

Bespoke Survey Research

January 2024

Buy Now Pay Later

Volume 12 | Quarterly Survey

1,000 US Consumers Balanced To Census

Tickers Covered: AFRM, SQ, Klarna.

KPIs and Key questions

- The share of consumers who have used BNPL options has increased q/q (at series highs).
- Delinquency rates on BNPL have improved slightly with over 85% saying they are not behind on any payments.
- Consumers continue to note that they would increase their discretionary spending behavior with BNPL services vs. without.
- Overall, BNPL offerings like Affirm, Klarna, and AfterPay continue to lag far behind credit cards, Apple Pay, and Cash in terms of usage.
- Respondents who use BNPL platforms continue to tell us their primary use cases are a mixture of "online purchases" and "larger purchases."

Noteworthy Stats:

33.6% Of respondents noted that they have used BNPL services in the past 6 months.

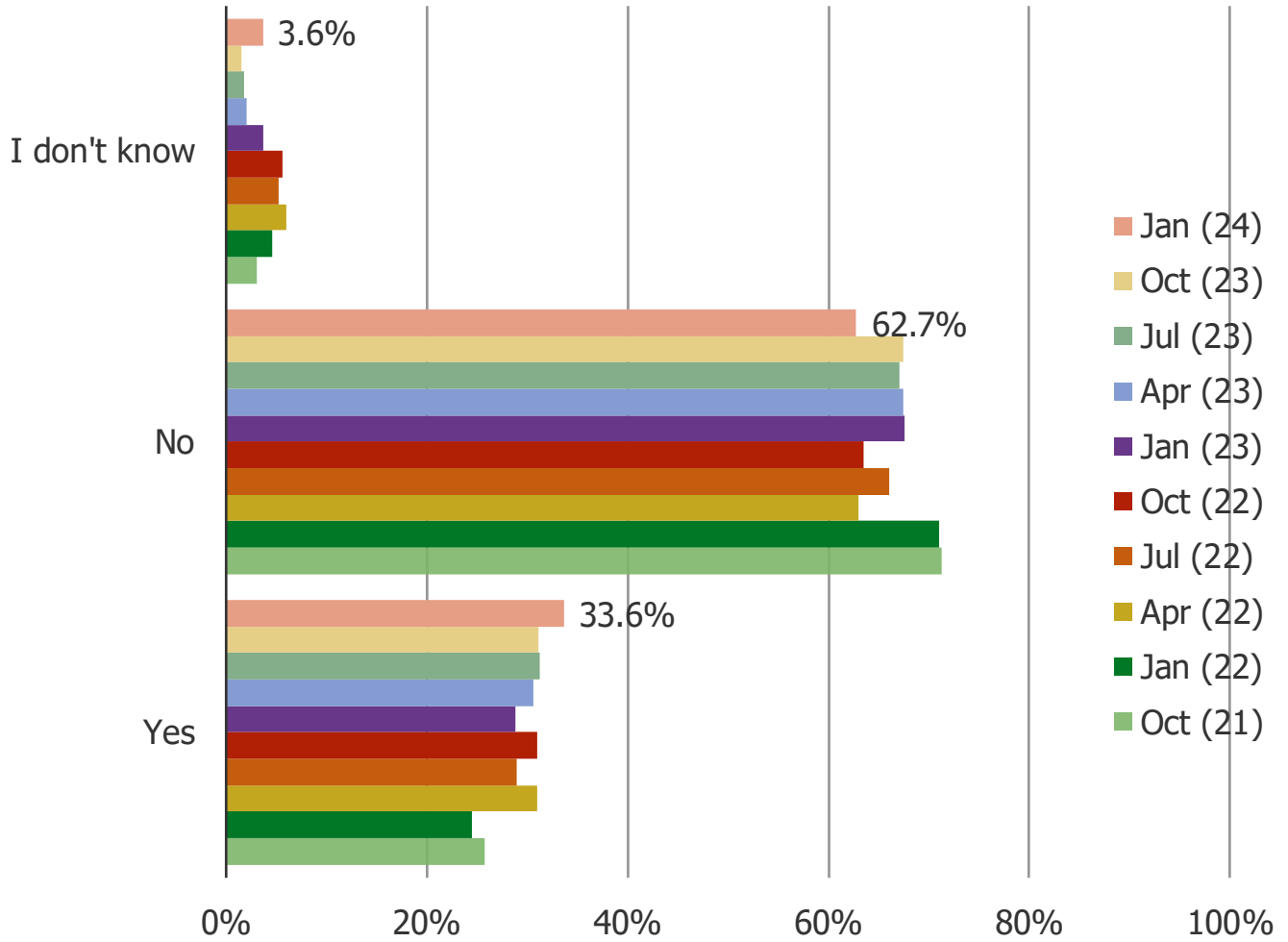
37.6% Of respondents have a positive to very positive view of BNPL concepts.

61.4% Of respondents note that they would use BNPL services because it would help them budget/manage their cash flow.

14.2% Of respondents who have used BNPL services in the last 6 months note that they are behind on at least one payment.

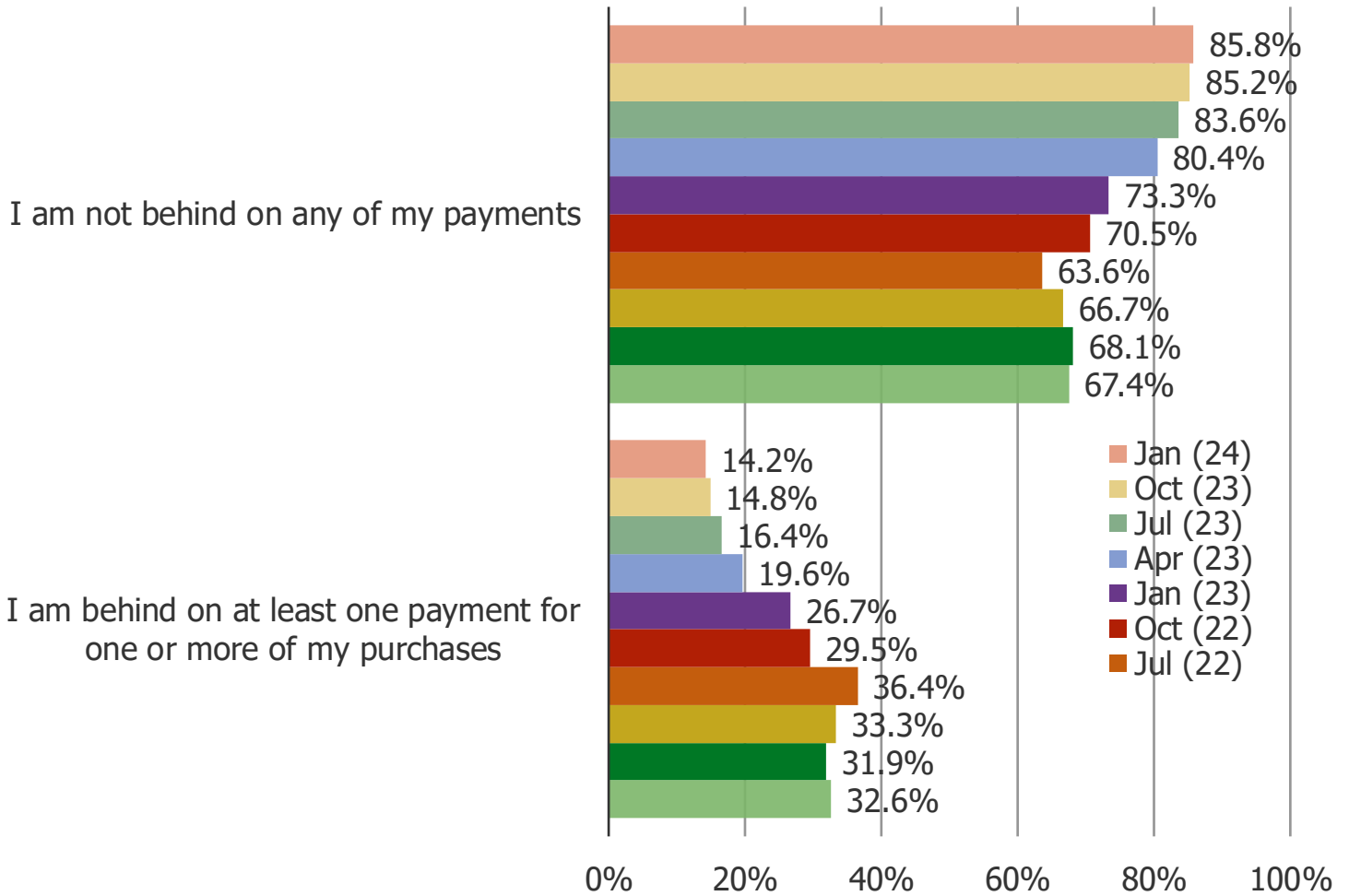
HAVE YOU USED BUY NOW PAY LATER OPTIONS (LIKE AFFIRM, AFTER PAY, KLARNA, ETC) TO BUY ANYTHING IN THE PAST 6 MONTHS?

Posed to all respondents.



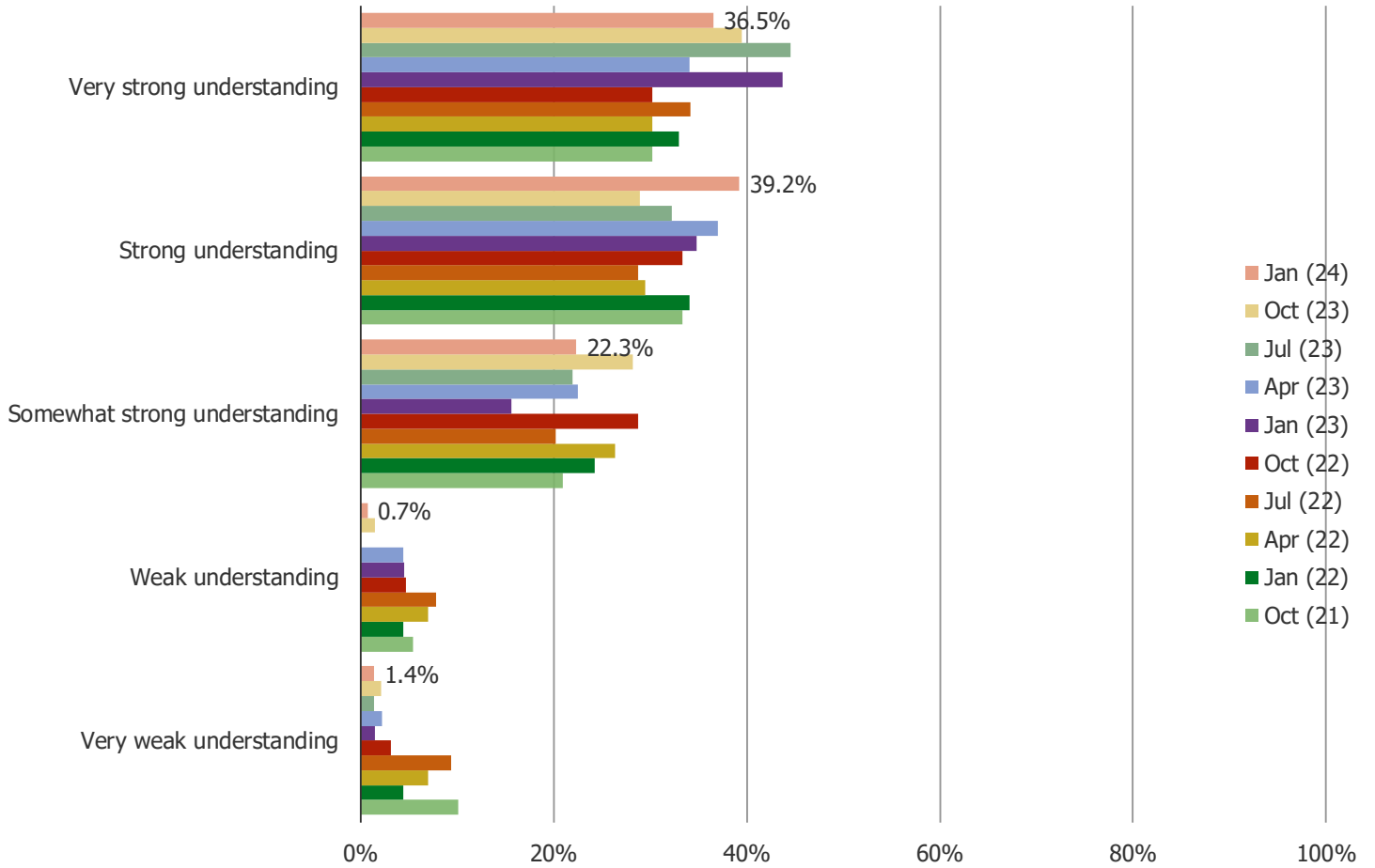
ARE YOU CURRENTLY BEHIND ON ANY OF YOUR BUY NOW PAY LATER PAYMENTS?

Posed to all respondents who have used BNPL services in the last 6 months.



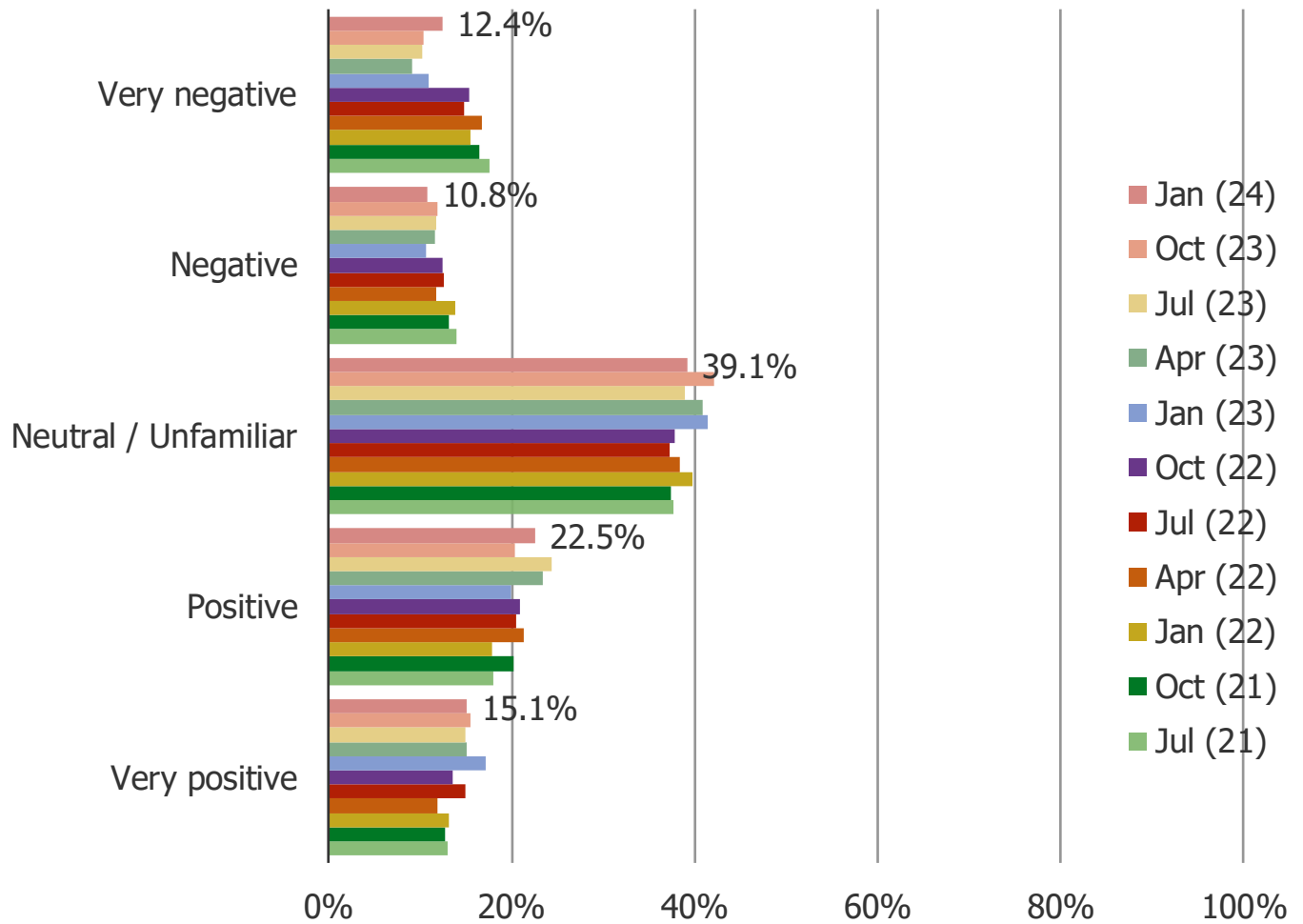
HOW WELL DO YOU FEEL YOU UNDERSTAND HOW THESE BUY NOW PAY LATER OFFERINGS WORK?

Posed to all respondents who have used BNPL services in the last 6 months.



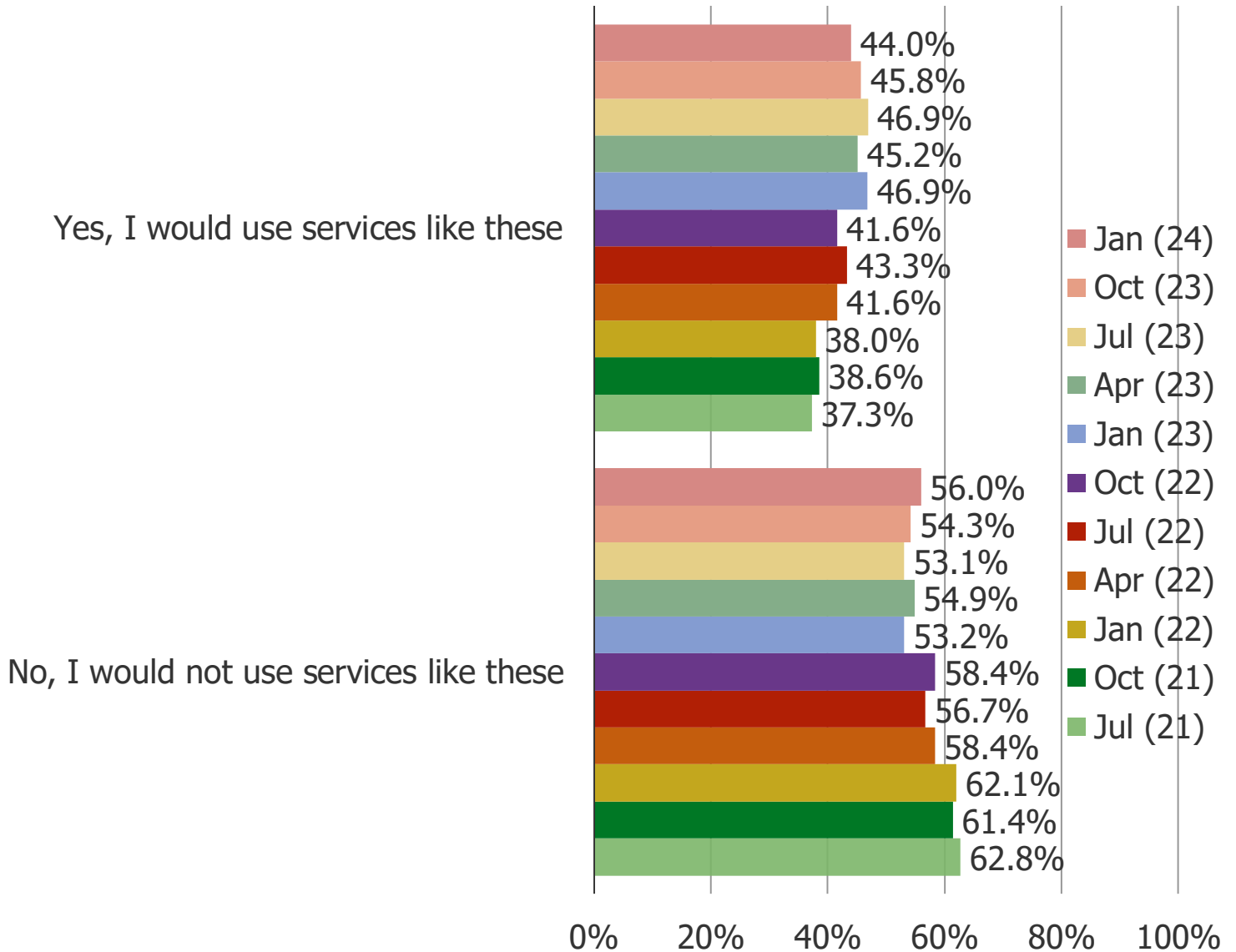
WHAT IS YOUR OPINION OF THE CONCEPT OF "BUY NOW AND PAY LATER" SERVICES IN WHICH YOU COULD BUY A PRODUCT FROM A RETAILER NOW AND PAY LATER WITHOUT THE NEED FOR TRADITIONAL CREDIT, UPFRONT FEES, OR INTEREST (UNLESS YOU ARE LATE ON A PAYMENT)?

Posed to all respondents.



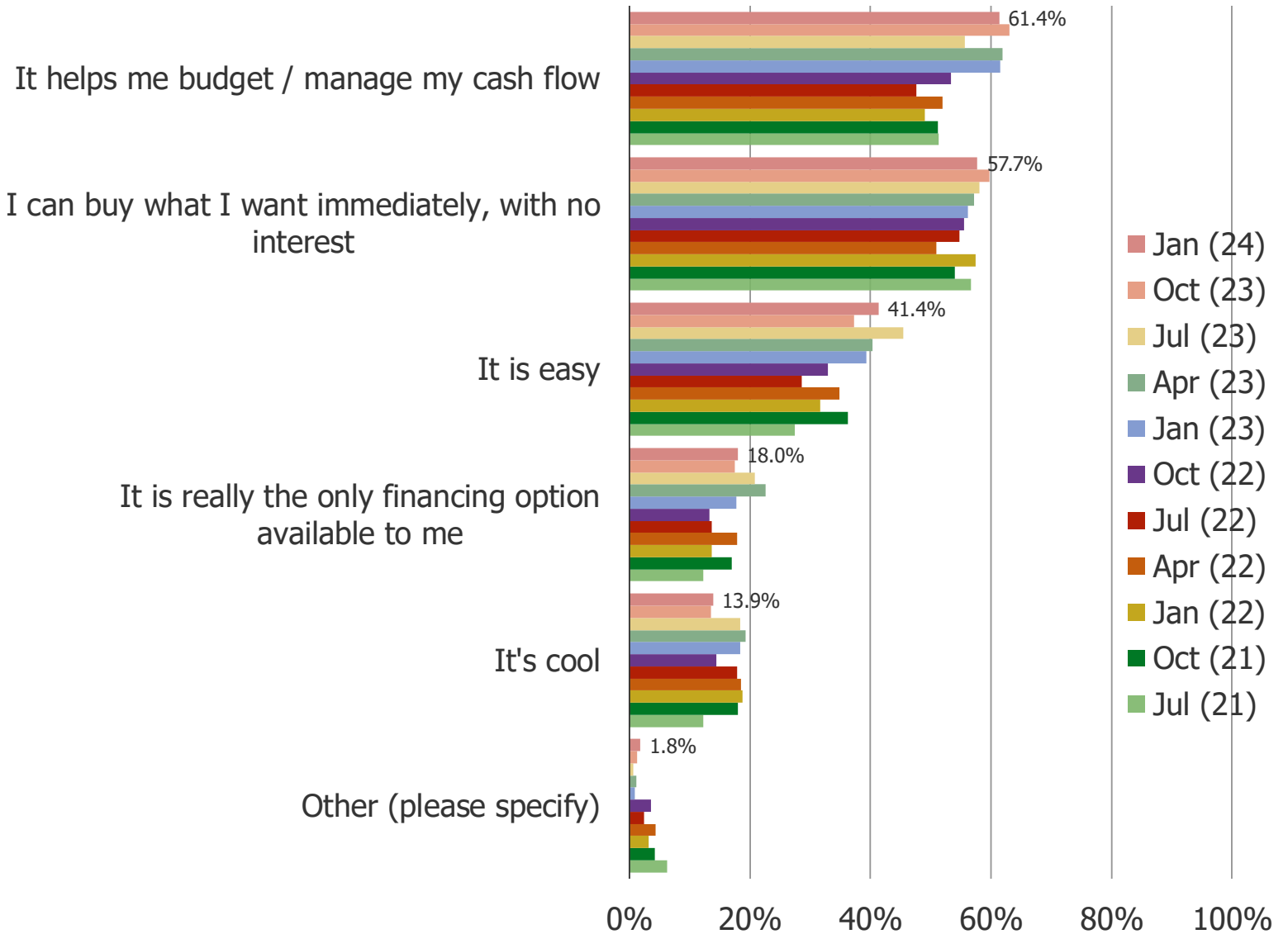
WOULD YOU USE "BUY NOW AND PAY LATER" SERVICES IN WHICH YOU COULD BUY A PRODUCT FROM A RETAILER NOW AND PAY LATER WITHOUT THE NEED FOR TRADITIONAL CREDIT, UPFRONT FEES, OR INTEREST (UNLESS YOU ARE LATE ON A PAYMENT)?

Posed to all respondents.



WHICH OF THE FOLLOWING BEST DESCRIBES WHY YOU WOULD USE "BUY NOW AND PAY LATER SERVICES"?

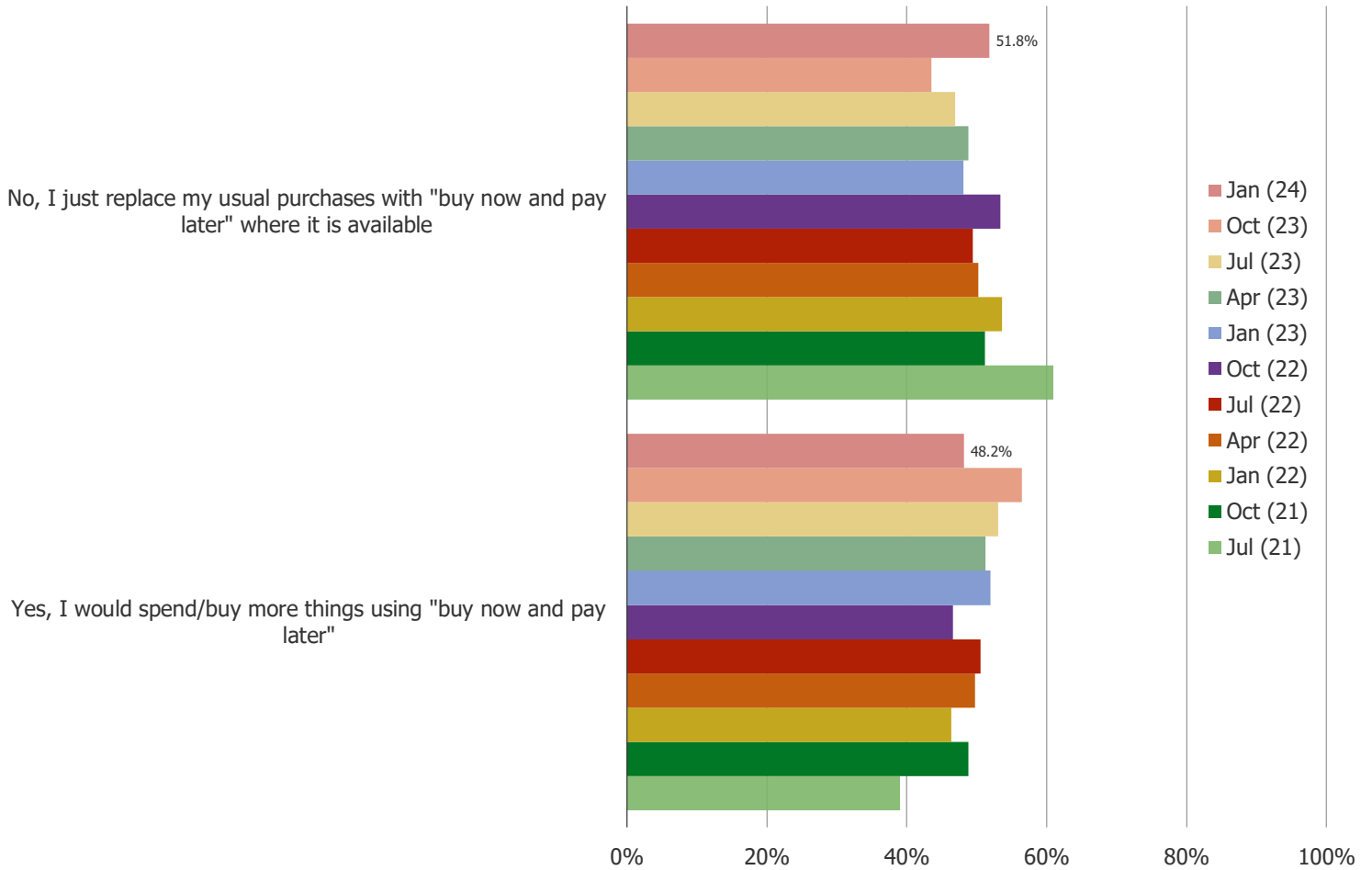
Posed to respondents who said they would use buy now and pay later services.



N = 440

IN YOUR OPINION, WOULD "BUY NOW AND PAY LATER" CHANGE HOW MUCH YOU SPEND/BUY?

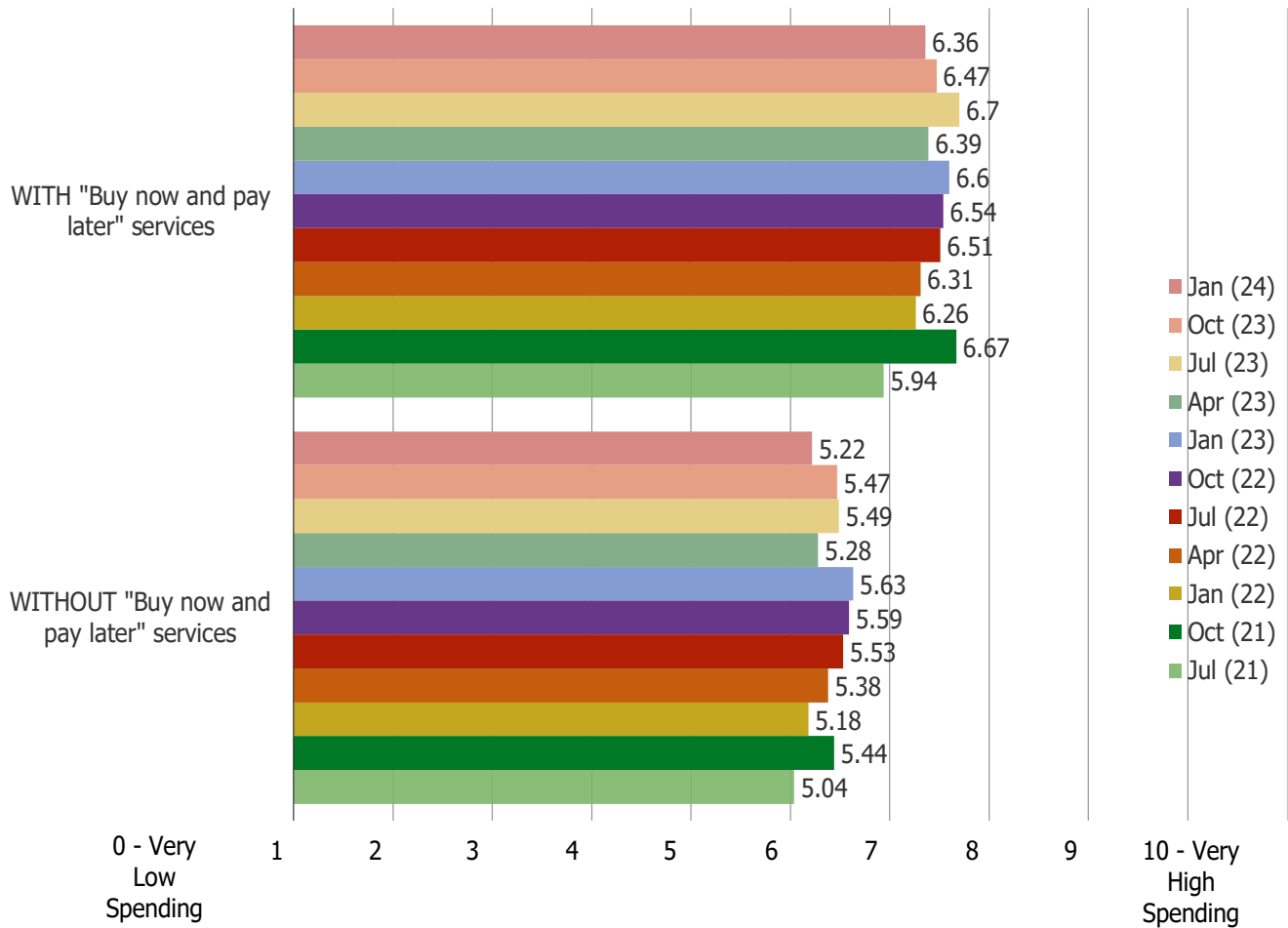
Posed to respondents who said they would use buy now and pay later services.



N = 440

HOW MUCH MONEY WOULD YOU SPEND ON DISCRETIONARY (IE, NON-ESSENTIAL) ITEMS IF...

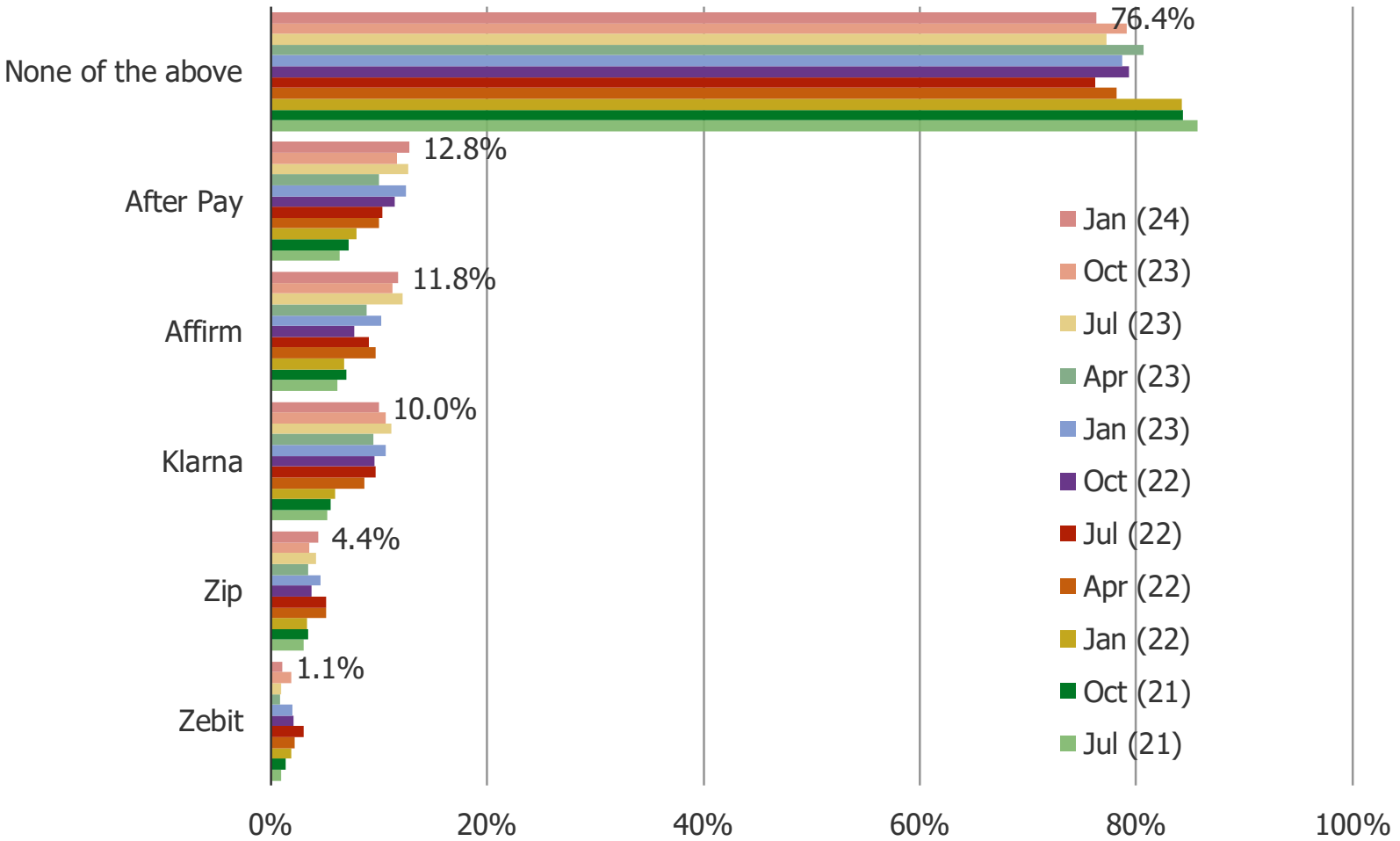
Posed to respondents who said they would use buy now and pay later services.



N = 440

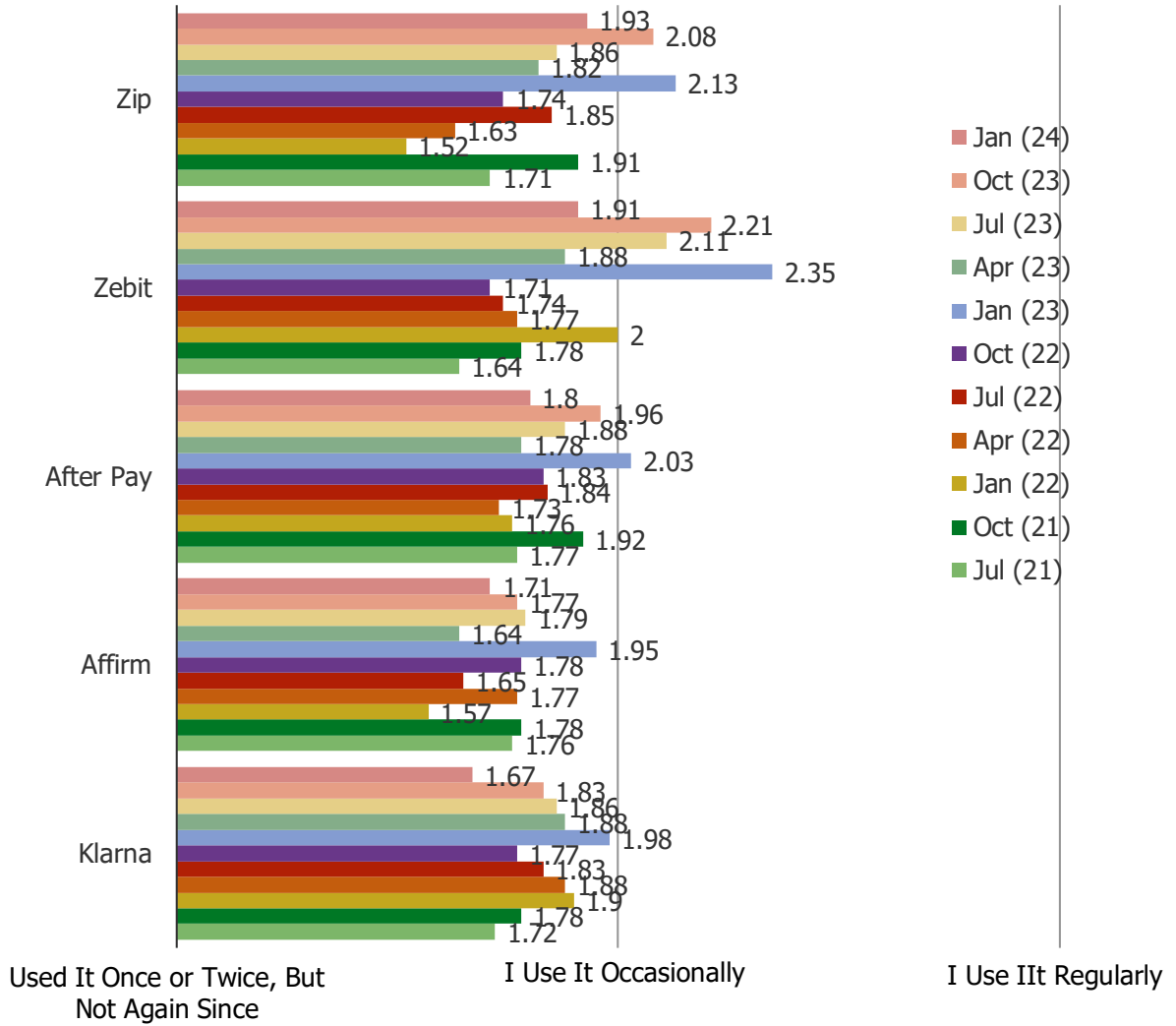
HAVE YOU EVER USED ANY OF THE FOLLOWING?

Posed to all respondents.



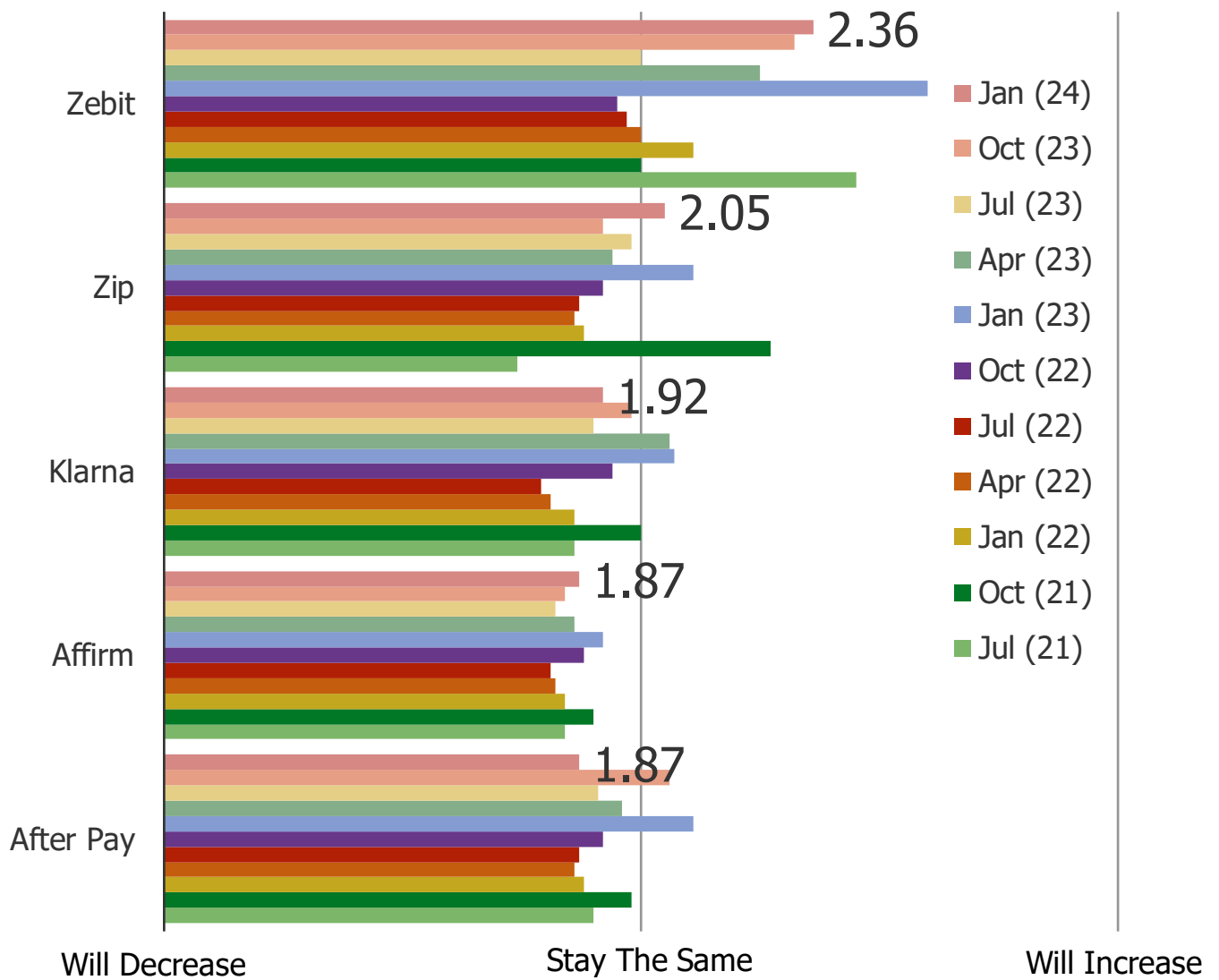
WHICH OF THE FOLLOWING BEST DESCRIBES YOUR EXPERIENCE WITH THE FOLLOWING:

Posed to all respondents who have used the below.



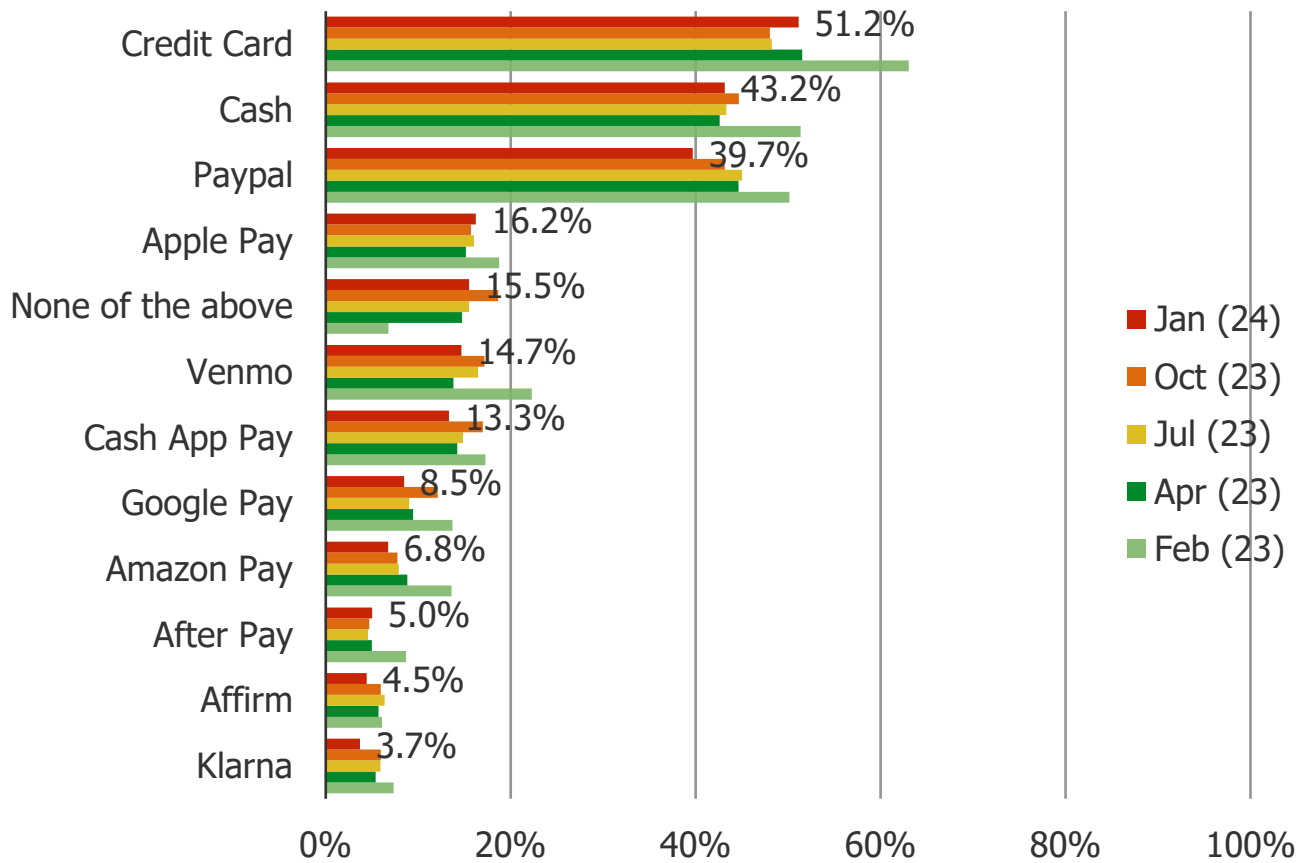
OVER THE NEXT 6 MONTHS, HOW DO YOU EXPECT YOUR USAGE OF THE FOLLOWING TO CHANGE AS A % OF YOUR TOTAL PURCHASES?

Posed to all respondents who have used the below.



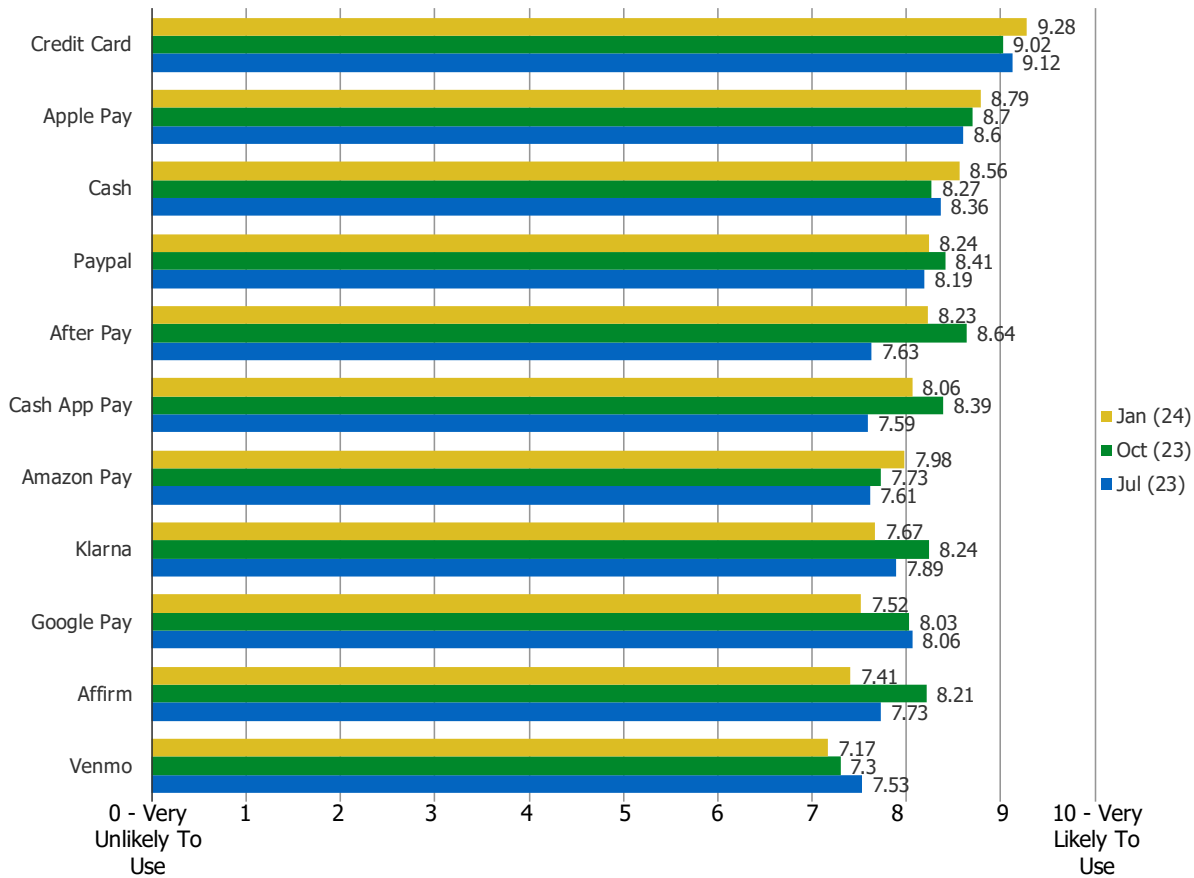
HAVE YOU USED ANY OF THE FOLLOWING TO CHECKOUT IN PERSON OR ONLINE DURING THE PAST 12 MONTHS? SELECT ALL THAT APPLY

Posed to all respondents.



WHEN YOU ARE BUYING SOMETHING AND THE FOLLOWING IS AN OPTION TO PAY FOR IT, HOW LIKELY ARE YOU TO USE IT TO CHECK OUT?

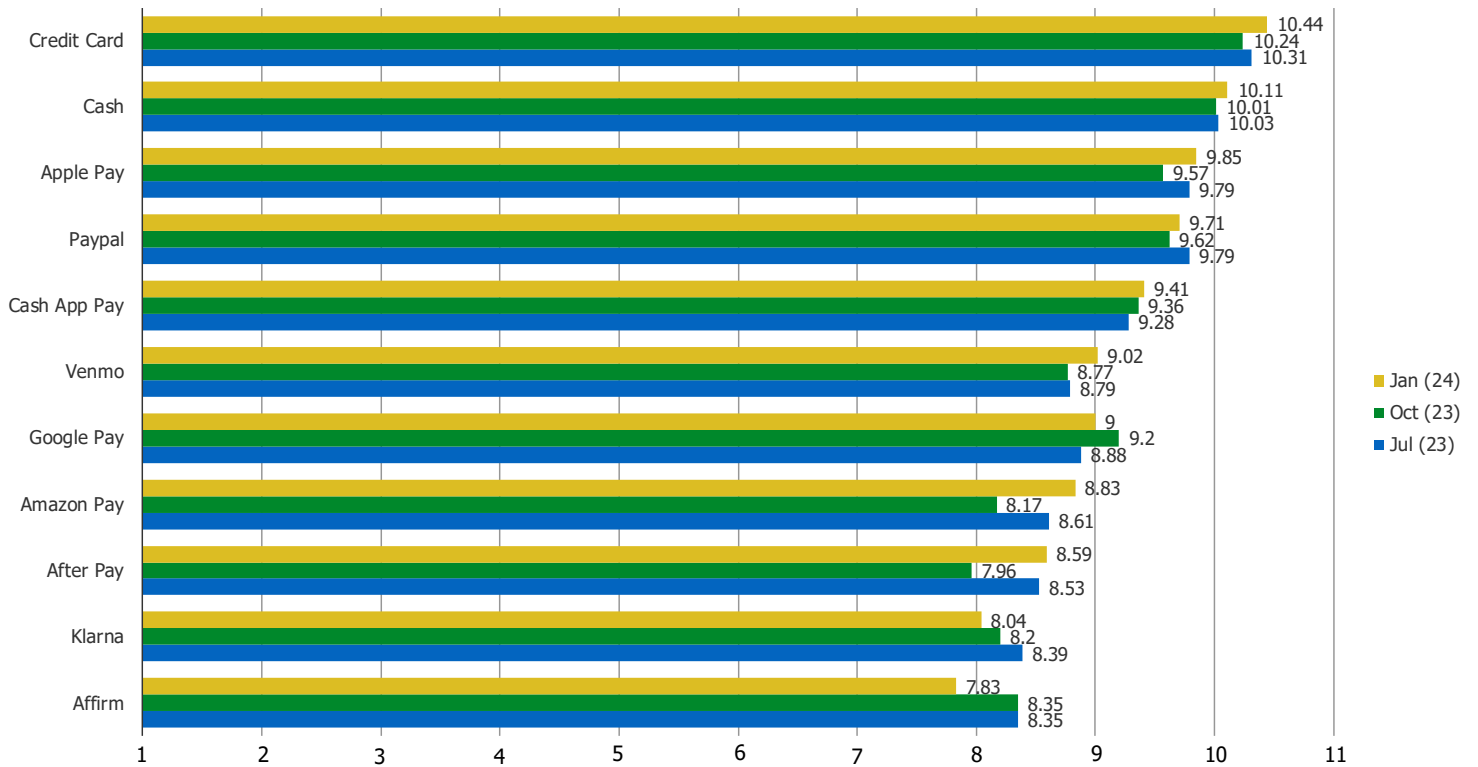
Posed to respondents who have used each of the following to check out in the past 12 months...



	N=
Apple Pay	197
Google Pay	103
Cash App Pay	162
Klarna	45
After Pay	61
Affirm	54
Paypal	482
Venmo	178
Amazon Pay	82
Credit Card	621
Cash	524

PLEASE RANK YOUR PREFERRED METHODS OF PAYMENT WHEN SHOPPING IN-PERSON, WITH YOUR MOST PREFERRED METHOD AT THE TOP AND LEAST PREFERRED METHOD AT THE BOTTOM.

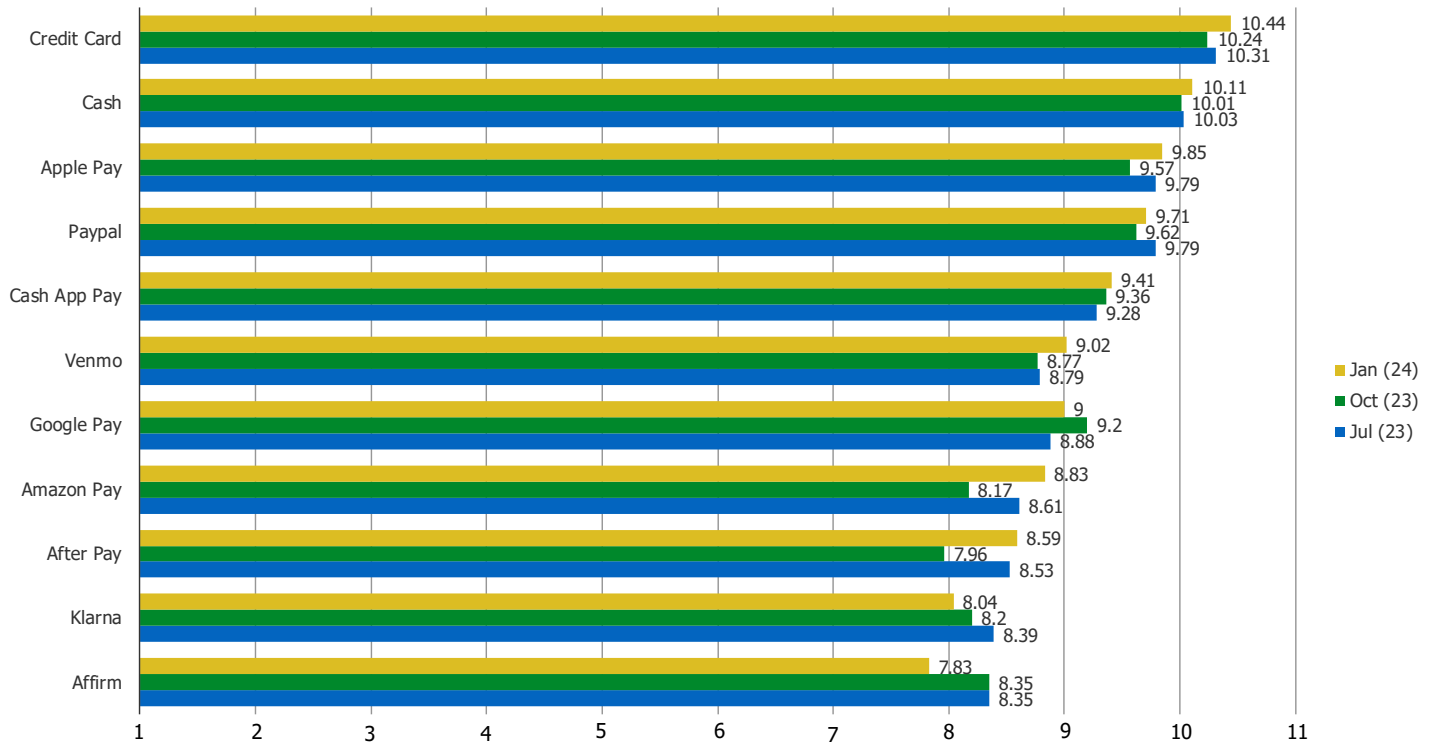
Posed to respondents who have used each of the following to check out in the past 12 months...



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Apple Pay	197
Google Pay	103
Cash App Pay	162
Klarna	45
After Pay	61
Affirm	54
Paypal	482
Venmo	178
Amazon Pay	82
Credit Card	621
Cash	524

PLEASE RANK YOUR PREFERRED METHODS OF PAYMENT WHEN SHOPPING ONLINE, WITH YOUR MOST PREFERRED METHOD AT THE TOP AND LEAST PREFERRED METHOD AT THE BOTTOM.

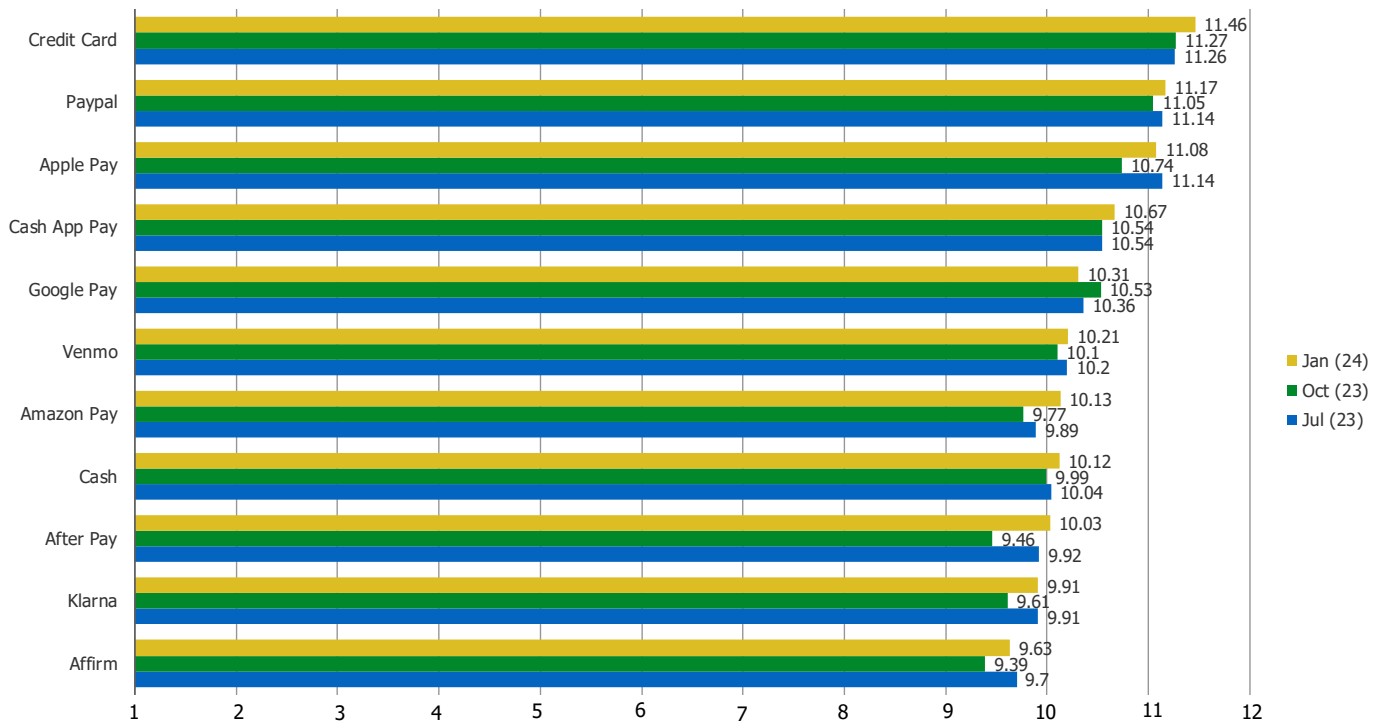
Posed to respondents who have used each of the following to check out in the past 12 months...



	N=
Apple Pay	197
Google Pay	103
Cash App Pay	162
Klarna	45
After Pay	61
Affirm	54
Paypal	482
Venmo	178
Amazon Pay	82
Credit Card	621
Cash	524

PLEASE RANK YOUR PREFERRED METHODS OF PAYMENT WHEN SHOPPING ON YOUR MOBILE DEVICE, WITH YOUR MOST PREFERRED METHOD AT THE TOP AND LEAST PREFERRED METHOD AT THE BOTTOM.

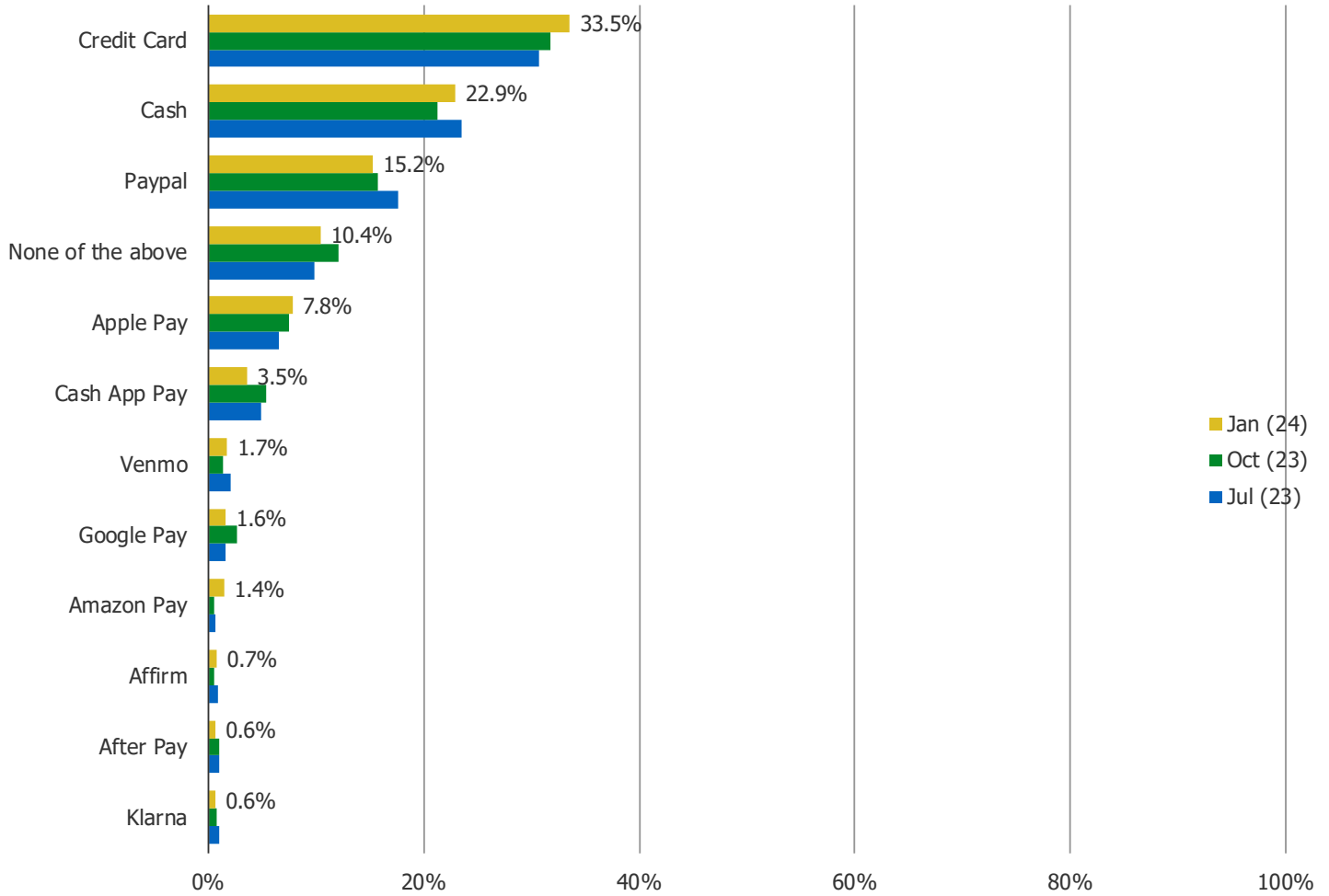
Posed to respondents who have used each of the following to check out in the past 12 months...



	N=
Apple Pay	197
Google Pay	103
Cash App Pay	162
Klarna	45
After Pay	61
Affirm	54
Paypal	482
Venmo	178
Amazon Pay	82
Credit Card	621
Cash	524

WHICH OF THE FOLLOWING IS YOUR FAVORITE METHOD OF PAYMENT?

Posed to all respondents.



WHICH OF THE FOLLOWING IS YOUR FAVORITE METHOD OF PAYMENT?

Posed to all respondents, cross-tabbed by age (Jan 24 wave).

	None of the above	Apple Pay	Google Pay	Cash App Pay	Klarna	After Pay	Affirm	Paypal	Venmo	Amazon Pay	Credit Card	Cash	N=
18 to 24	17.1%	17.1%	1.6%	6.5%	0.8%	0.0%	1.6%	8.9%	3.3%	1.6%	25.2%	16.3%	123
25 to 34	9.8%	19.1%	1.5%	3.9%	1.5%	2.9%	1.0%	15.2%	1.5%	2.0%	28.9%	12.8%	204
35 to 44	10.1%	9.7%	3.1%	7.1%	0.0%	0.4%	0.4%	17.2%	2.2%	1.3%	26.0%	22.5%	227
45 to 54	9.5%	3.3%	1.0%	1.9%	0.5%	0.0%	1.4%	21.8%	1.9%	2.8%	27.0%	28.9%	211
55 to 64	8.8%	2.1%	2.1%	2.5%	0.0%	0.0%	0.0%	14.6%	1.3%	0.0%	38.9%	29.7%	239
65 to 74	9.4%	0.6%	0.0%	0.6%	1.2%	0.0%	0.6%	12.9%	1.2%	1.2%	47.7%	24.7%	170
75 or older	11.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	4.7%	0.0%	0.0%	62.8%	20.9%	43

WHAT DO YOU TYPICALLY USE THE FOLLOWING FORMS OF PAYMENT FOR?

Posed to respondents who have used **Google Pay** in the past 12 months (N = 101)

Online purchases



WHAT DO YOU TYPICALLY USE THE FOLLOWING FORMS OF PAYMENT FOR?

Posed to respondents who have used **Cash App Pay** in the past 12 months (N = 157)



WHAT DO YOU TYPICALLY USE THE FOLLOWING FORMS OF PAYMENT FOR?

Posed to respondents who have used **Klarna** in the past 12 months (N = 44)



WHAT DO YOU TYPICALLY USE THE FOLLOWING FORMS OF PAYMENT FOR?

Posed to respondents who have used **After Pay** in the past 12 months (N = 61)



WHAT DO YOU TYPICALLY USE THE FOLLOWING FORMS OF PAYMENT FOR?

Posed to respondents who have used **Affirm** in the past 12 months (N = 54)



WHAT DO YOU TYPICALLY USE THE FOLLOWING FORMS OF PAYMENT FOR?

Posed to respondents who have used PayPal in the past 12 months (N = 474)



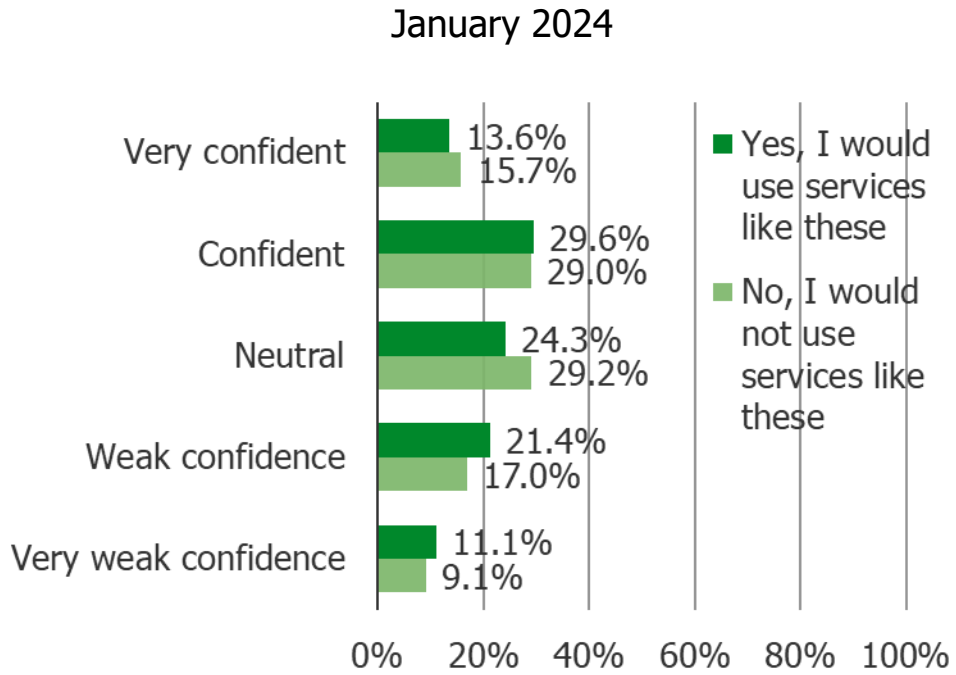
WHAT DO YOU TYPICALLY USE THE FOLLOWING FORMS OF PAYMENT FOR?

Posed to respondents who have used **Cash** in the past 12 months (N = 517)



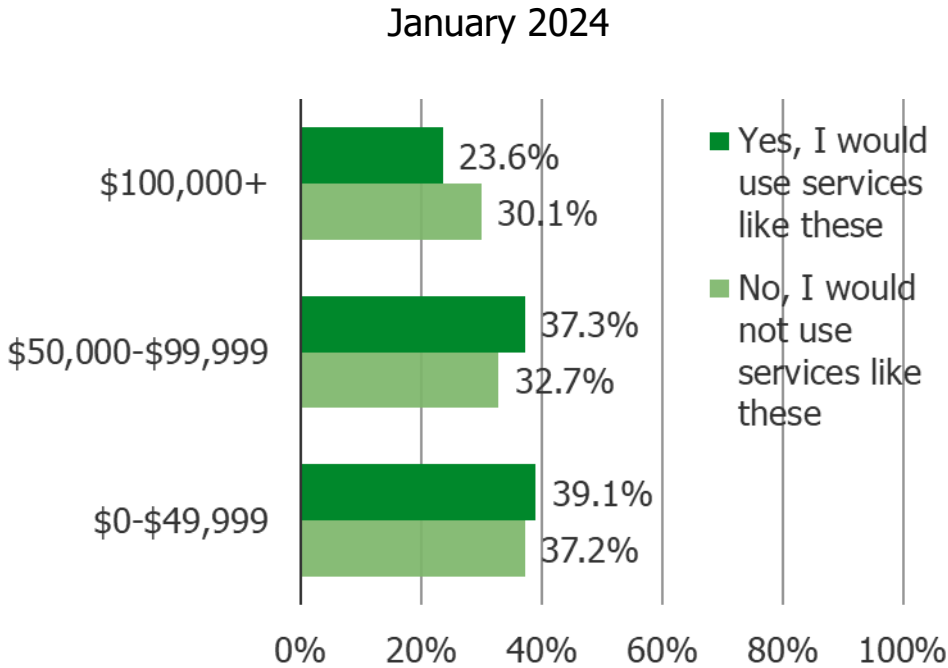
SPENDING CONFIDENCE CURRENTLY:

Posed to all respondents, cross-tabbed by whether they would or would not use BNPL services.



INCOME:

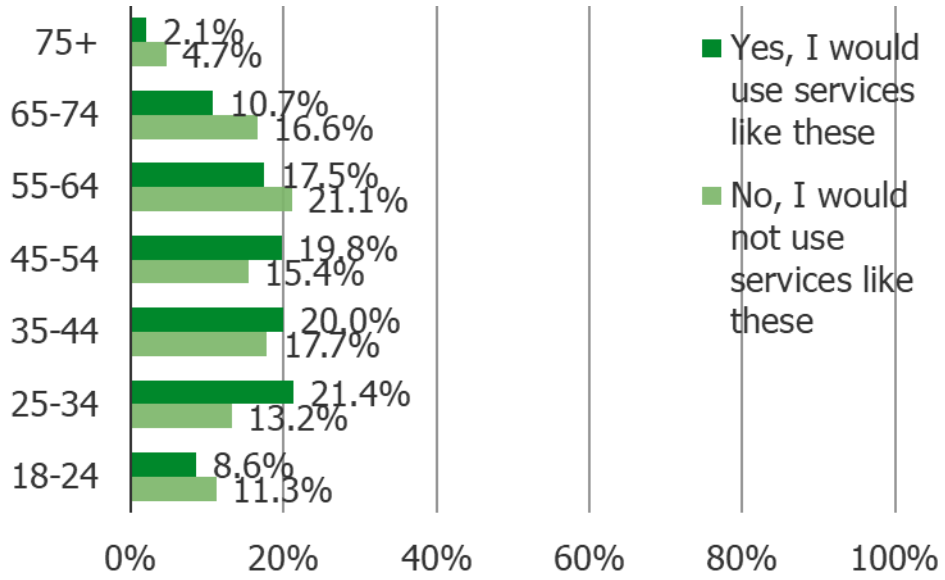
Posed to all respondents, cross-tabbed by whether they would or would not use BNPL services.



AGE:

Posed to all respondents, cross-tabbed by whether they would or would not use BNPL services.

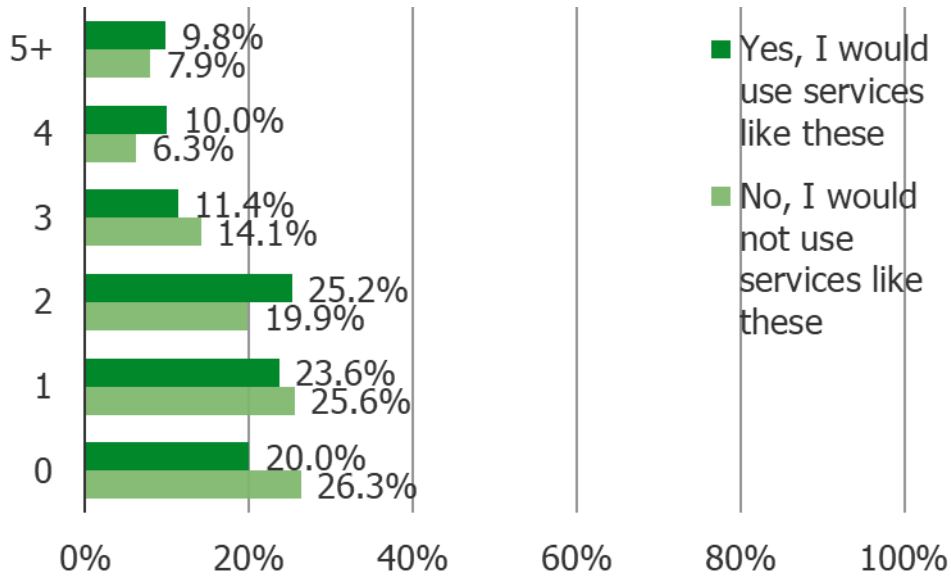
January 2024



NUMBER OF CREDIT CARDS RESPONDENTS HAVE:

Posed to all respondents, cross-tabbed by whether they would or would not use BNPL services.

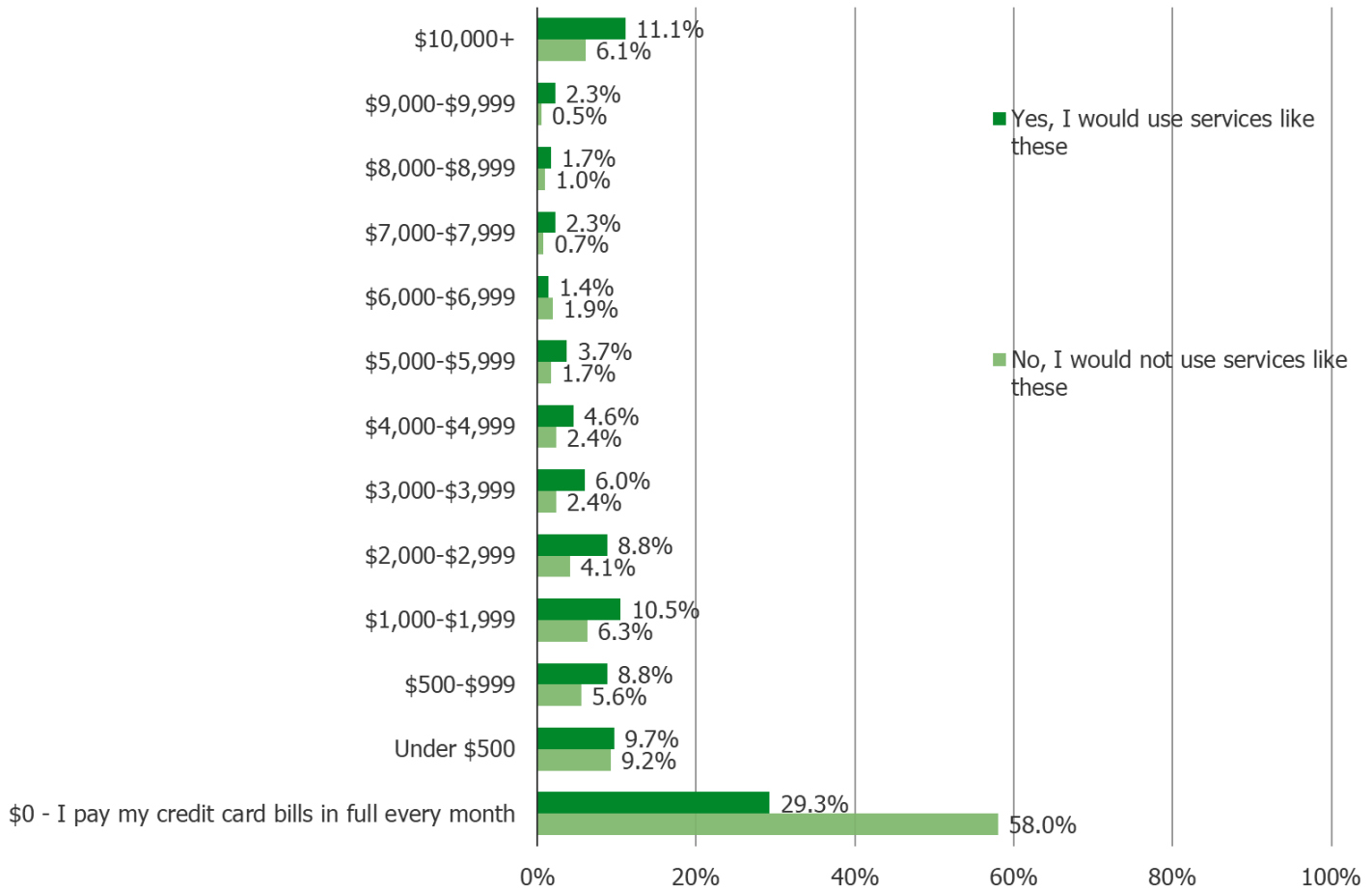
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AMOUNT OF CREDIT CARD DEBT THEY CARRY OVER MONTH/MONTH

Posed to all respondents, cross-tabbed by whether they would or would not use BNPL services.

January 2024

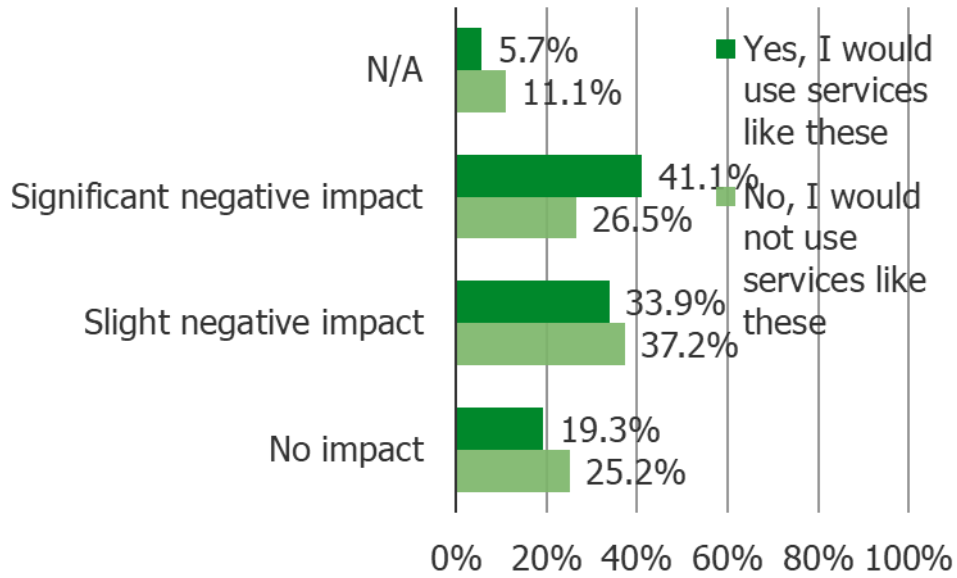


IF YOUR HOUSEHOLD INCOME DECLINED BY 5-10%, WHICH OF THE FOLLOWING WOULD BEST DESCRIBE HOW IT WOULD IMPACT YOUR...

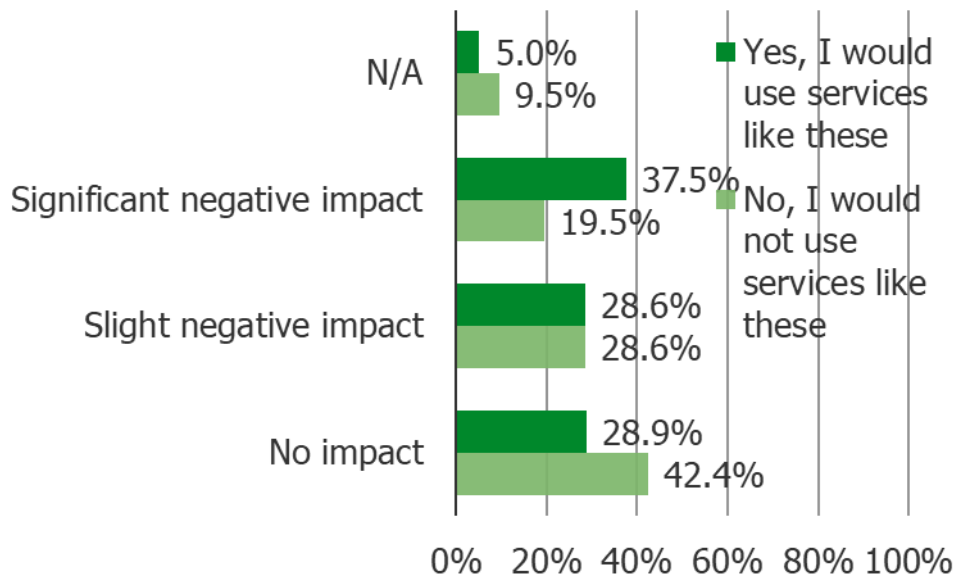
Posed to all respondents, cross-tabbed by whether they would or would not use BNPL services.

January 2024

Ability to spend on discretionary items



Ability to spend pay my monthly bills



TO THE BEST OF YOUR ESTIMATION, DID THE AMOUNT OF MONEY YOU HAVE SAVED CHANGE SINCE THE START OF THE COVID-19 PANDEMIC?

Posed to all respondents, cross-tabbed by whether they would or would not use BNPL services.

January 2024

