

PayPal's new chief promises new services for a mobile world

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As PayPal prepares to split from its corporate parent, its new chief executive is promising to expand the popular online payment system, adding a variety of services for consumers to use when shopping on their phones or in traditional stores.

PayPal will be spinning off from parent company eBay later this year at a time when it's facing new competitive challenges. Alibaba, Amazon and even Facebook are promoting online payment systems, while Apple Pay and Google Wallet are competing to handle transactions in stores and on [mobile devices](#).

Veteran executive Dan Schulman, who will be CEO of the new PayPal, says his company will compete by positioning itself as a "full-service" payments partner for consumers and merchants, handling mobile transactions, credit purchases and even customer loyalty rewards programs.

PayPal was best known for many years as a payment method for purchases made on desktop computers. But consumers are increasingly using mobile phones to shop online and even when they make purchases in traditional, brick-and-mortar stores. Almost a third of transactions handled by PayPal are now made on mobile devices.

"Those worlds are blurring," Schulman told The Associated Press in an interview Thursday. "When you go into a store environment, and you have your mobile phone with you, it should be a simple step to do a

checkout from that device."

Schulman spoke after an event where PayPal announced new partnerships with companies that help merchants sell goods online around the world, including in India and China. PayPal also touted a recent partnership with Burger King that lets consumers pay for their meals with a smartphone app.

"We want to be more than just a button on a merchant's website," Schulman said. "We really want to provide a full suite of services and products."

That includes expanding a PayPal credit service that lets shoppers spread payments over time and the Venmo mobile app that lets individuals exchange small sums when they split a bill or repay a debt. PayPal is also extending a service for websites and [mobile](#) apps that remembers an individual's account information and shipping address, so they don't have to be re-typed with every new purchase.

PayPal, which is based in San Jose, California, has stumbled in one arena. Without admitting wrongdoing, the company agreed this week to pay \$25 million over U.S. regulators' allegations that it signed up some customers for credit they didn't want.

"Sometimes you try and do things and they're not always perfect. We want to fix them as much as any regulator wants to fix them," Schulman said.

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