

Bespoke Survey Research

April 2024

Buy Now Pay Later

Volume 13 | Quarterly Survey
1,000 US Consumers Balanced To Census
Tickers Covered: AFRM, SQ, Klarna.

KPIs and Key questions

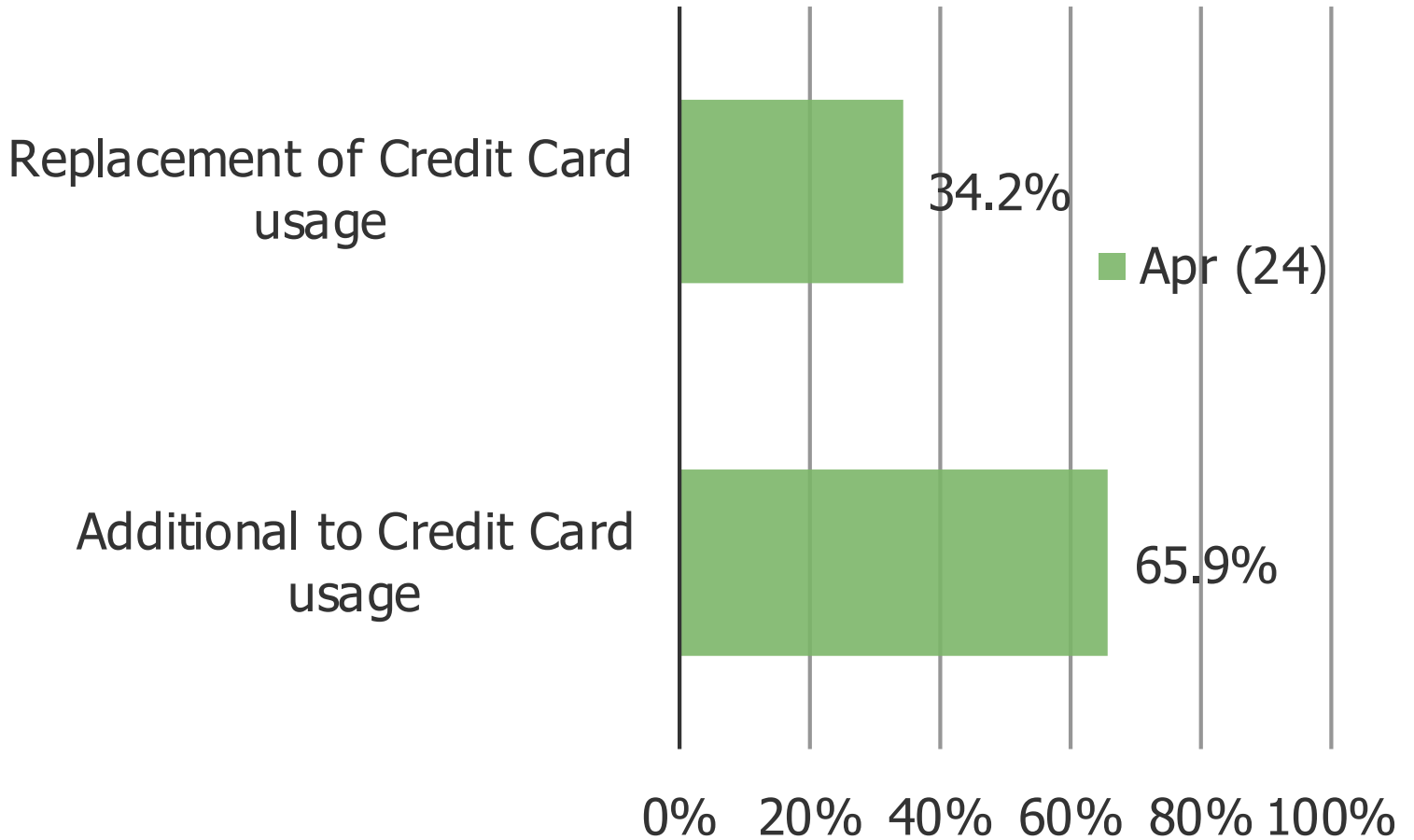
- 66% of consumers who use both indicated that their usage of BNPL services is additional to their credit card usage (34% said replacement).
- AfterPay Plus Card NPS was higher relative to the NPS for Affirm Card and the Klarna Card.
- Delinquency rates on BNPL have improved slightly with over 88% saying they are not behind on any payments.

Noteworthy Stats:

- 65.9%** Of respondents who use both said that BNPL usage is additional to their credit card usage.
- 34.2%** Of respondents who use both said that BNPL usage is replacing their credit card usage.
- 20.9%** Of respondents who are open to using BNPL services are extremely interested in using BNPL options when shopping in person.
- 45.5%** Of respondents who are open to using BNPL services say that BNPL is better than credit cards.

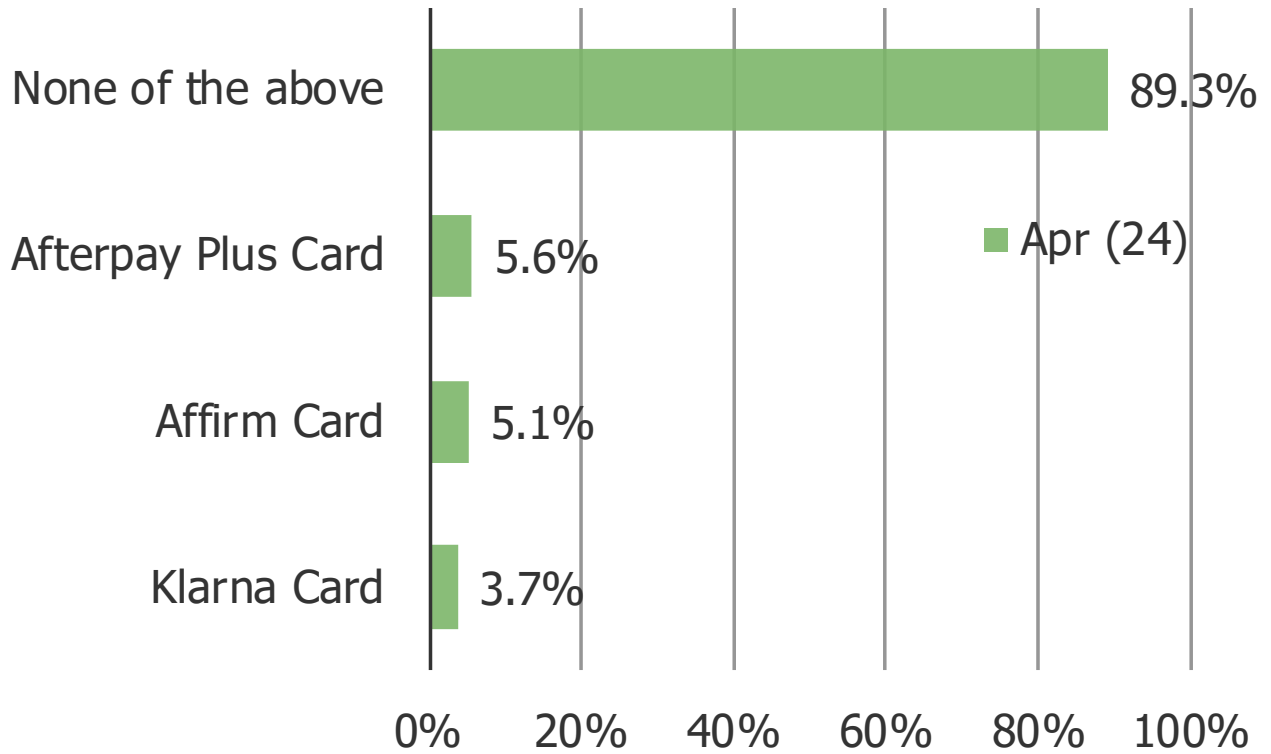
YOU MENTIONED IN THE PREVIOUS QUESTION THAT YOU USE BOTH CREDIT CARDS AND BNPL (BUY NOW, PAY LATER)...DO YOU VIEW YOUR USAGE OF BUY NOW LATER TO BE...

Posed to all respondents use both credit cards and BNPL (N = 165).



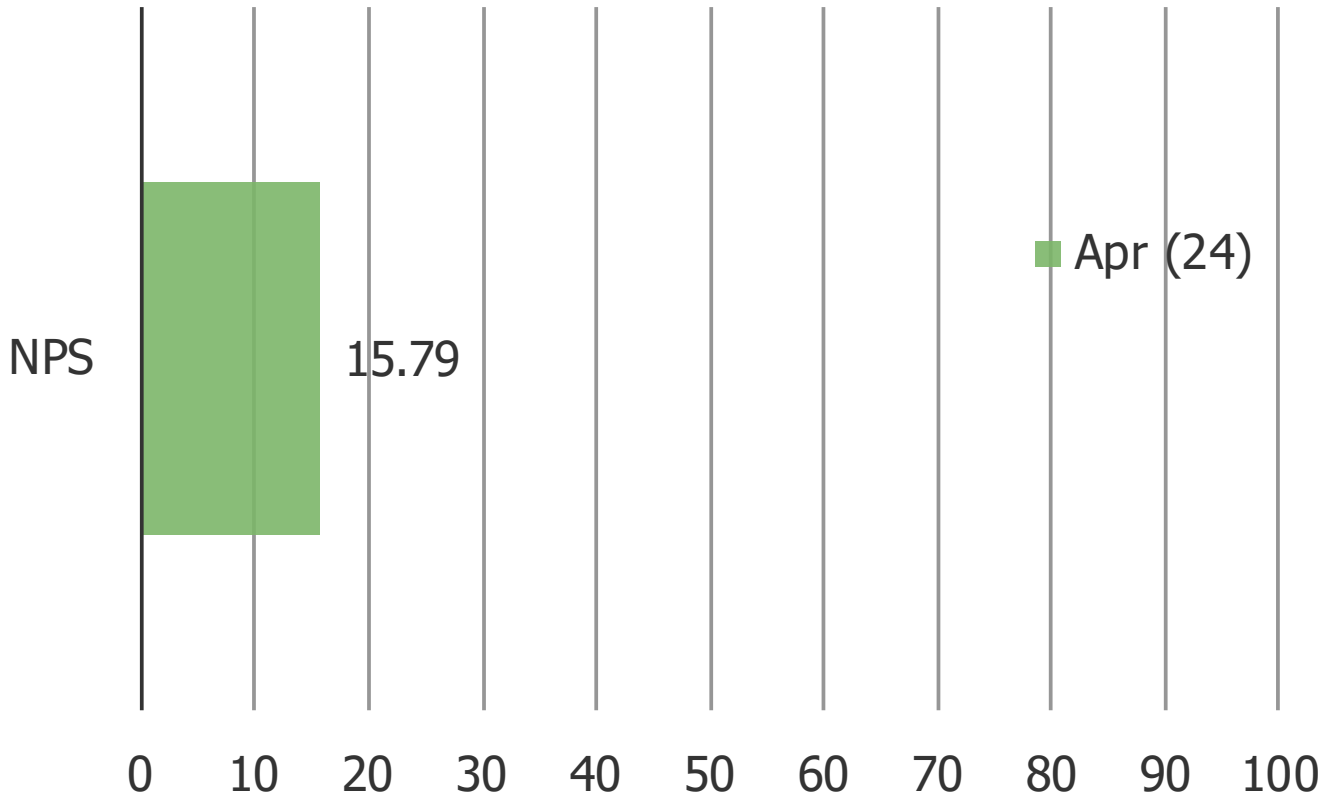
DO YOU CURRENTLY HAVE ANY OF THE FOLLOWING?

Posed to all respondents who would be open to using BNPL services (N = 376).



HOW LIKELY IS IT THAT YOU WOULD RECOMMEND THE AFFIRM CARD TO A FRIEND OR COLLEAGUE?

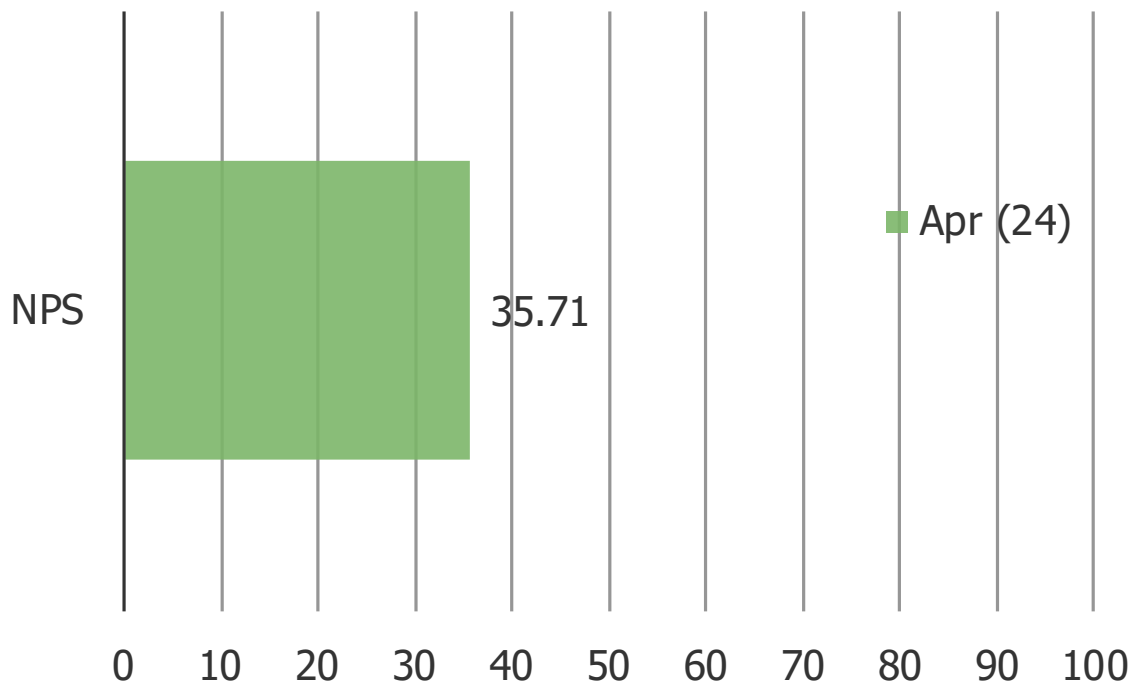
Posed to all respondents who have the Affirm Card. (N=19)



*Keep in mind these are relatively low N sizes. We will combine waves in the future to achieve larger N sizes for analysis.

HOW LIKELY IS IT THAT YOU WOULD RECOMMEND THE KLARNA CARD TO A FRIEND OR COLLEAGUE?

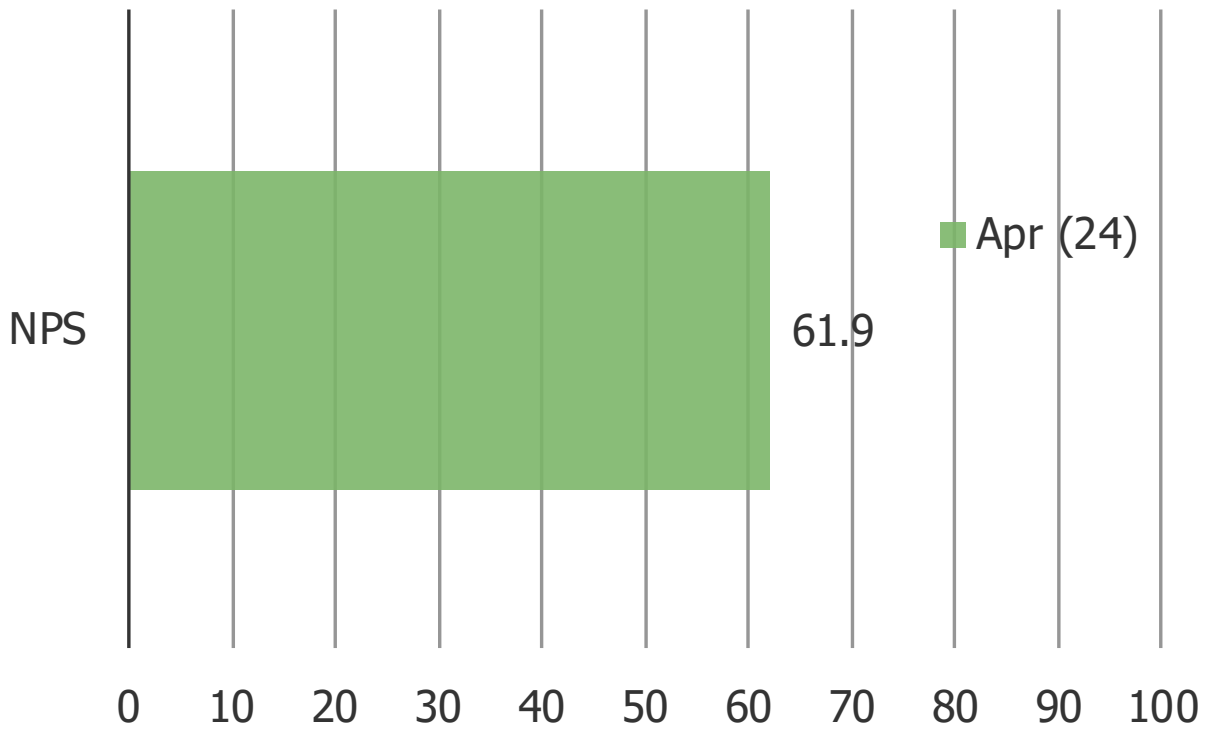
Posed to all respondents who have the Klarna Card. (N=15)



*Keep in mind these are relatively low N sizes. We will combine waves in the future to achieve larger N sizes for analysis.

HOW LIKELY IS IT THAT YOU WOULD RECOMMEND AFTERPAY PLUS CARD TO A FRIEND OR COLLEAGUE?

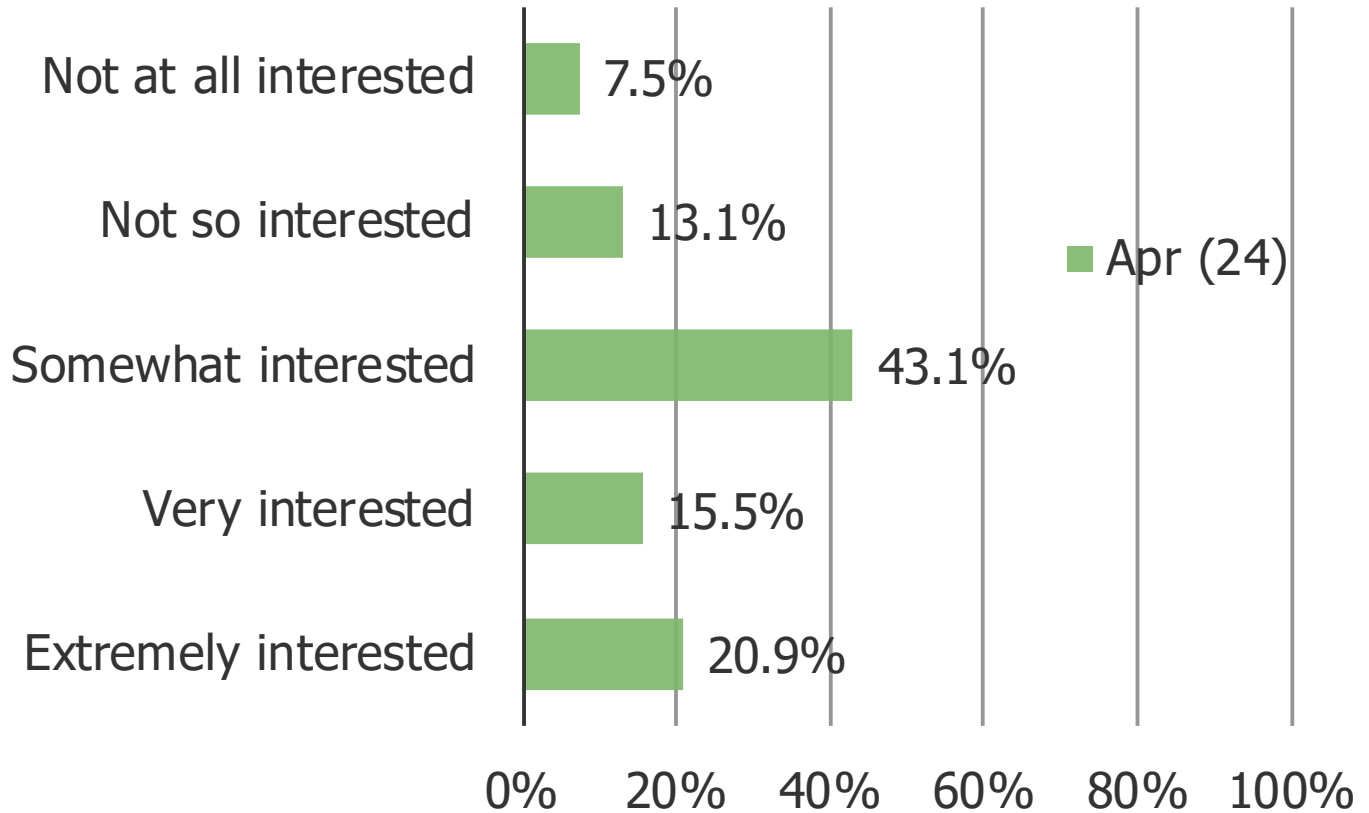
Posed to all respondents who have the AfterPay Plus Card. (N=22)



*Keep in mind these are relatively low N sizes. We will combine waves in the future to achieve larger N sizes for analysis.

HOW MUCH INTEREST WOULD YOU HAVE IN BEING ABLE TO USE BNPL (BUY NOW, PAY LATER) OPTIONS WHEN SHOPPING IN-PERSON, IN-STORES?

Posed to all respondents who are open to using BNPL services (N = 376).



RESPONDENTS WHO THINK BNPL IS BETTER.... WHY?

Posed to all respondents who are open to using BNPL services (N = 376).

- No interest and does not negatively affect credit score
- by financial purchase
- Because I will be forced to pay off the entire balance, whereas with a credit card, I'm more likely to keep a recurring balance (only meeting minimum payments or payments slightly above the minimum).
- Low interest
- more options help with cash flow by month
- If there's no interest with bnpl, than it sounds much better, at least for smaller purchases.
- It's help reduce money spent at a time
- Very convenient and cool to use
- No interest
- No fees or interest
- there's no fees or interest if you pay on time.
- No interest
- You would save money
- Only if there is no interest
- No interest
- It allows installment payments with no added interest, whereas a credit card would need to be paid off in full to avoid interest charges
- Easier to have a BNPL plan w/o interest than to have a whopping high interest rate from a credit card. I also have a debit card I sometimes rely on.
- no interest
- Less or no interest
- I don't use credit cards much
- Interest on credit cards, even with perks like cash back is outrageous compared to my young adult years
- no interest
- No interest for so many months
- You have more time to pay
- Interest free
- They have no interest charges if you pay on time.
- As long as you don't have to pay any interest, unless you are late with a paymt.
- It makes it more interesting.
- Buy Now Pay Later has no interest if payed on time unlike credit cards
- No interest.
- Less interest
- Can avoid interest if paying responsibly
- Lower interest
- Rather than pay all at once, I was able to split 4 payments over 2 billing cycles.
- I get paid once a month do would be easier for me
- Wouldn't think you'd spend as much, plus no interest.
- No interest

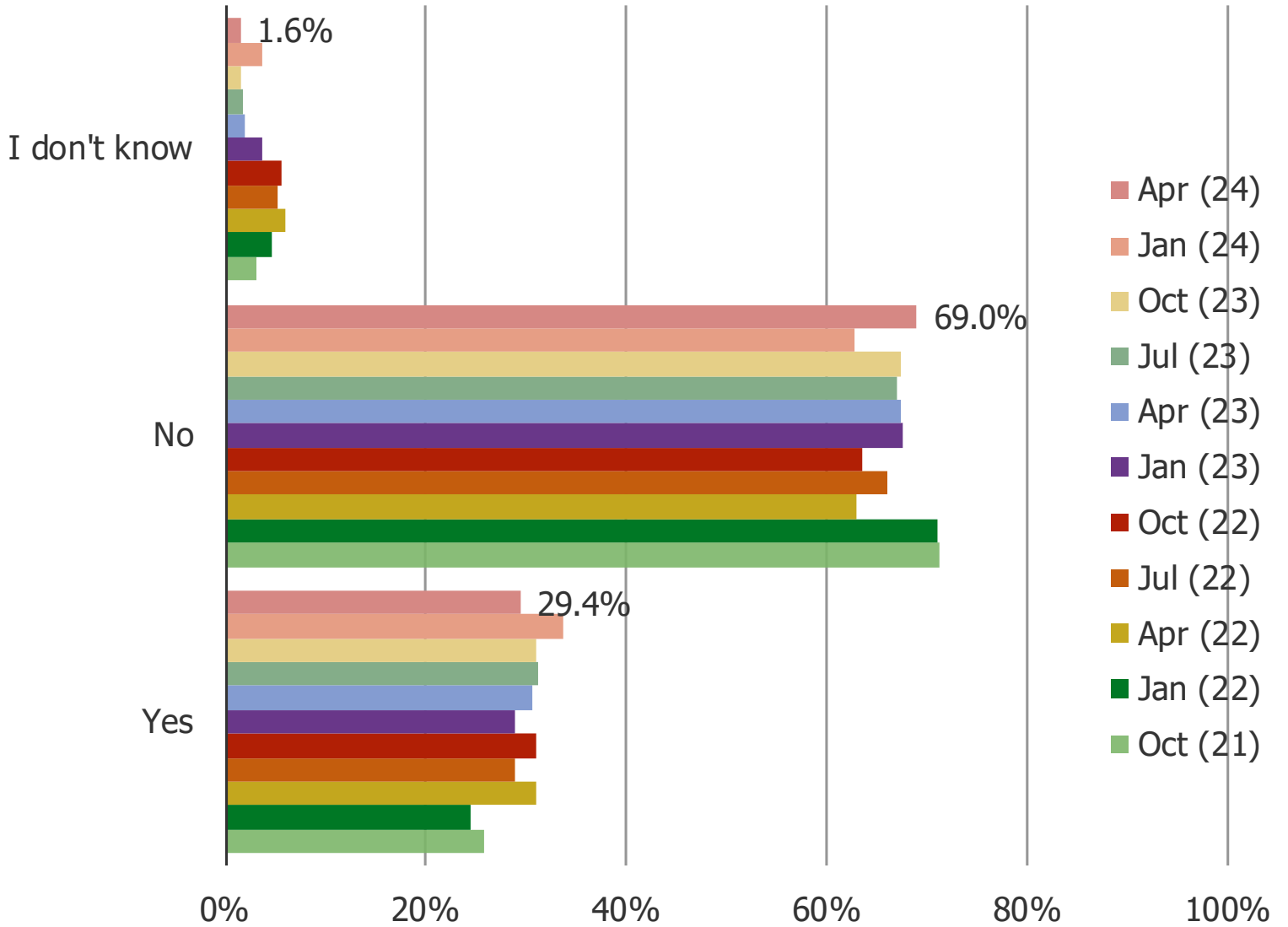
RESPONDENTS WHO THINK CREDIT CARDS ARE BETTER.... WHY?

Posed to all respondents who are open to using BNPL services (N = 376).

- Gives you points for flights and other things
- To build your credit score.
- Helps with credit score
- easier to manage
- Credit Cards help to build credit in the traditional sense which provides benefits, there's also rewards cards that give discounts based on certain purchases.
- I like to be able to keep track of my purchases and having a limit on what I can spend.
- Cash back/rewards
- It is an easier method of paying.
- Builds credit if used right
- Depending on credit limit
- because i get immediate rewards
- I like the rewards
- Not too complicated
- Builds up your credit score
- I am not familiar with any stores offering buy now options.
- More easier to use for me

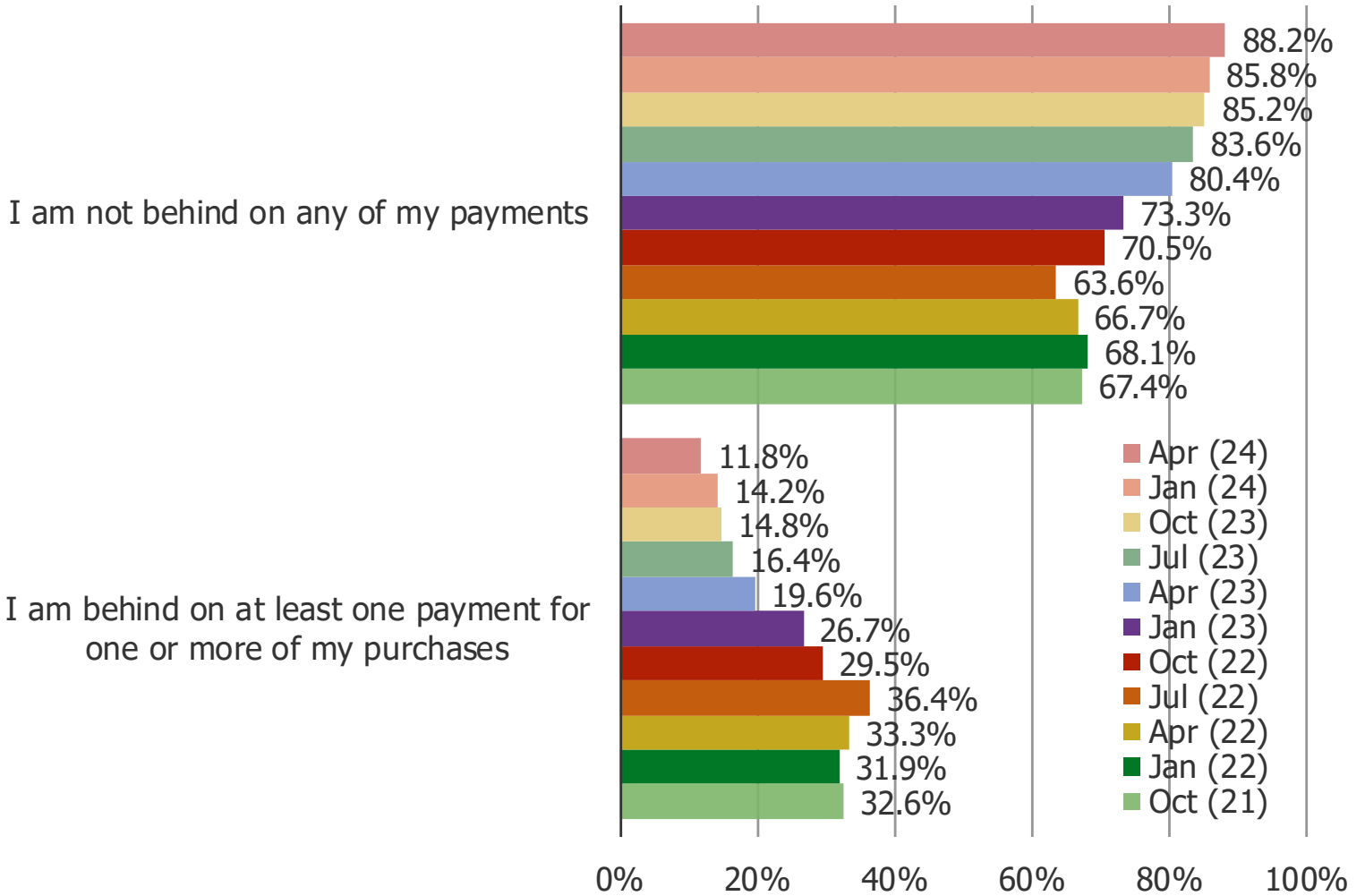
HAVE YOU USED BUY NOW PAY LATER OPTIONS (LIKE AFFIRM, AFTER PAY, KLARNA, ETC) TO BUY ANYTHING IN THE PAST 6 MONTHS?

Posed to all respondents.



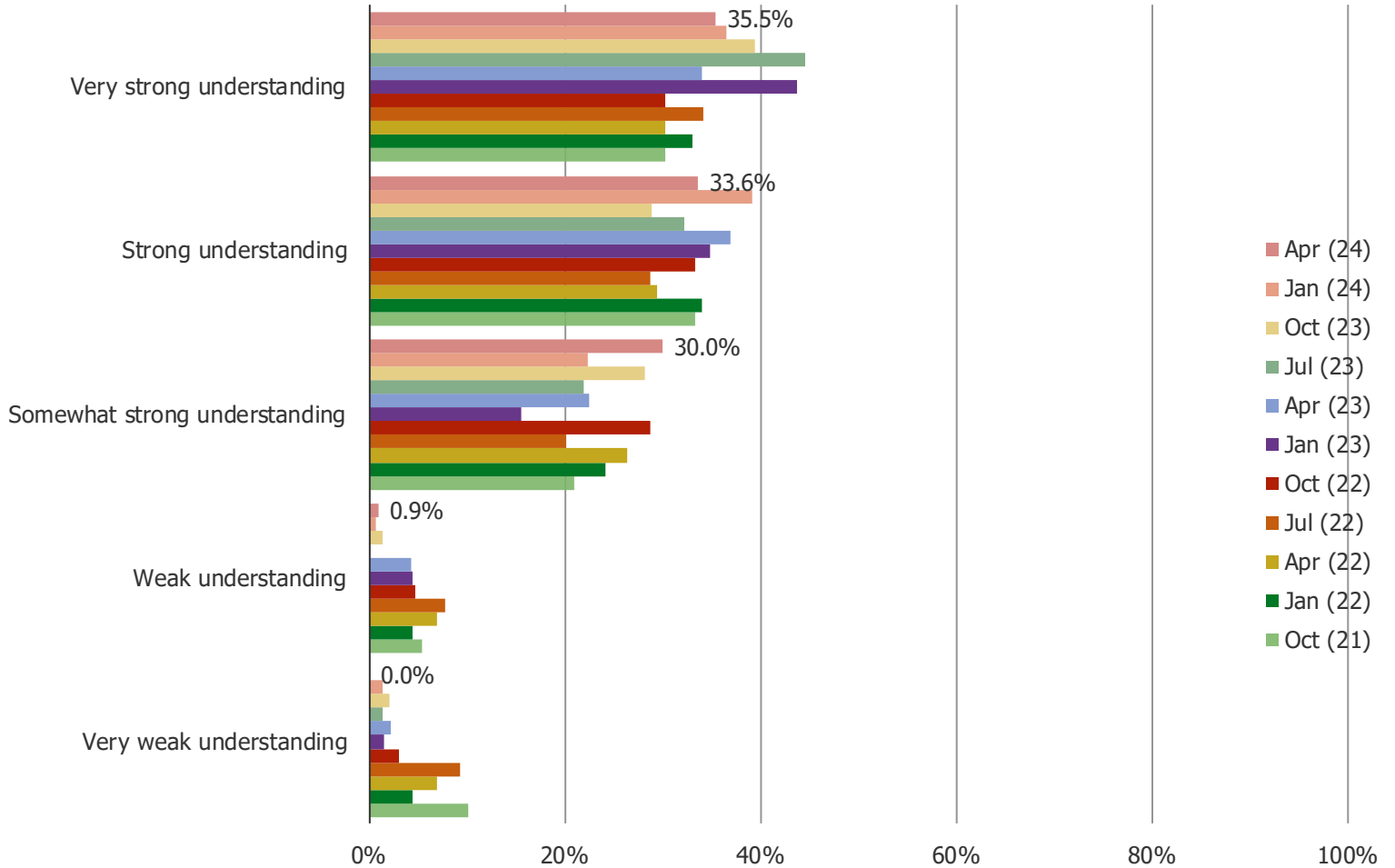
ARE YOU CURRENTLY BEHIND ON ANY OF YOUR BUY NOW PAY LATER PAYMENTS?

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



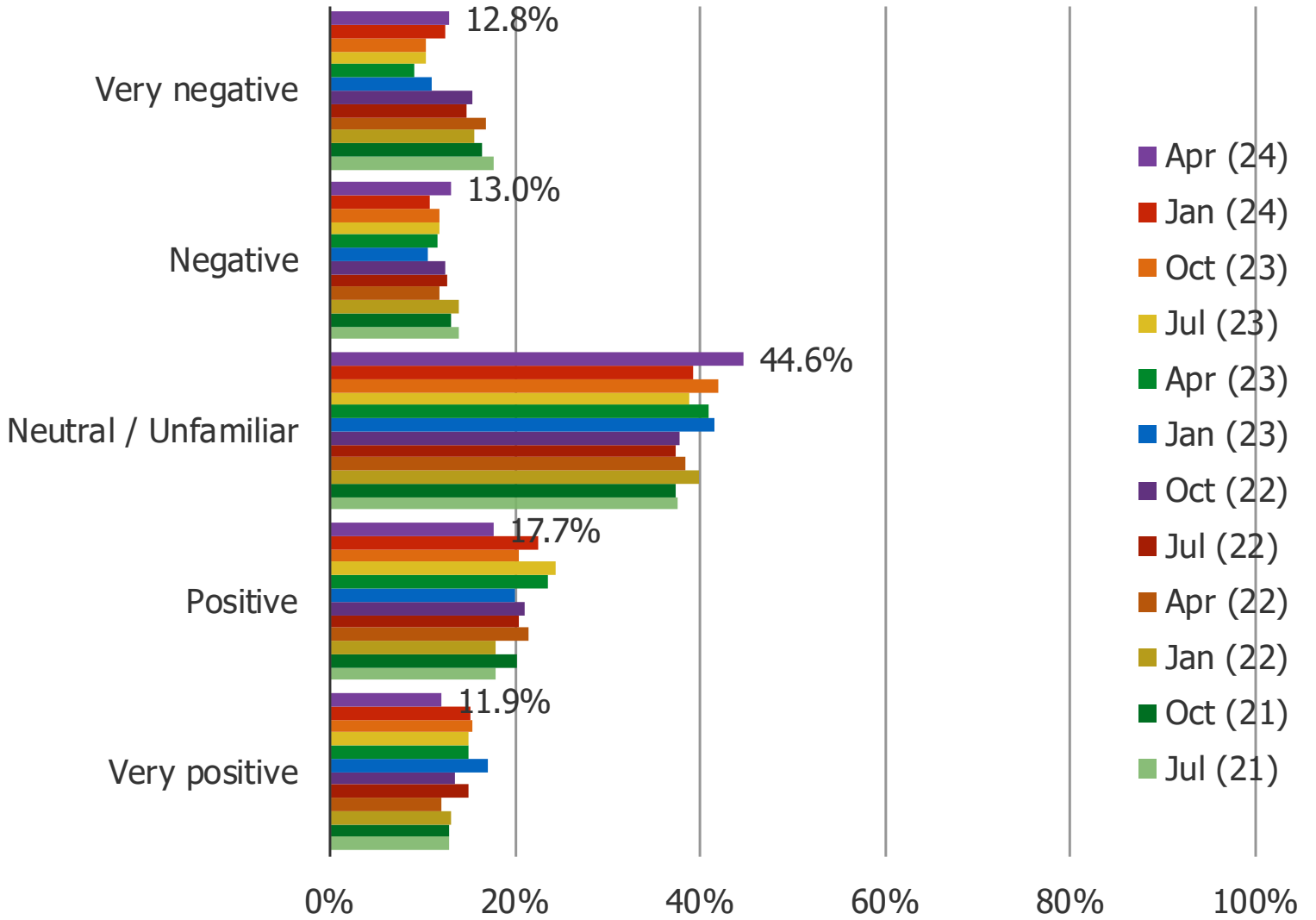
HOW WELL DO YOU FEEL YOU UNDERSTAND HOW THESE BUY NOW PAY LATER OFFERINGS WORK?

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



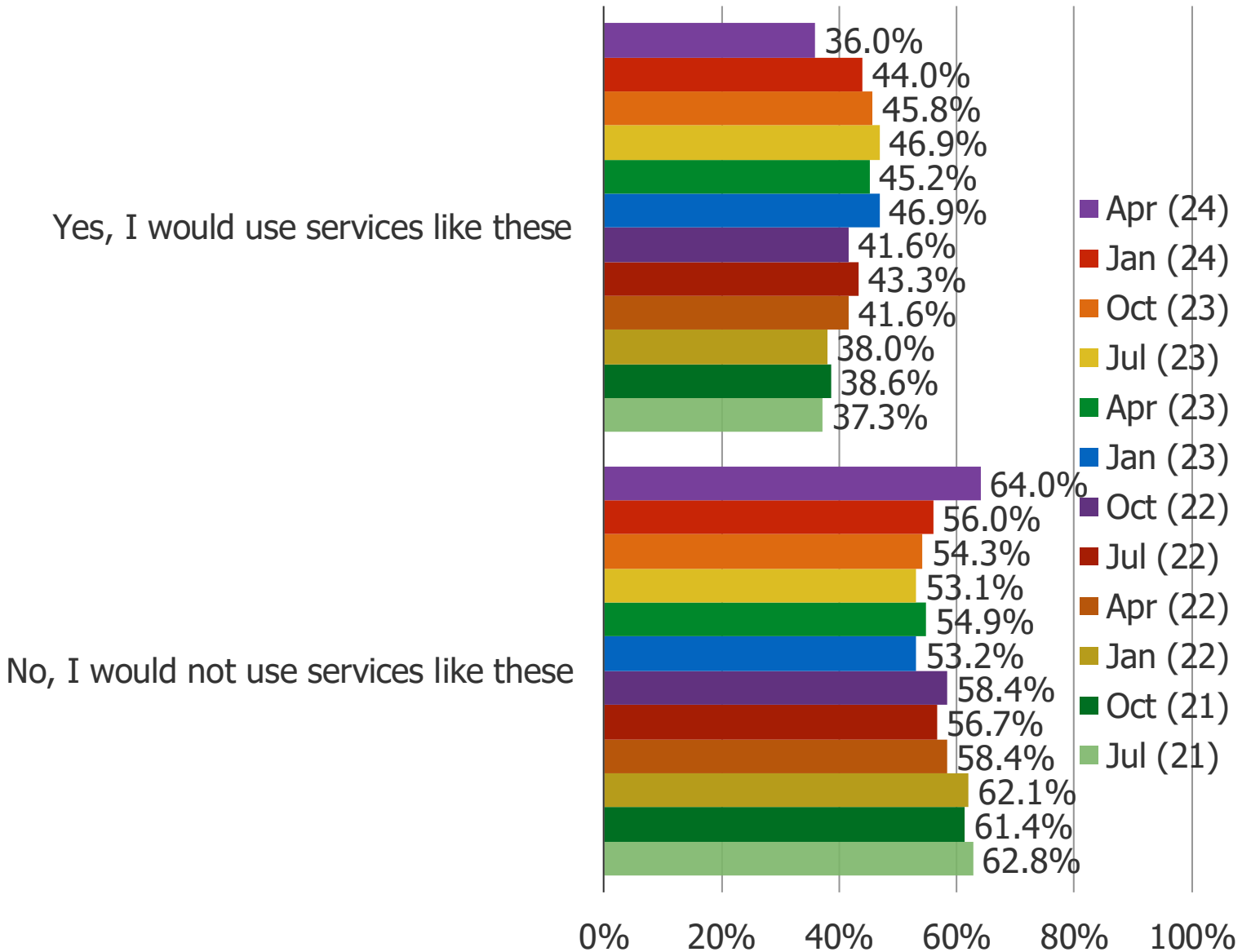
WHAT IS YOUR OPINION OF THE CONCEPT OF "BUY NOW AND PAY LATER" SERVICES IN WHICH YOU COULD BUY A PRODUCT FROM A RETAILER NOW AND PAY LATER WITHOUT THE NEED FOR TRADITIONAL CREDIT, UPFRONT FEES, OR INTEREST (UNLESS YOU ARE LATE ON A PAYMENT)?

Posed to all respondents.



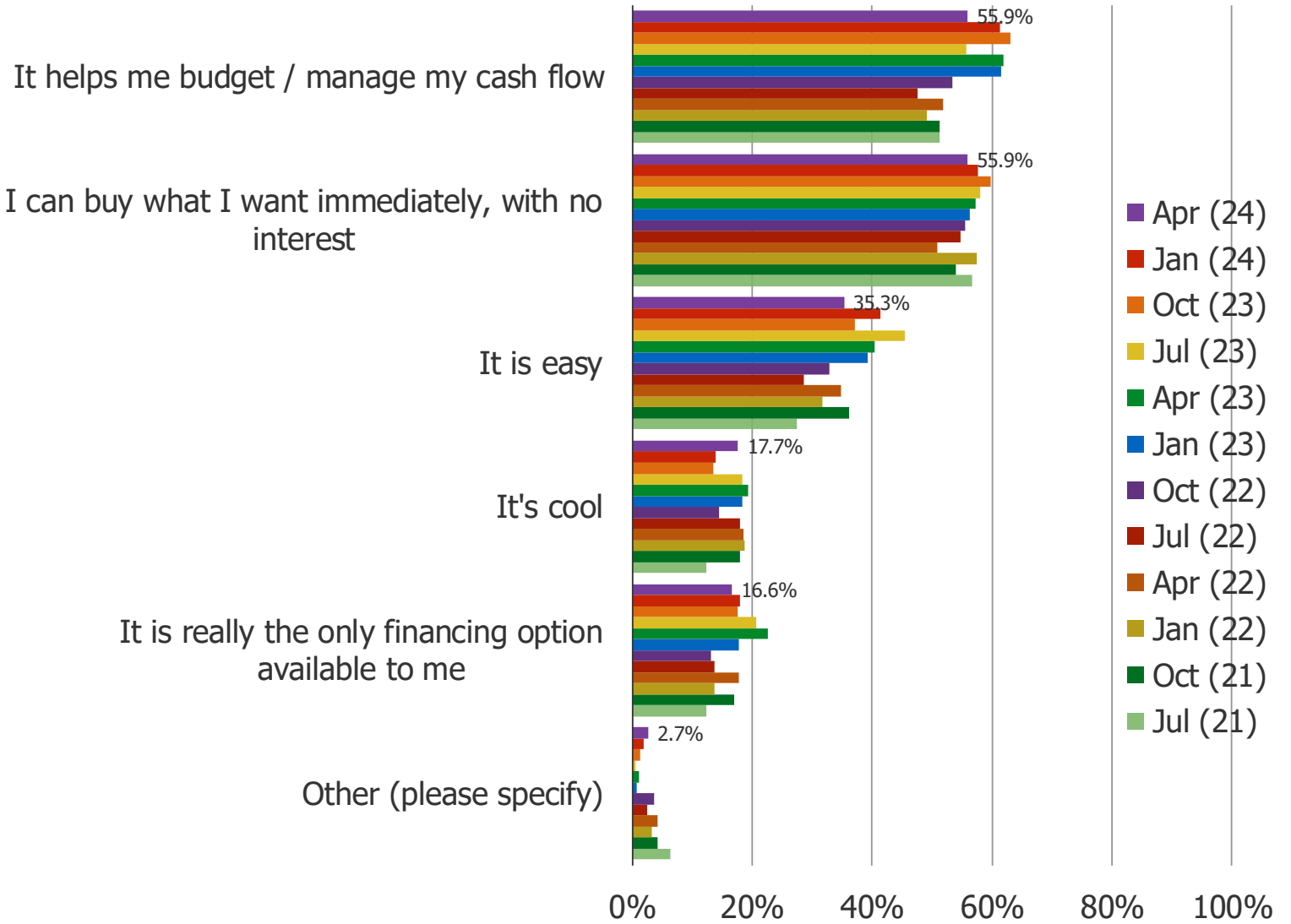
WOULD YOU USE "BUY NOW AND PAY LATER" SERVICES IN WHICH YOU COULD BUY A PRODUCT FROM A RETAILER NOW AND PAY LATER WITHOUT THE NEED FOR TRADITIONAL CREDIT, UPFRONT FEES, OR INTEREST (UNLESS YOU ARE LATE ON A PAYMENT)?

Posed to all respondents.



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

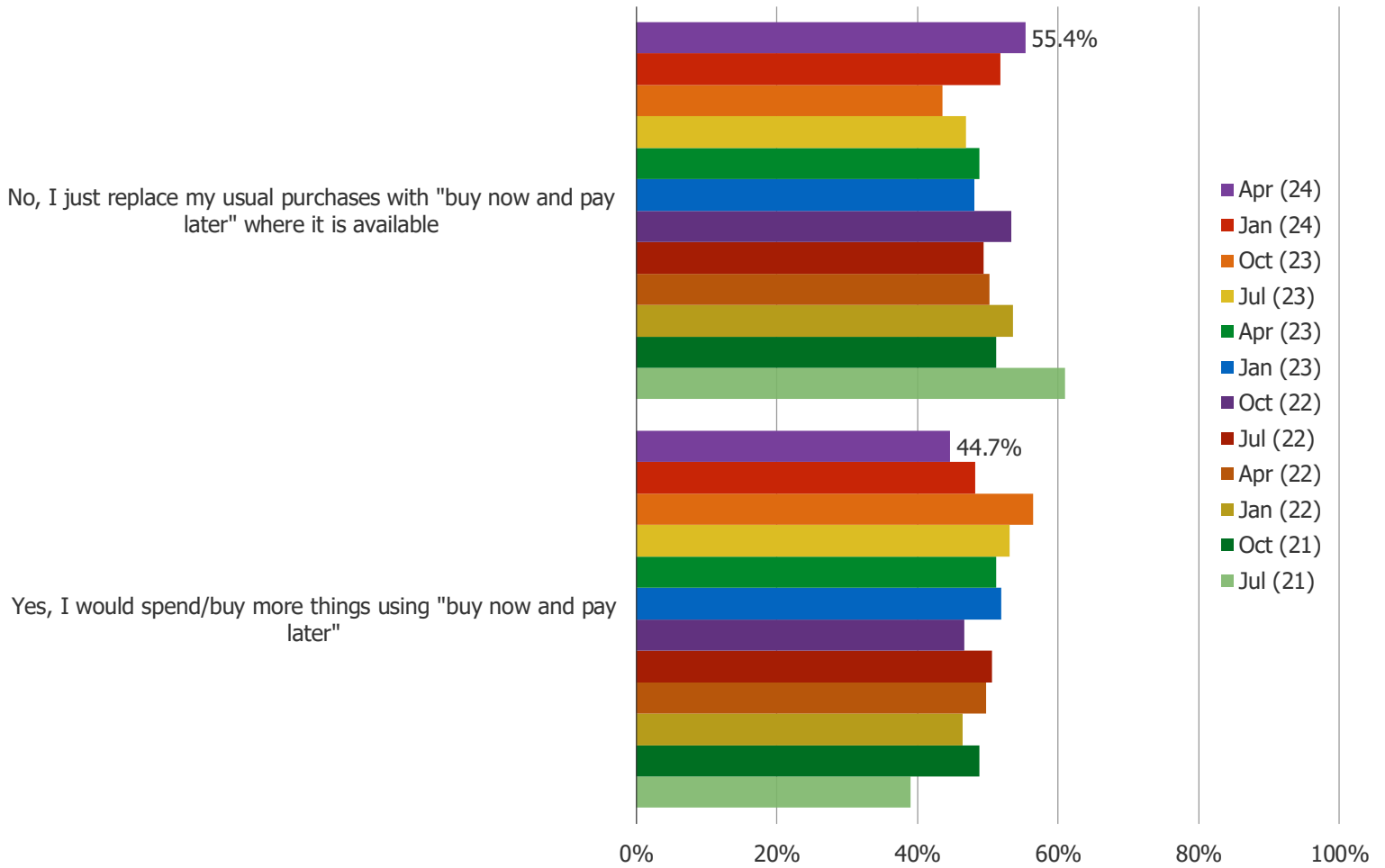
Posed to respondents who said they would use buy now and pay later services.



N = 376

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

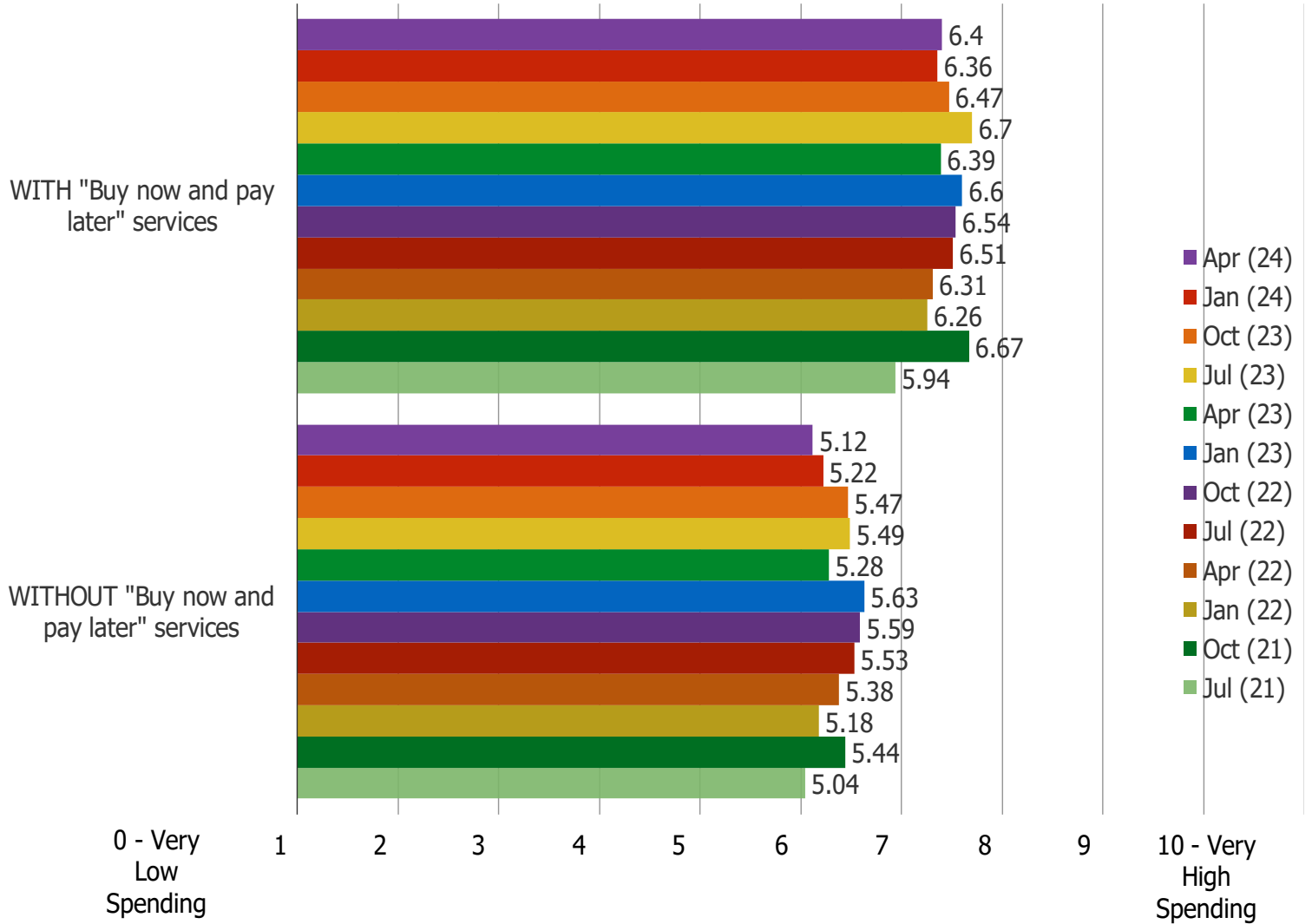
Posed to respondents who said they would use buy now and pay later services.



N = 440

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

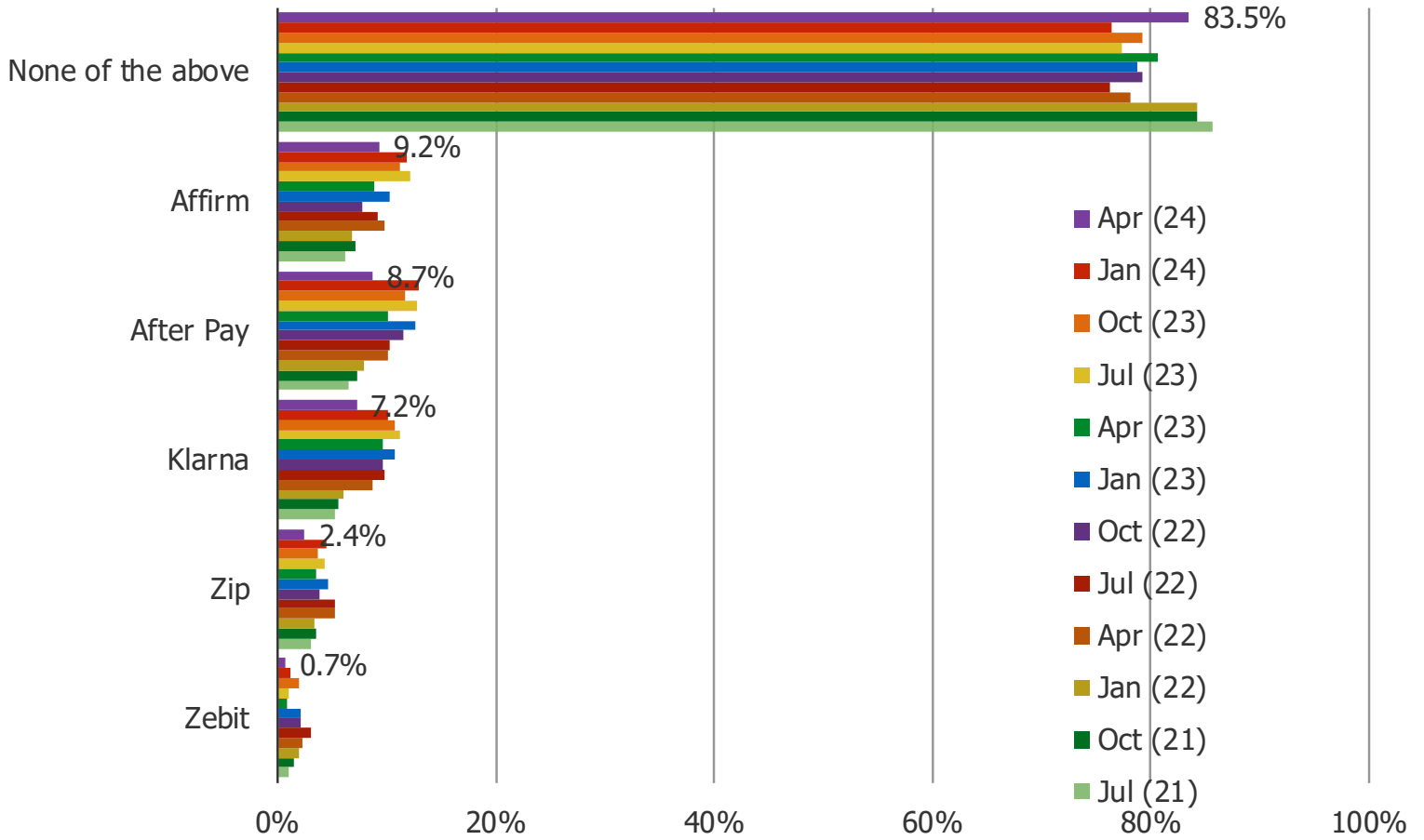
Posed to respondents who said they would use buy now and pay later services.



N = 376

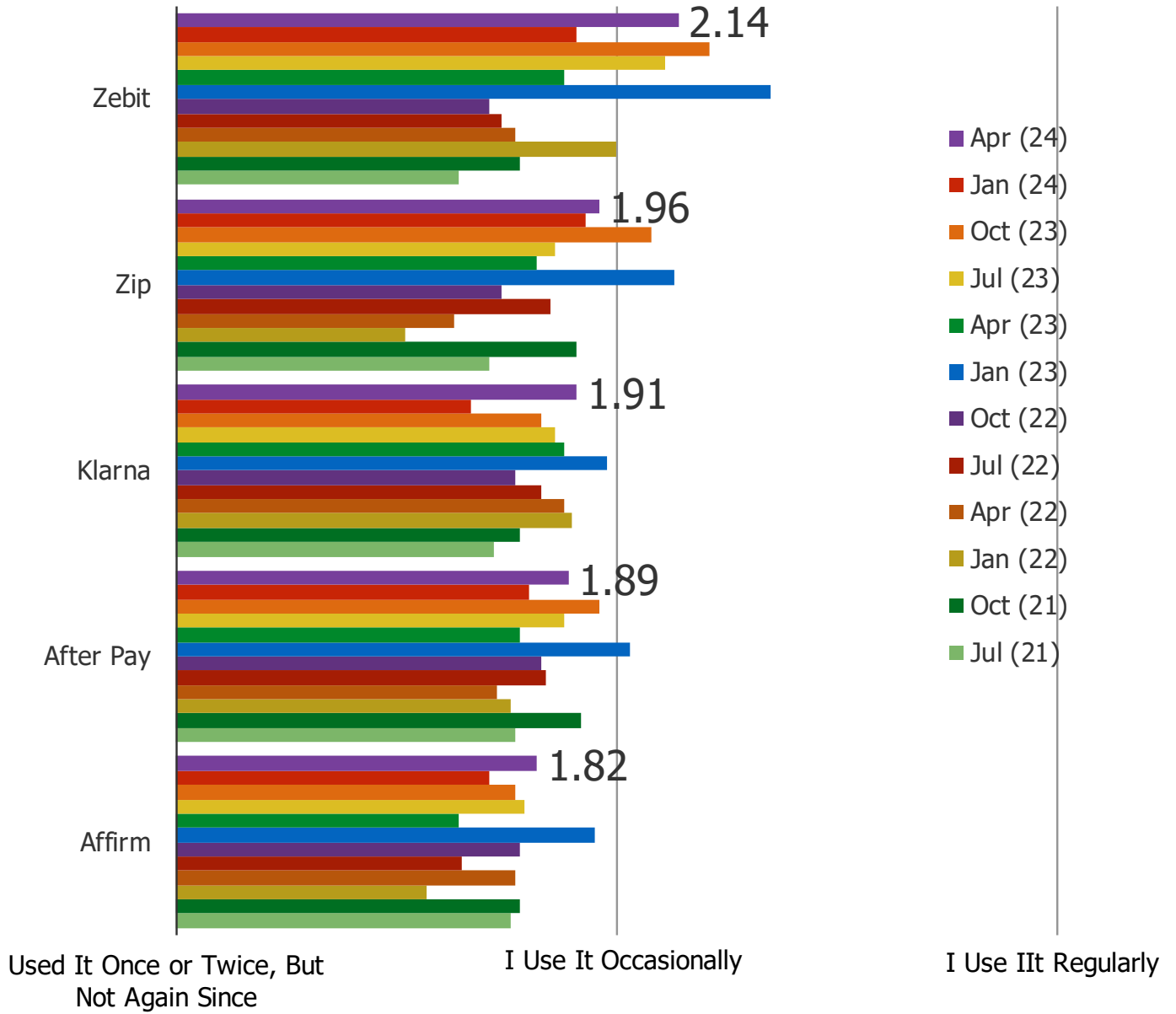
HAVE YOU EVER USED ANY OF THE FOLLOWING?

Posed to all respondents.



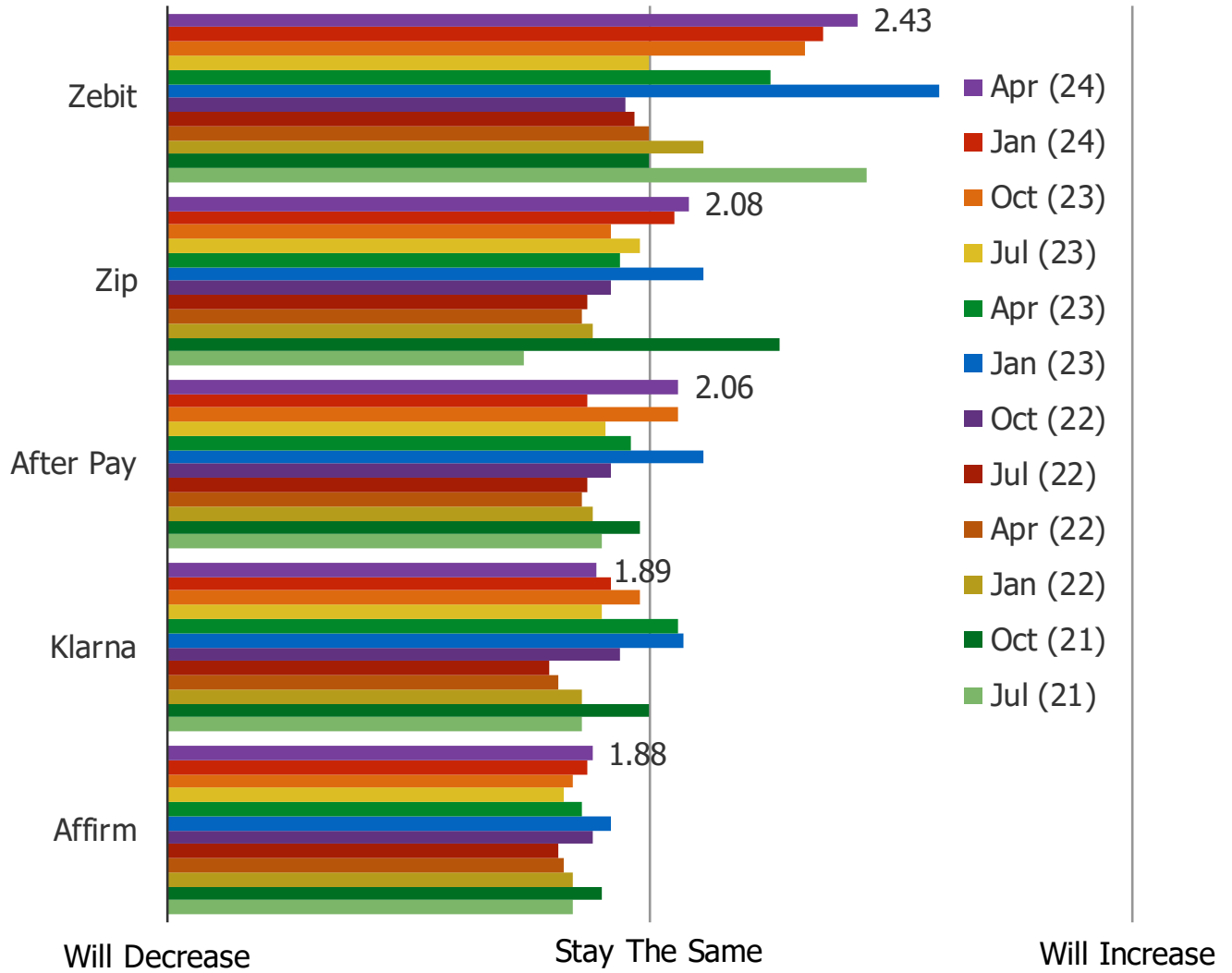
WHICH OF THE FOLLOWING BEST DESCRIBES YOUR EXPERIENCE WITH THE FOLLOWING:

Posed to all respondents who have used the below.



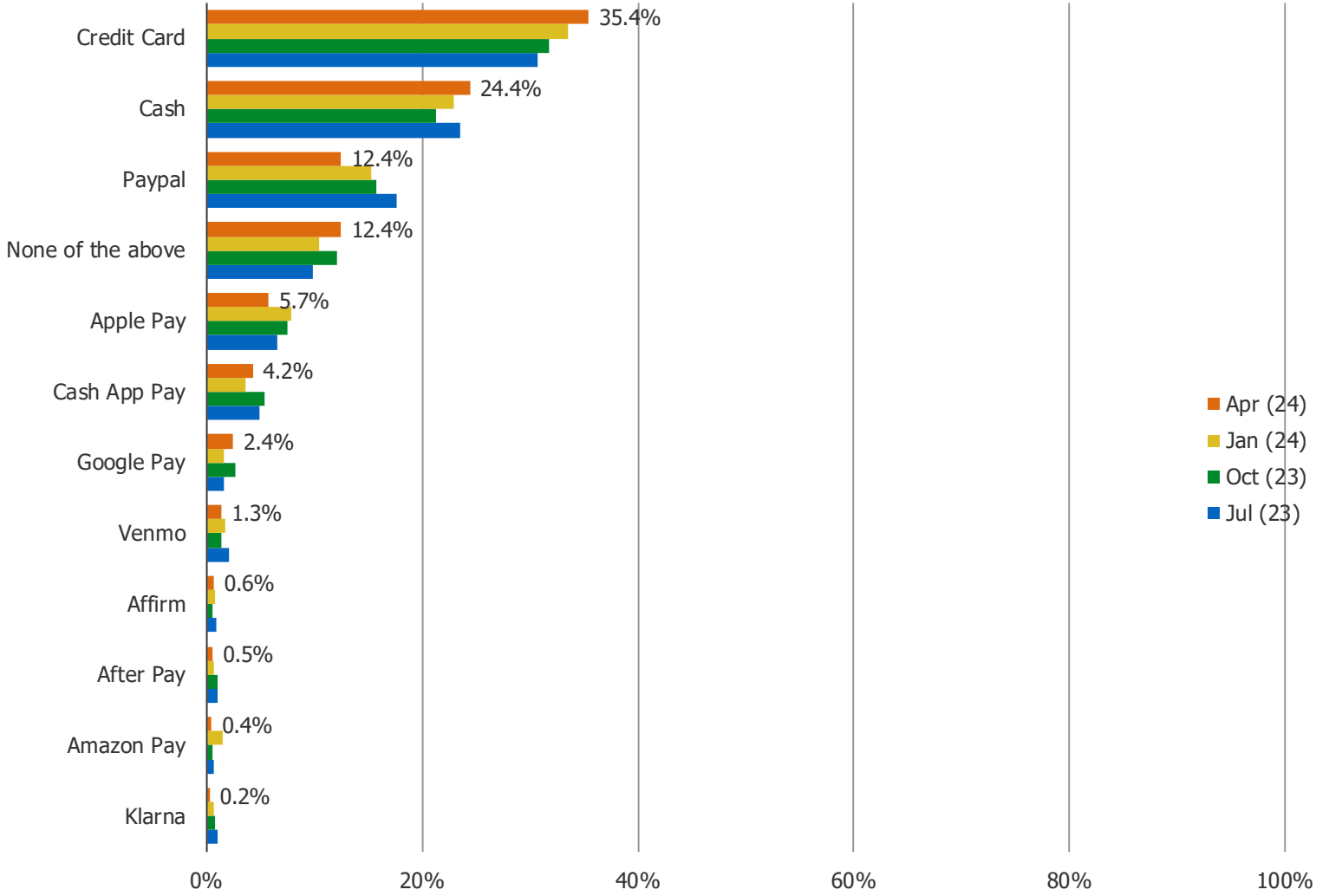
OVER THE NEXT 6 MONTHS, HOW DO YOU EXPECT YOUR USAGE OF THE FOLLOWING TO CHANGE AS A % OF YOUR TOTAL PURCHASES?

Posed to all respondents who have used the below.



WHICH OF THE FOLLOWING IS YOUR FAVORITE METHOD OF PAYMENT?

Posed to all respondents.



WHICH OF THE FOLLOWING IS YOUR FAVORITE METHOD OF PAYMENT?

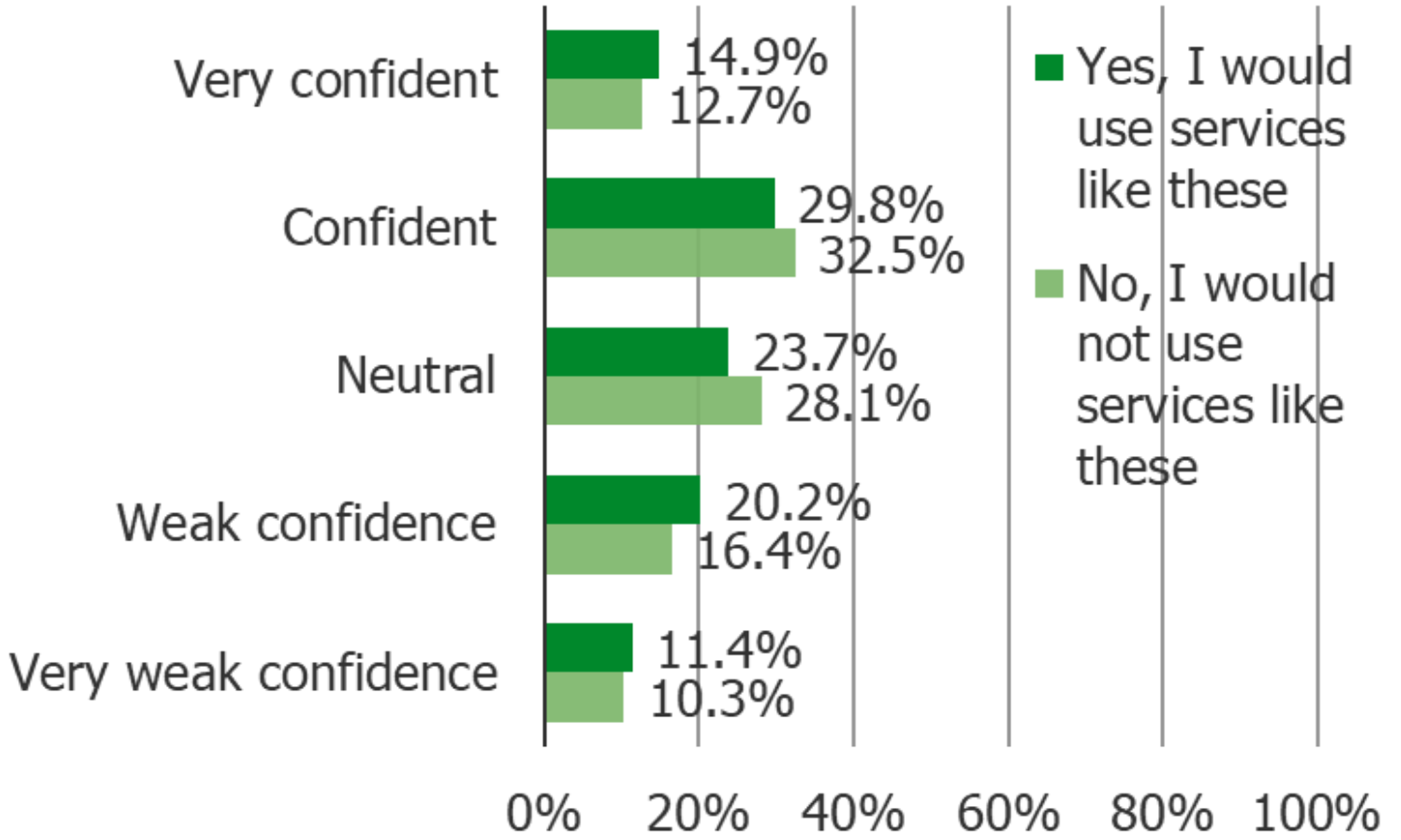
Posed to all respondents, cross-tabbed by age (Apr 24 wave).

	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	13.3%	12.4%	3.8%	9.5%	0.0%	1.0%	0.0%	12.4%	1.9%	1.0%	26.7%	18.1%	105
25 to 34	15.1%	13.4%	4.7%	5.8%	1.2%	0.6%	0.6%	14.5%	0.6%	0.6%	25.6%	17.4%	172
35 to 44	13.4%	5.9%	3.7%	8.0%	0.0%	0.5%	0.5%	12.3%	2.7%	0.5%	27.8%	24.6%	187
45 to 54	13.1%	2.3%	0.6%	2.3%	0.0%	0.6%	1.1%	14.3%	1.1%	0.6%	34.3%	29.7%	175
55 to 64	10.2%	1.6%	2.1%	1.6%	0.0%	0.5%	1.1%	12.3%	1.6%	0.0%	40.1%	28.9%	187
65 to 74	11.4%	2.3%	0.0%	0.0%	0.0%	0.0%	0.0%	6.1%	0.8%	0.0%	50.8%	28.8%	132
75 or older	4.8%	2.4%	0.0%	0.0%	0.0%	0.0%	0.0%	16.7%	0.0%	0.0%	66.7%	9.5%	42

SPENDING CONFIDENCE CURRENTLY:

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

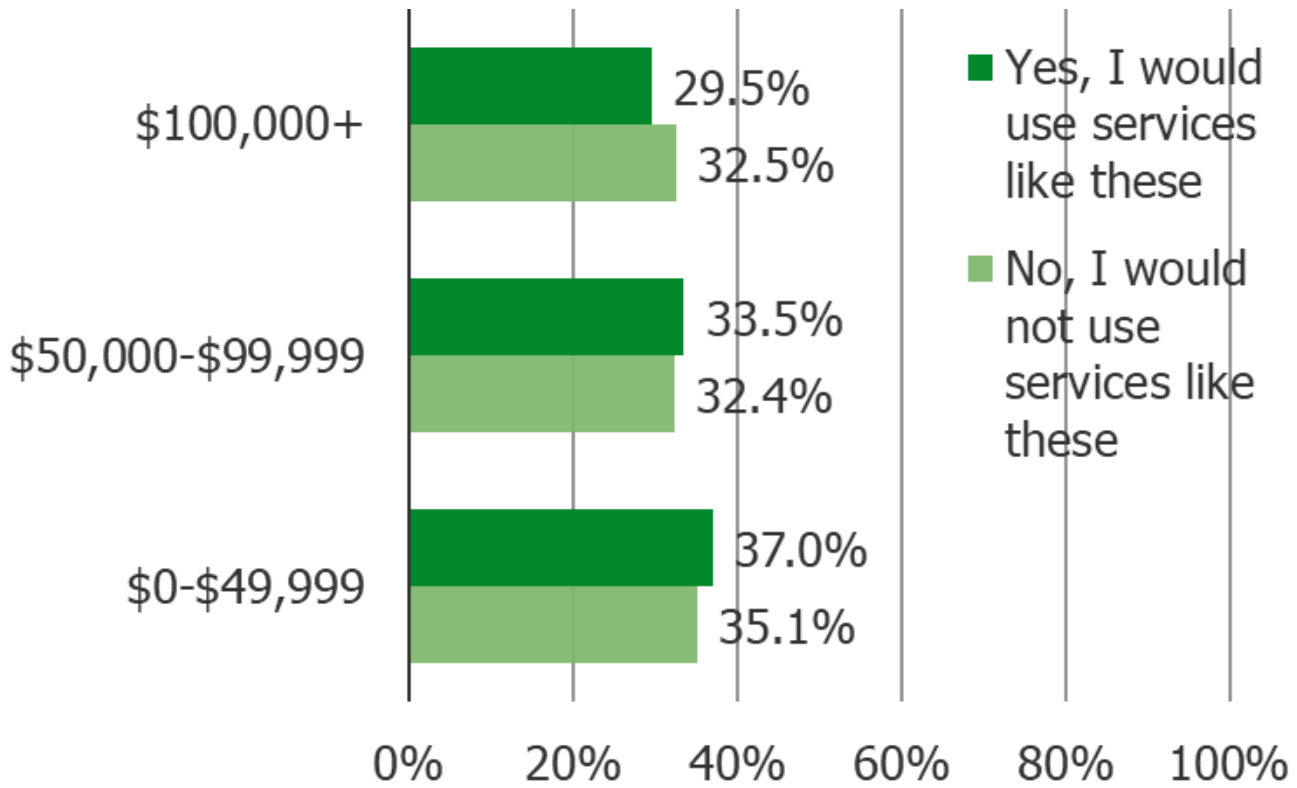
April 2024



INCOME:

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

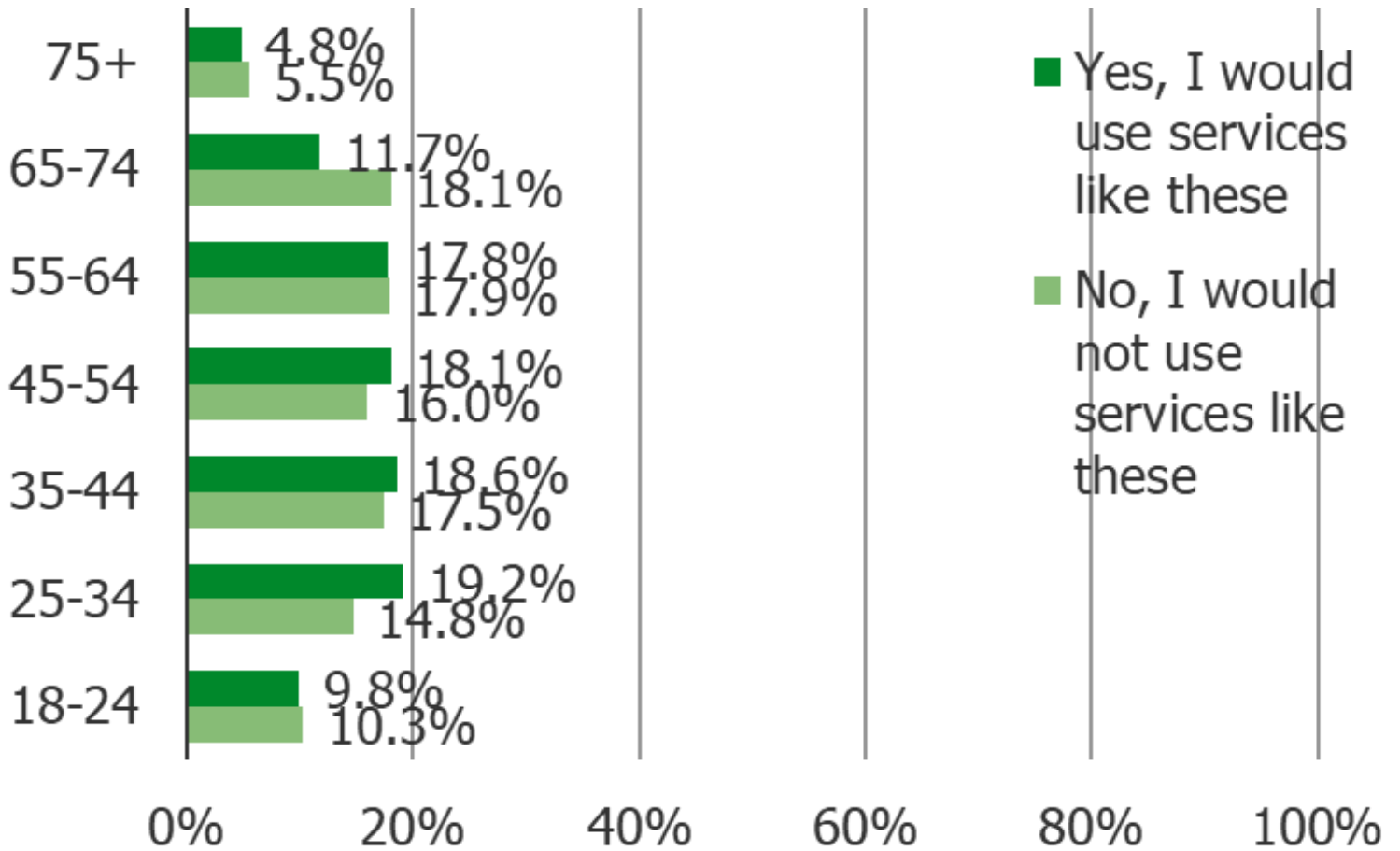
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AGE:

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

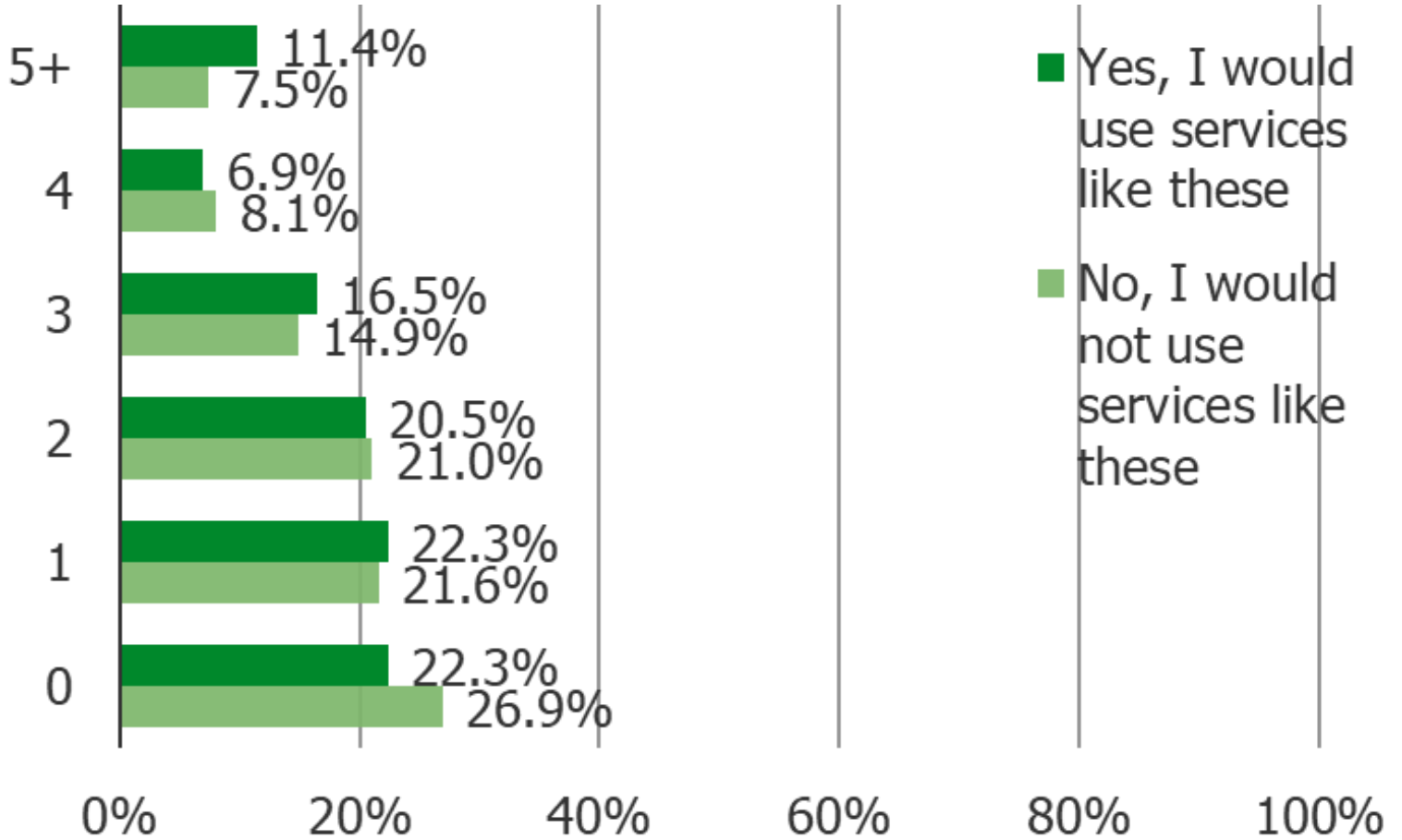
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NUMBER OF CREDIT CARDS RESPONDENTS HAVE:

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

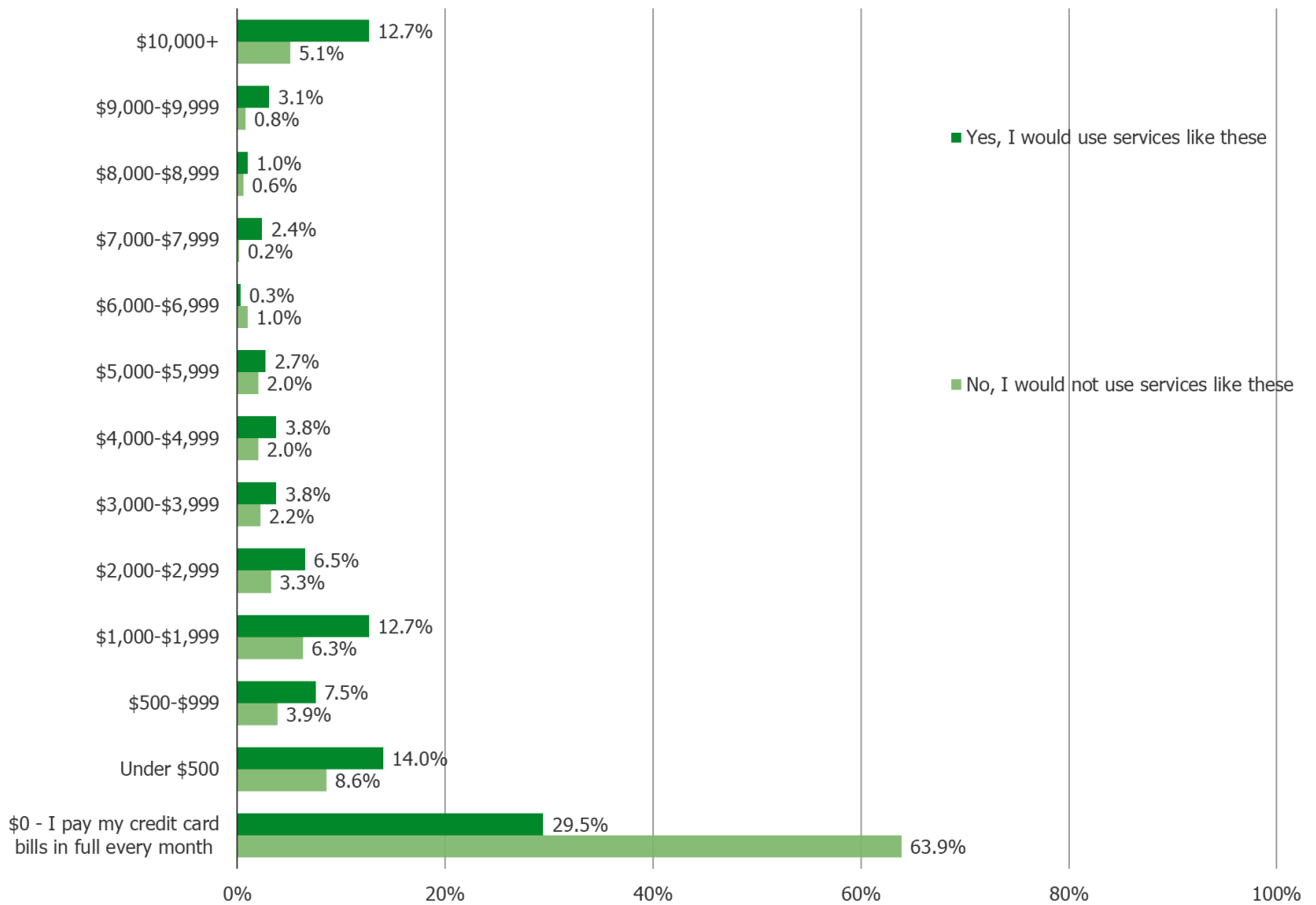
January 2024



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.

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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.

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