

# Honey's cash-back integration gives PayPal's retail push a boost

Article

**The news:** The PayPal-owned digital promotions platform introduced cash back through PayPal, a new way for US users to redeem reward points, per a press release.

**How it works:** Users can link their Honey and PayPal accounts to redeem Honey Gold rewards points for cash back sent to their PayPal. Users can also redeem their rewards points for gift cards to participating stores.

Honey also introduced a new iOS Safari browser extension for US users to enable simpler mobile shopping without having to download a separate app. This should help Honey to capture volume from the growing mcommerce market: After **expanding 15.2% this year to reach \$359.32 billion**, we [forecast](#) US retail mcommerce sales will hit \$728.28 billion by 2025.

**The opportunity:** PayPal just [launched](#) its super app, which includes a Shopping hub where customers can discover deals, make purchases, and earn rewards. Integrating Honey's rewards program directly into PayPal should bring more Honey users to PayPal's app, growing its user base and setting up cross-promotional opportunities for PayPal's other shopping and financial services.

**Why it's worth watching:** Honey's rewards integration should help PayPal capture more payments volume and aid its retail push, especially ahead of the holiday season.

- Connecting Honey's rewards program positions PayPal to capture more holiday sales volume as shoppers look for deals and ways to save: **US retail ecommerce holiday sales are projected to reach \$211.66 billion** this year—18.4% of all holiday retail, [per](#) our forecasts.
- Honey can improve PayPal's shopping solution as it dives deeper into the space: PayPal-owned Happy Returns has been [building out](#) its drop-off network, and PayPal's Shopping hub is featured prominently in the revamped app.
- Getting more involved in retail can also help maintain PayPal's growth and drive payments volume: In [Q2](#), PayPal's **total payment volume (TPV) shot up 36% year over year (YoY)**, hitting **\$311 billion**.