



The Right Tools for Success:

How PayPal Pay Monthly is driving ecommerce growth for Ace Hardware

For over 100 years, Ace Hardware has built its reputation as the go-to place for tools, home improvement supplies, and expert advice in neighborhoods across the globe. With more than 5,000 stores worldwide, the majority of them are independently owned by local entrepreneurs.¹

This local ownership adds to the deep sense of community and helps provide a personalized shopping experience with small-town service. It also makes each Ace Hardware store a unique reflection of the specific needs of its community.

We spoke with Laura Beleganski, Ecommerce Operations Manager for one of Ace's largest stores: AceHardware.com. She shared her strategies for their online business and the impact of PayPal's Pay Monthly 0% APR offer.²

29%

increase in total PayPal
sales YoY during Q4 2024 ⁵

35%

YoY increase in total
PayPal Pay Later sales ⁶

7x

increase in AOV using
PayPal Pay Monthly 0% APR ⁷

PayPal

Approved for use in the US: MRF - 104345

The opportunity.

Providing flexible payment options for online shoppers

For many Ace Hardware customers, home improvement isn't just about minor upgrades. It's about making essential repairs to a home, investing in long-lasting tools, or purchasing high-quality outdoor essentials. But big-ticket items like grills, lawnmowers, and worksite equipment can be out of reach for some.

To make these online purchases more accessible, Ace Hardware wanted a buy now, pay later option for its valued customers.

Ace Hardware is known as "the helpful place," according to the company's iconic jingle, and its online store is an extension of that. "Giving customers the ability to purchase items they need and pay them off over time has allowed us to be even more helpful," said Beleganski.

Delivering convenience and the same sense of community others find in their local brick-and-mortar store, AceHardware.com is reshaping the shopping experience for its online customers.

"There is an entrepreneurial spirit to our online store," said Beleganski. "It's still in its infancy and we've got new enhancements launching all the time."



The solution.

Pay Monthly: Delivering the right tool and financing flexibility with 0% APR

AceHardware.com turned to PayPal's Pay Later solution set that includes Pay in 4³ and Pay Monthly. Pay Later leverages PayPal's brand trust, familiar user experience, and years of experience in consumer lending, while tapping into a large network of 430M+ global PayPal customer active accounts.⁴

Ace Hardware first tested Pay Monthly's 0% APR a few years ago. "We're a test and learn company," said Beleganski. "Pay Monthly delivered and we decided it was something we wanted to continue." In addition to adding a Pay Later button to their checkout flow, Ace also displayed Pay Monthly upstream banners throughout their site. This proactive messaging reassures Ace customers that they can spread their payments over time, with the added benefit of a 0% APR. As a result, customers may feel more comfortable making larger purchases, leading to higher conversion rates and increased customer satisfaction.

"I believe the Pay Later banners are important for our customers. If we didn't have upstream messaging, items may not have made it to the cart. It gives customers a chance to budget," emphasized Beleganski.

Pay Monthly 0% APR campaigns are consistently featured during peak seasonal moments and their special Ace Rewards Days. By blending payment flexibility with Ace Hardware's commitment to personalized service, PayPal Pay Monthly 0% APR helps customers enjoy a straightforward and secure online shopping experience.



**Upstream Pay
Monthly messaging
has been extremely
helpful in increasing
our conversion. And it
enables our customers
the opportunity to pay
over time at 0% APR.**

Laura Beleganski

Ecommerce Operations Manager, AceHardware.com

The impact.

Pay Monthly 0% APR delivers a seven-fold increase in AOV⁷

Ace Hardware's ecommerce growth has been remarkable. During the company's critical Q4 2024 campaign, Ace Hardware saw a substantial 29% year-over-year increase in total PayPal sales.⁵ When compared to the prior period with no 0% campaign running, overall PayPal sales were down 1% YoY.⁵ This stark contrast in sales performance is one of the many reasons that Ace Hardware has run multiple Pay Monthly 0% APR promotions.

They saw an even greater increase in total Pay Later sales when offering 0% APR promotions: a significant 35% year-over-year growth.⁶ Beleganski also noted that the average order value (AOV) for purchases made with Pay Monthly 0% APR reached roughly seven times that of Ace Hardware's typical AOV.⁷ "It is not surprising that we are considering incorporating Pay Monthly 0% APR as "always on." Said Beleganski, "Every time we've run Pay Monthly 0% APR, we've seen a net positive, so why wouldn't we?"

"As long as we continue to see a positive ROI, we will continue to run the Pay Monthly 0% APR offering. It's all about giving our customers the tools they need to complete their purchase, without putting them in harm's way", said Bill Kiss, Ace's Head of Digital.

Beyond clear quantitative metrics, Pay Monthly has allowed AceHardware.com to strengthen its commitment to customer satisfaction. By offering the option to purchase items and spread the cost over manageable installments, Ace Hardware empowers customers to shop confidently within their budgets. This not only reinforces Ace Hardware's reputation as "the helpful place" but highlights the company's dedication to supporting its customers' needs in meaningful ways.

In short, when it comes to providing financing flexibility, Ace Hardware nailed it with Pay Monthly.



¹ <https://www.acehardware.com/about-us?msocid=0c6144e6d9de63ed39c35143d8bc627e>

² Pay Monthly is subject to consumer credit approval. Fixed APR is 9.99-35.99%. The lender for Pay Monthly is WebBank. PayPal, Inc. (NMLS #910457): RI Loan Broker Licensee. VT Loan Solicitation Licensee. 0% APR is at an additional cost to merchants.

³ About Pay in 4: Loans to CA residents are made or arranged pursuant to a CA Financing Law License. PayPal, Inc. is a GA Installment Lender Licensee, NMLS #910457. RI Small Loan Lender Licensee.

⁴ PayPal Earnings-Q4, 2024, based on PayPal internal data. *Active accounts are PayPal consumer and merchant accounts that have completed a transaction within the past 12 months.

⁵ Data source is internal PayPal data for Ace Hardware, comparing Q4 2023 to Q4 of 2024. These results may not be typical and may vary substantially by business.

⁶ Data source is internal PayPal data for Ace Hardware, comparing total Pay Later Sales (Pay in 4, Pay Monthly and PayPal Credit), from Q4 2023 to Q4 2024.

⁷ Data source is PayPal data for Ace Hardware, comparing Q4 2024 AOV for Pay Monthly against Ace Hardware's AOV.

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