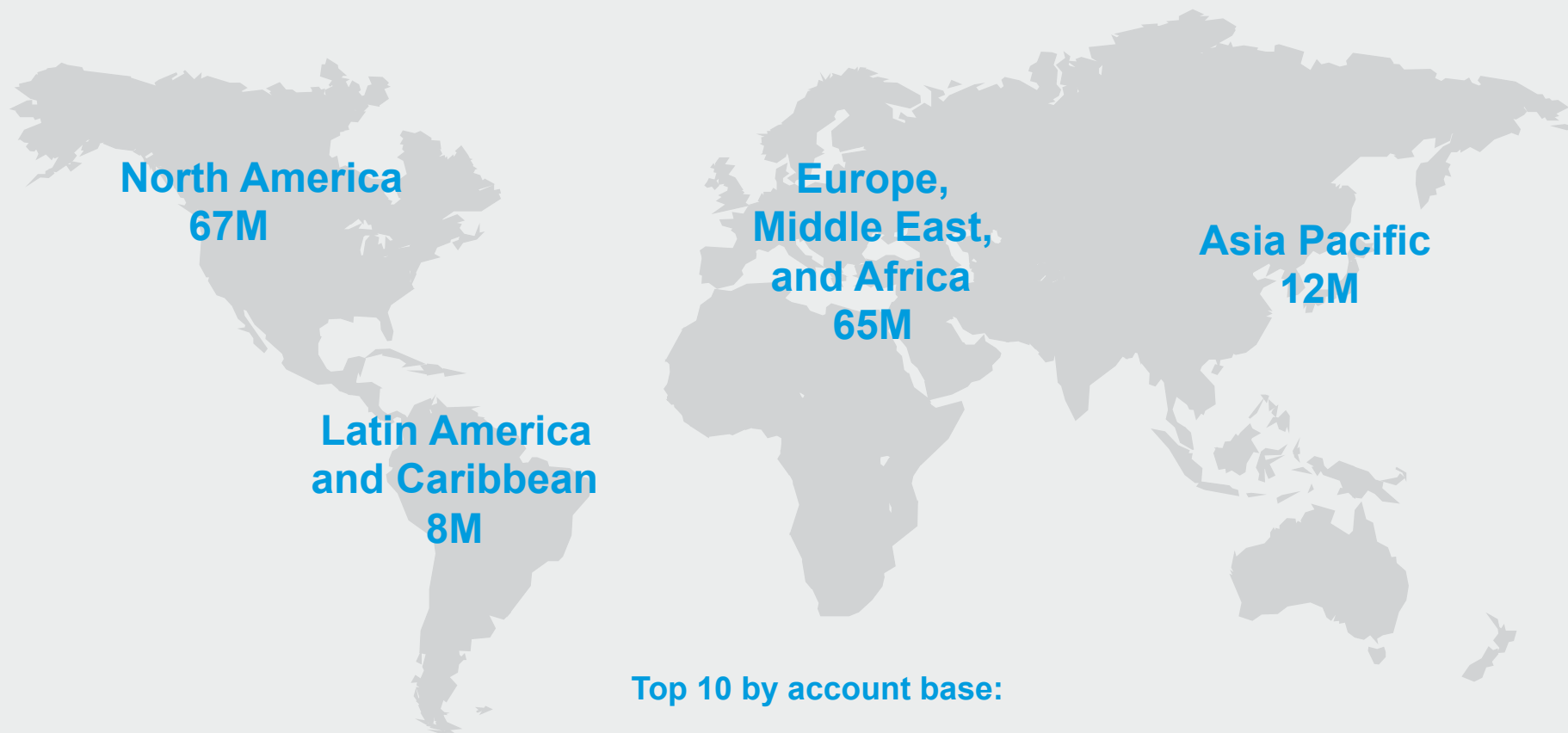


2,000/min

transactions in Q3 2014

Source: PayPal Q3 2014 Fast Facts.

PayPal consumers by region



Top 10 by account base:

- | | |
|------------|------------------------------------|
| 1. U.S. | 6. Australia |
| 2. U.K. | 7. Italy |
| 3. Germany | 8. Spain |
| 4. Canada | 9. Brazil |
| 5. France | 10. Netherlands, Japan, and Russia |

Source: PayPal Internal Data, September 2014.

PayPal enables easy, convenient payment experiences

PayPal commerce solution



Online

- PayPal Checkout
- PayPal Mobile Checkout
- PayPal Credit
- Log In with PayPal
- Boost

Digital wallet

- Loyalty and rewards
- Coupons and offers
- Gift cards
- Credit/debit/private label credit cards (PLCCs)
- Account activity

In-store

- In-store payments
- Check In
- Geo-based offers
- Order Ahead
- Beacon



The global picture - Sony



Customer journey

Meet Josh

Josh is a 28-year-old software developer at Boeing International. He's just finished up an intense project and is ready to relax. While browsing Facebook, he notices an offer:



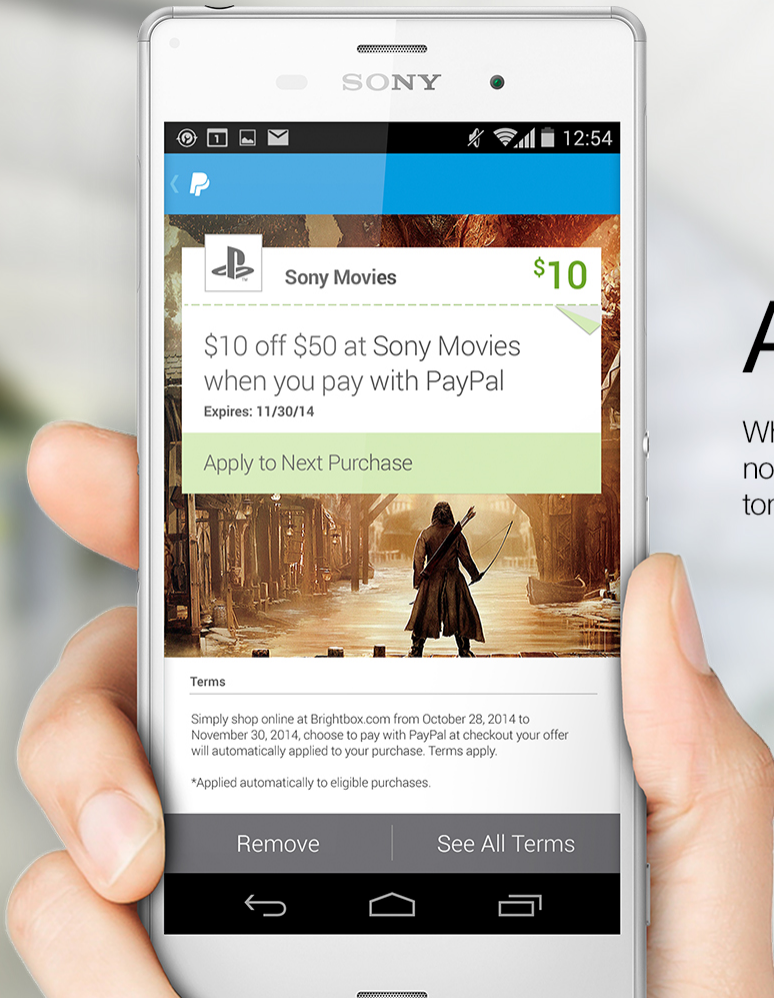
Game on! Josh is a PayPal customer and trusts the security and seamless payment experiences it offers. Josh decides to go for it. He's been eyeing a new game and decides to pre-order FIFA 16 while he's at it.

Convenience connected

Josh logs in to his PlayStation® and sets up in-console purchasing with PayPal. He pre-orders FIFA 16, and quickly purchases and downloads Destiny with ease. His \$10 credit is added automatically to his Sony wallet.

Josh signs up for monthly subscriptions to Sony's premium services and pays with PayPal. He now has access to special edition characters and content features previously unavailable...all without ever leaving the game he's playing.





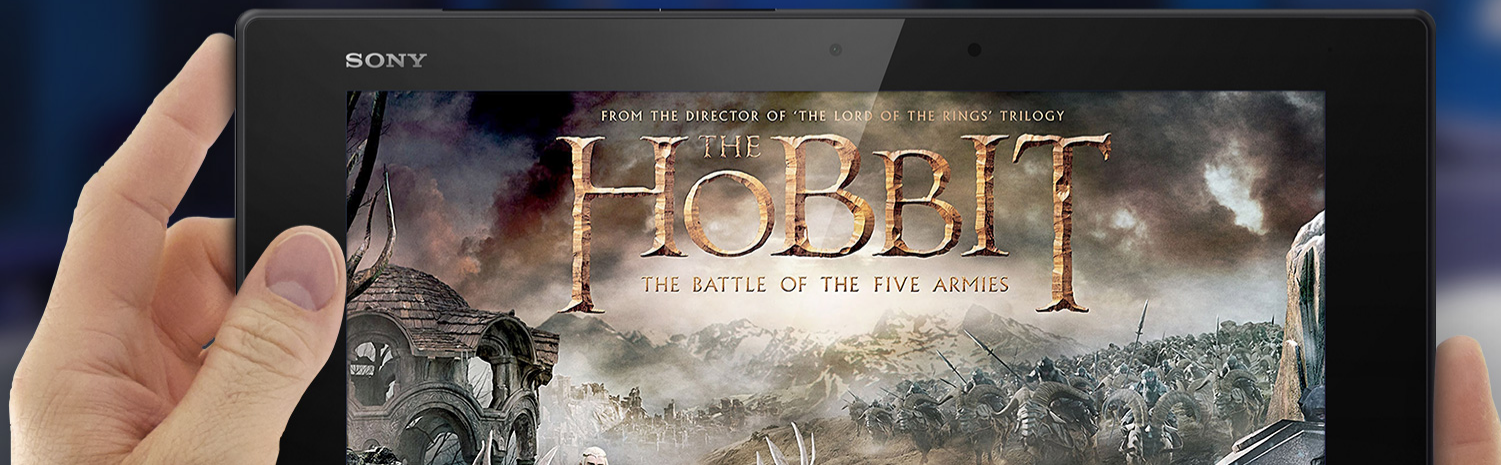
Anytime, anywhere

While traveling for business, Josh checks his PayPal app for local restaurants. He notices a saved offer in his wallet for a \$10 credit with Sony, and decides that tonight he'll relax in his hotel room with a movie.

Less time paying More time playing

Back in his hotel room, Josh downloads an early digital release of *The Hobbit: The Battle of the Five Armies* to his tablet using Sony Movies. He pays with PayPal and his \$10 credit is applied automatically. Josh still has some credit left over and decides to fill out his music library with some new tracks. With the whole suite of Sony entertainment options available anytime, anywhere, Josh is ready to unwind and press play.

SONY + **PayPal**






Marketing opportunities

The PayPal brand and advertising campaign

PayPal

NO ONE IS SPECIAL BECAUSE **EVERYONE IS.**

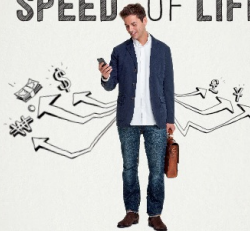


THE FASTER, SIMPLER WAY TO PAY AND GET PAID ONLINE AND OFF.
[DOWNLOAD THE PAYPAL APP.](#)

PEOPLE RULE

PayPal

MONEY SHOULD MOVE AT THE **SPEED OF LIFE.**



SENDING MONEY TO FRIENDS IS AS FAST AND EASY AS SENDING A TEXT.
[DOWNLOAD THE PAYPAL APP.](#)

PEOPLE RULE

WE DON'T SHARE
YOUR FINANCIAL INFORMATION WITH STORES

PayPal

USE YOUR **CARDS**



PayPal

WITHOUT SHOWING YOUR **CARDS**



PayPal

LESS TIME PAYING, MORE TIME **PLAYING.**




PAY EASILY, SECURELY AND QUICKLY WHEREVER YOU ARE FOR WHATEVER YOU BUY.
[DOWNLOAD THE PAYPAL APP.](#)

PEOPLE RULE

PayPal

BANISHING WORRY
ONE TRANSACTION AT A TIME.



WHEN YOU SHOP WITH PAYPAL, YOUR FINANCIAL INFORMATION IS NOT SHARED WITH STORES.
[DOWNLOAD THE PAYPAL APP.](#)


PEOPLE RULE

PayPal

SIMPLIFY
YOUR
CHECKOUT


PayPal

SHOP
MILLIONS
OF SITES




PayPal

WITH
JUST A
SINGLE
LOGIN



PayPal

SIMPLIFY
YOUR
CHECKOUT



[Sign Up for Free](#)

PayPal

A large, diverse crowd of people is gathered outdoors, likely at a public event or festival. The crowd is dense, with many people wearing hats and casual attire. In the background, there are green plants, a red traffic light, and some vehicles. The text is overlaid on the center of the image.

***In 2014, we shared this story
globally with millions of people
and seeing a great response.***

PayPal has a strong presence in the digital content space



Here's why you should get to know PayPal

Your customers are also our customers

PayPal fast facts¹



PayPal has **157 million**
active digital wallets



PayPal processed **\$27 billion**
in mobile payments in 2013

Approximately **25%** of PayPal's
business is cross-border trade



26 currencies
available in **203 markets**

¹Source: Global Data.

Digital goods spend²



\$9 billion globally
\$3 billion was spent in North America



53 million PayPal consumers
worldwide shopped in digital goods
21 million of them are from North America



PayPal consumers are **39% more likely**
to have purchased music online in the
last 12 months than the average U.S. adult*

²Source: SPECTRA September 2014.

Digital goods customer demographics³



74% are homeowners

62% are married

22% have household incomes
over \$100K

49% are between 36-55
years old



43% are female

57% are male

³PayPal North America customer analytics data for the last 12 months ending September 2014.

PlayStation and PayPal have a very strong demographic overlap, especially among affluent millennials

PlayStation and PayPal both over-index in the following key demographics



Income
**\$150,000
or more**



Males
25-34



Males
35-44



Females
25-34

PayPal index	159	135	164	141
PlayStation 3 index	129	280	175	137

Source: Types owned or played (PlayStation 3), SPECTRA, October 2014.

PayPal + PlayStation just makes sense



Extensive consumer footprint

PlayStation has over 70 million subscribers and 150 million consoles. PayPal has 157 million global consumers.



Strong consumer overlap

Both PlayStation and PayPal over-index for affluent, male millennials—with room to broaden for both of us.



Global coverage

PlayStation is available in over 48 countries. PayPal is in 203 markets in 26 currencies.



Great brands with global marketing capabilities



A pristine, console payment experience

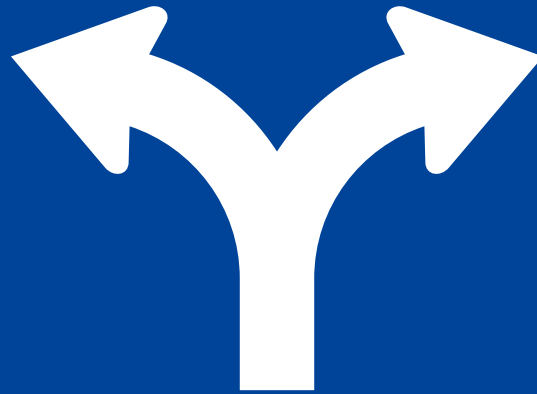
... equals a global strategic marketing partnership

2014 Marketing review

Marketing together in 2015



Fraud and security



Wrap-up

LESS TIME PAYING MORE TIME

PLAYING.

PEOPLE RULE

SONY

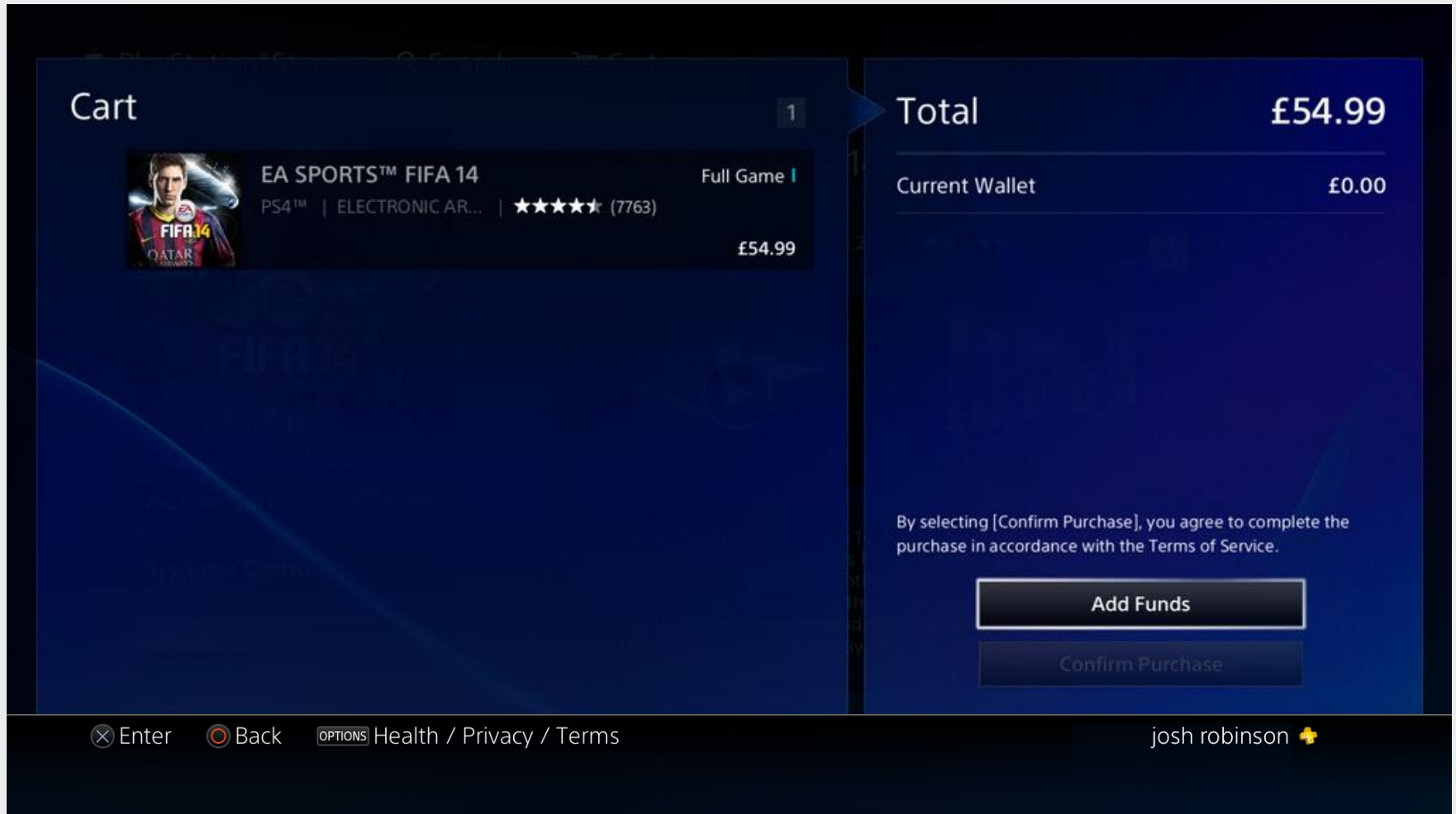


Appendix

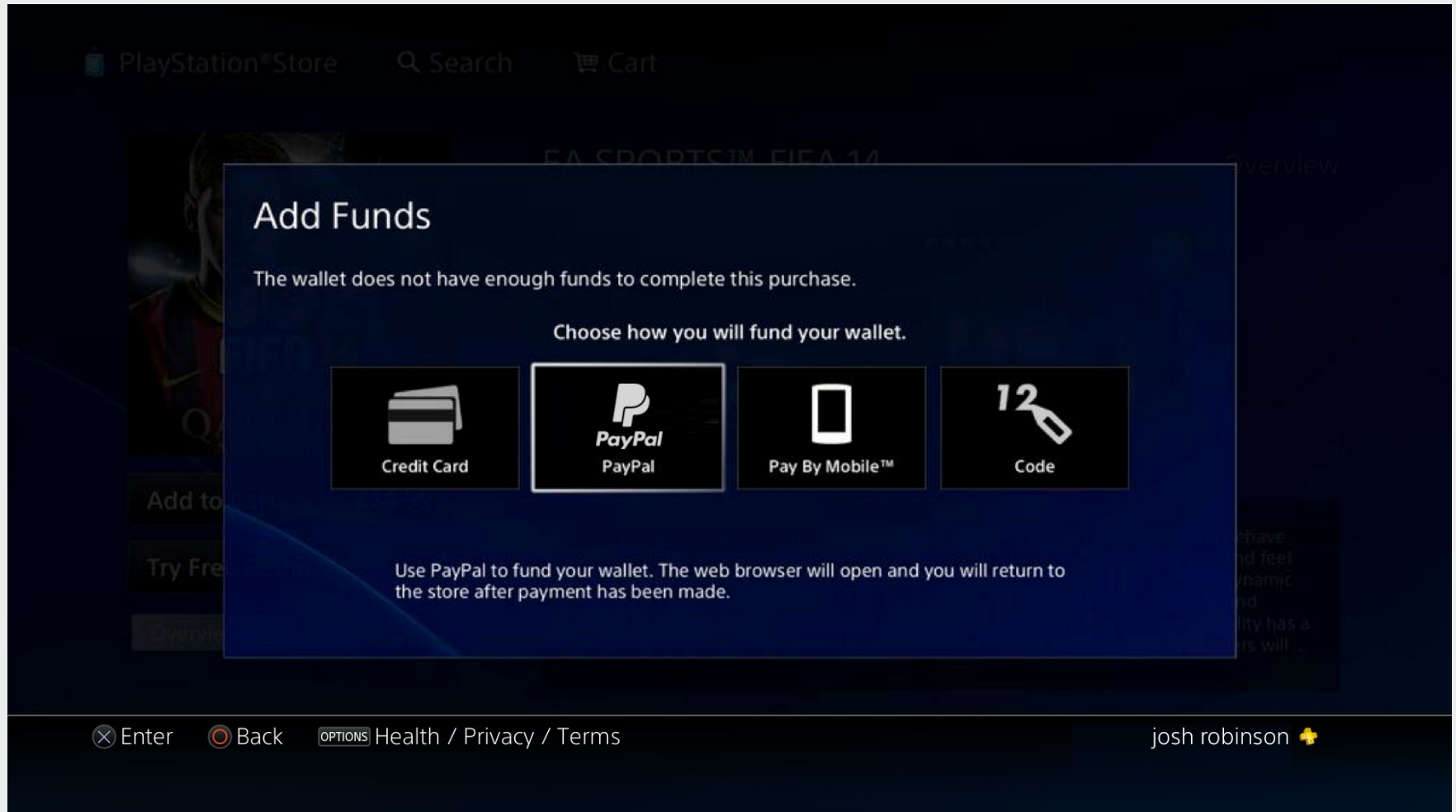


Proposed user experience

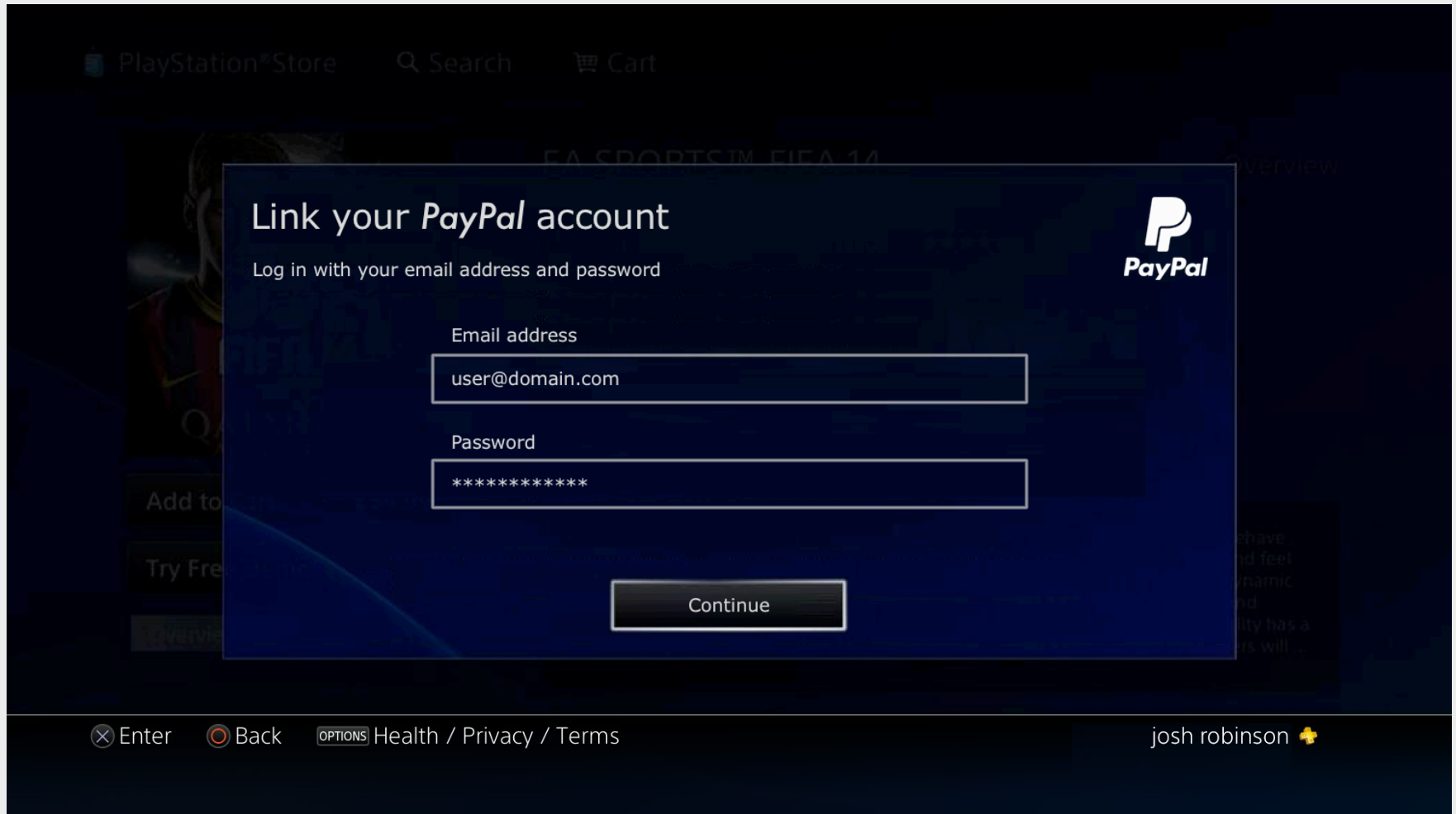
Account linking user experience: console



Account linking user experience: console



Account linking user experience: console



The screenshot shows a PlayStation Store console interface with a dark blue background. At the top, there are navigation links for "PlayStation®Store", "Search", and "Cart". A central modal window titled "Link your PayPal account" is displayed. Inside this modal, it says "Log in with your email address and password". There are two input fields: "Email address" with the text "user@domain.com" and "Password" with masked characters "*****". A "Continue" button is at the bottom of the modal. The PayPal logo is in the top right corner of the modal. At the bottom of the screen, there is a navigation bar with "Enter" and "Back" buttons, a link to "OPTIONS Health / Privacy / Terms", and a user profile for "josh robinson" with a plus icon.

PlayStation®Store Search Cart

Link your *PayPal* account

Log in with your email address and password

Email address

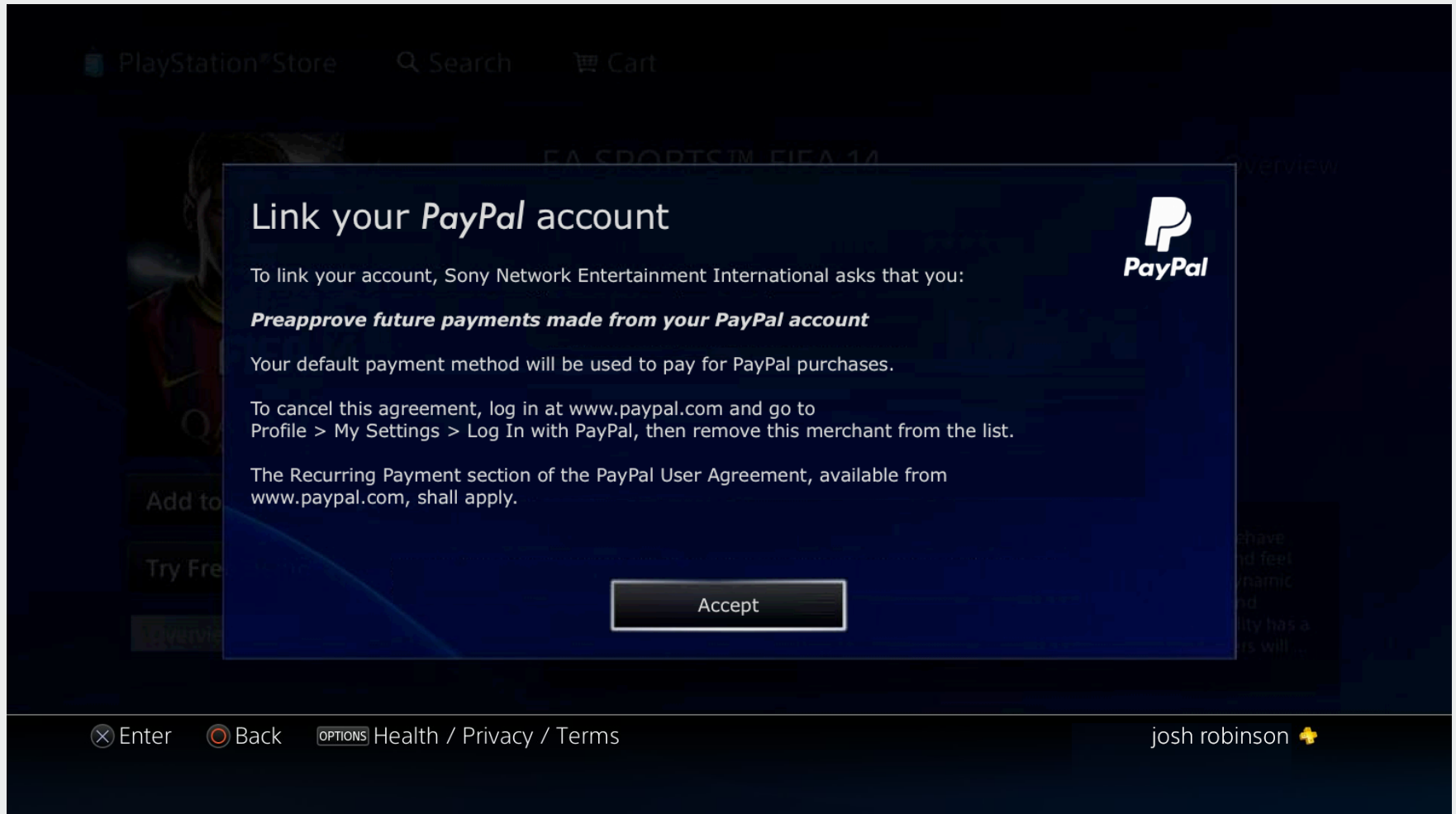
user@domain.com

Password

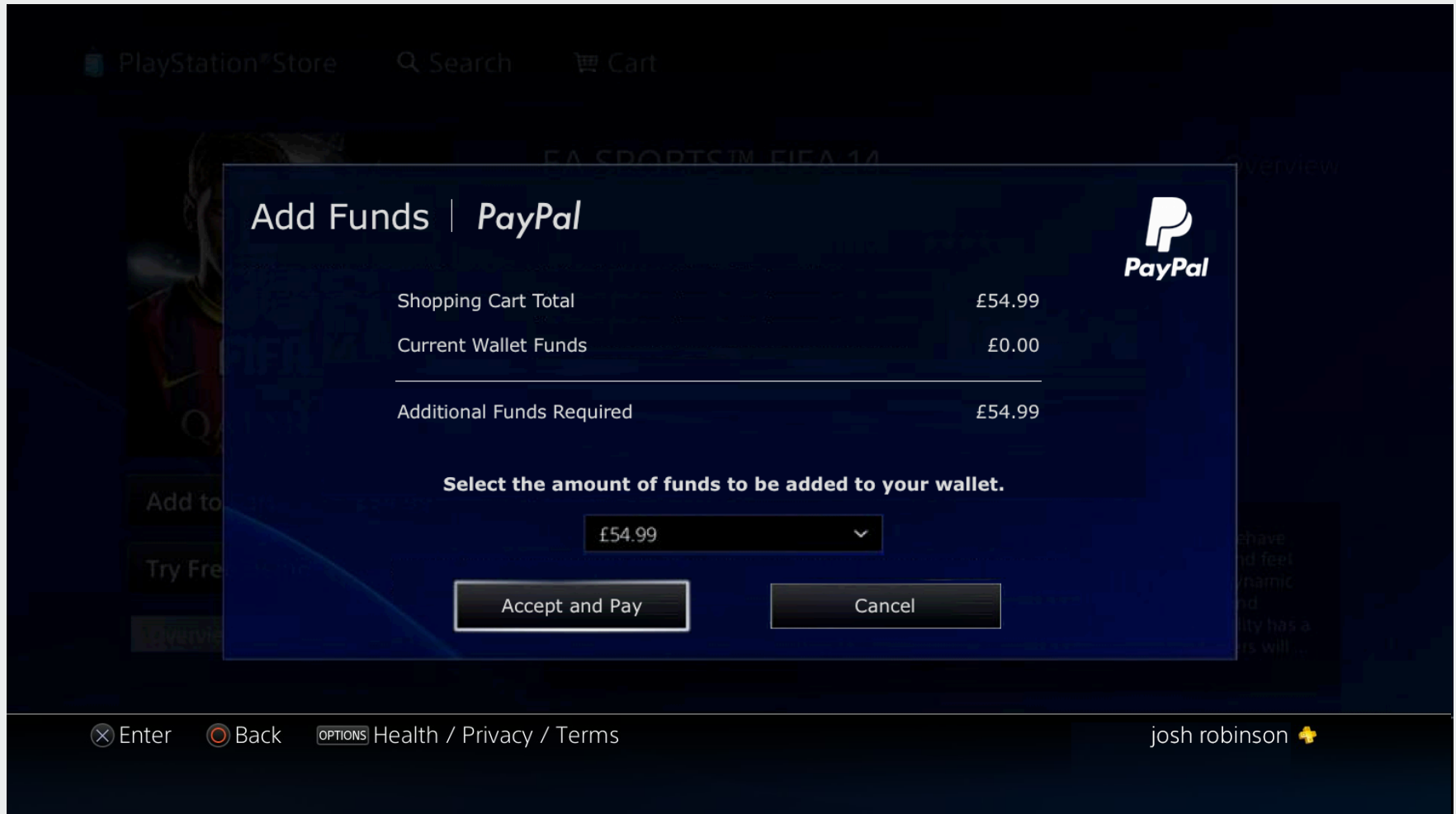
Continue

Enter Back OPTIONS Health / Privacy / Terms josh robinson +

Account linking user experience: console



Account linking user experience: console



Account linking user experience: web



Dashboard

Account

Devices

Media

Billing Information

Profile

Account Details

Wallet

Sub Accounts

Redeem Prepaid Card

Transaction History

Media and Devices

Notification Preferences

Wallet Funds

£0.00

Add Funds to Wallet

Wallet Settings

Require Password at Checkout

Automatically Add Funds to Renew Subscriptions or Pay for Pre-ordered Content

Edit

Account linking user experience: web




Dashboard	Account	Devices	Media	
Billing Information	<h3>Add Funds to Wallet</h3> <p>Please select a payment method</p> <div><div> Add Credit Card</div><div> Use PayPal</div><div> Use Mobile</div><div> Use Prepaid Card</div></div>			
Profile				
Account Details				
Wallet				
Sub Accounts				
Redeem Prepaid Card				
Transaction History				
Media and Devices				
Notification Preferences				


Account linking user experience: web



Dashboard	Account	Devices	Media
Billing Information	<h3>Add Funds to Wallet</h3> <p>Select an Amount to Add</p> <div><div>Current Wallet Funds</div><div>£0.00</div></div> <div><div>Funding Amount</div><div>+ £5.00</div></div> <div><div>Wallet Amount After Funding</div><div>£5.00</div></div> <div>Continue</div> <div>Cancel</div>		
Profile			
Account Details			
Wallet			
Sub Accounts			
Redeem Prepaid Card			
Transaction History			
Media and Devices			
Notification Preferences			

Account linking user experience: web

 Sony
Entertainment
Network

 £38.00 ▾


Log in to PayPal

Email

Password


[Forgotten your password?](#)

Don't have a PayPal account? [Create an Account](#)



New. Faster. Easier.

Welcome to the new PayPal checkout!
The security you rely on – now even faster.
It's everything checkout should be.



For more information, please contact:

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2211 North First Street
San Jose, CA 95131
firstlast@paypal.com

