

Bespoke Survey Research

October 2024

Buy Now Pay Later

Volume 15 | 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 services in the past 6 months has declined q/q (over the history of our survey, this KPI had been steadily increasing).
- An increased percentage of consumers who use both note that their usage of BNPL services is additional to their credit card usage.
- Delinquency rates on BNPL have moved higher in this most recent quarter though the vast majority indicate that they are not late on any BNPL payments.
- The share who have a Klarna Card, Affirm Card, or Afterpay card has flattened out. NPS for all three of these cards is strong.

Noteworthy Stats:

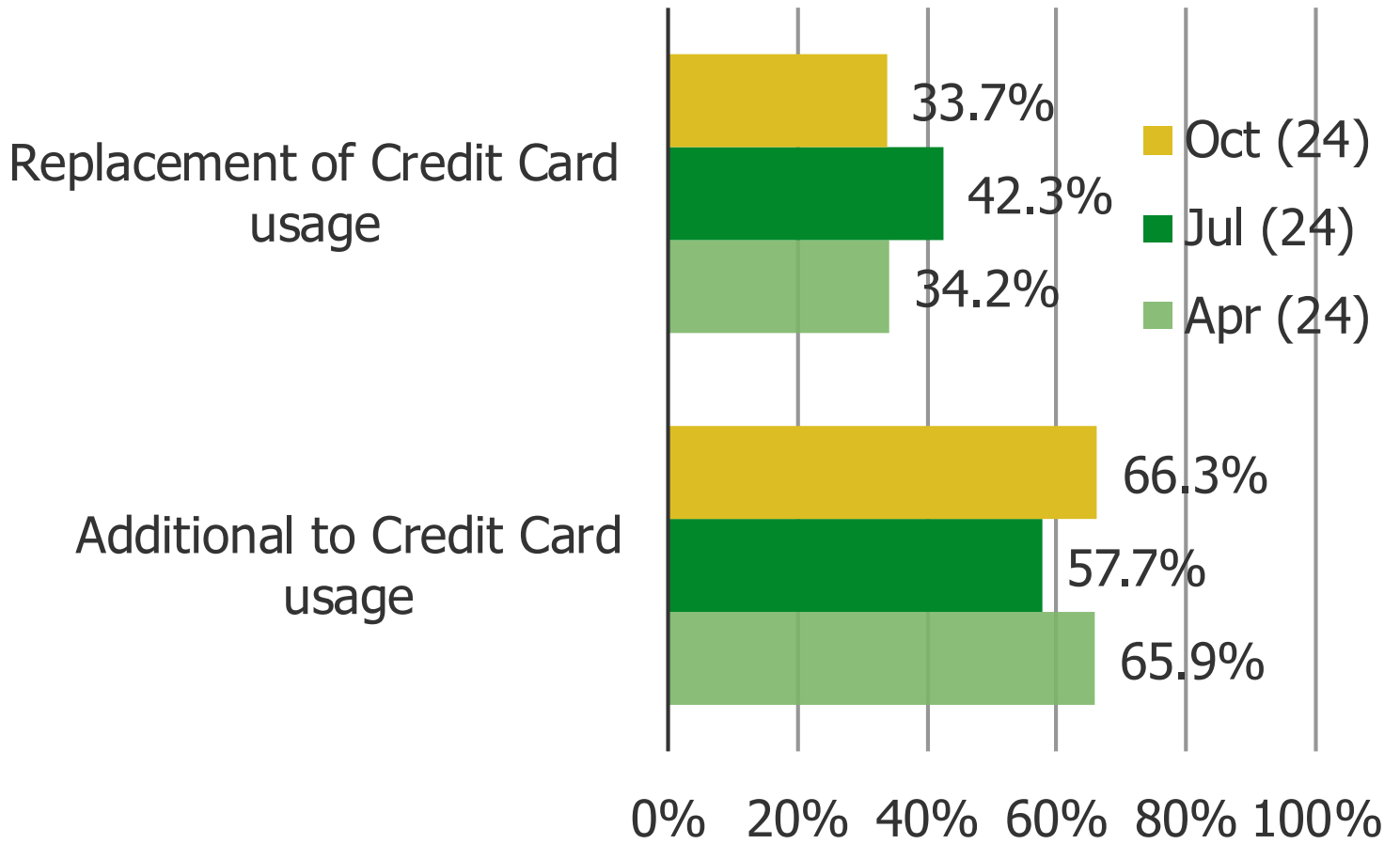
66.3% Of respondents who use both said that BNPL usage is additional to their credit card usage.

33.7% Of respondents who use both said that BNPL usage is replacing their credit card usage.

18.6% Of respondents who are open to using BNPL services are extremely interested in using BNPL options when shopping in person.

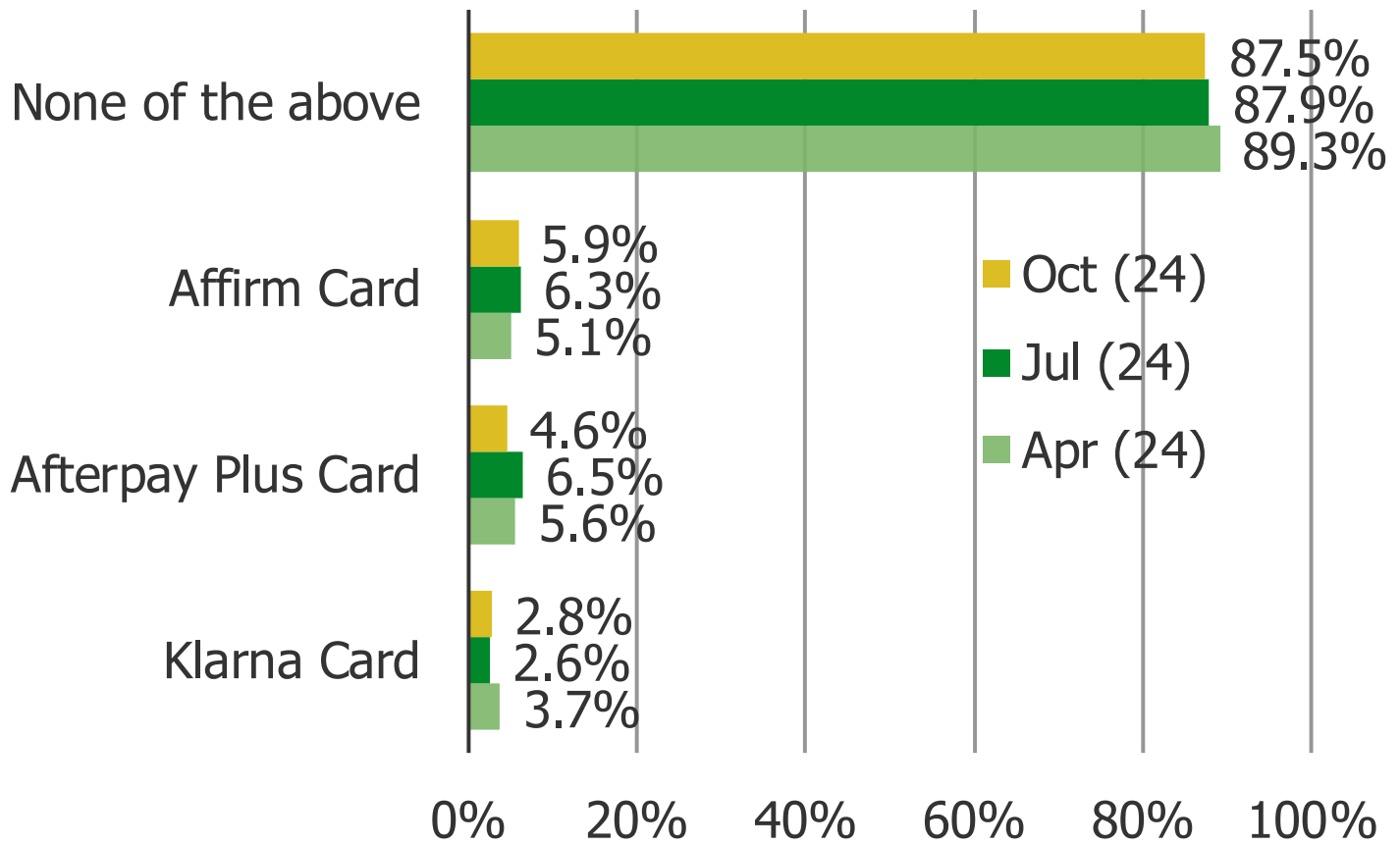
YOU MENTIONED IN THE PREVIOUS QUESTION THAT YOU USE BOTH CREDIT CARDS AND BNPL (BUY NOW, PAY LATER)...DO YOU VIEW YOUR USAGE OF BUY NOW LATER TO BE...

Posed to all respondents use both credit cards and BNPL (N = 175).



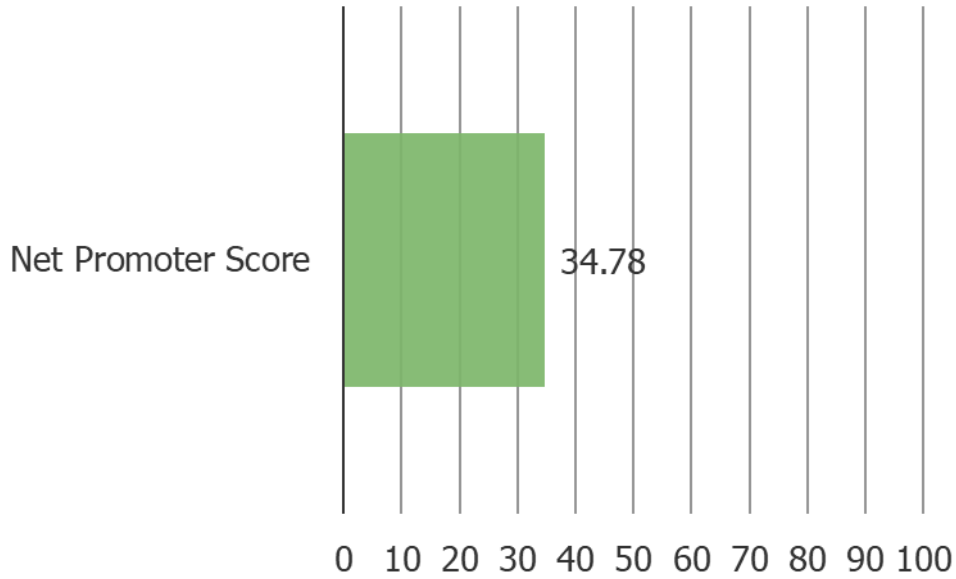
DO YOU CURRENTLY HAVE ANY OF THE FOLLOWING?

Posed to all respondents who would be open to using BNPL services (N = 392).



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

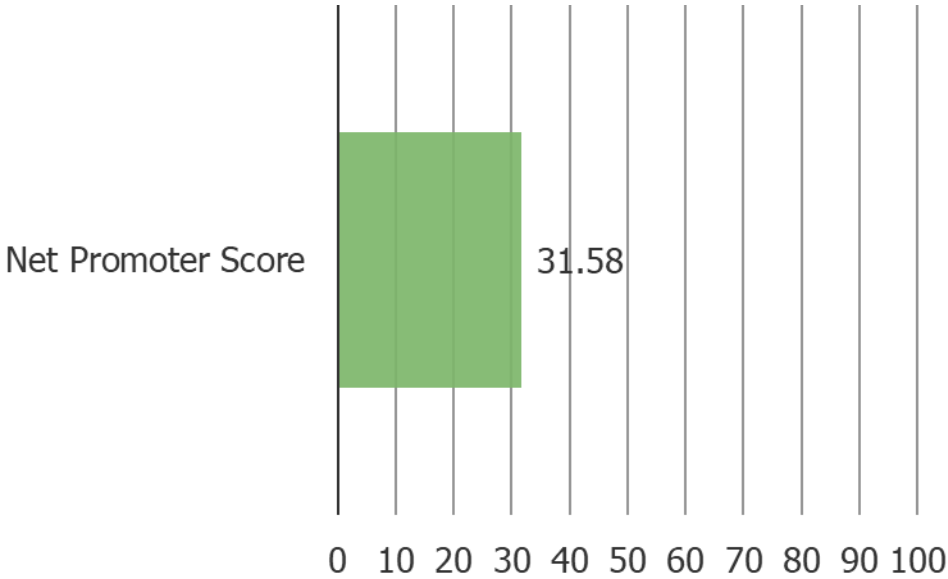
Posed to all respondents who have the Affirm Card. (N=69 after combining waves to date)



*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?

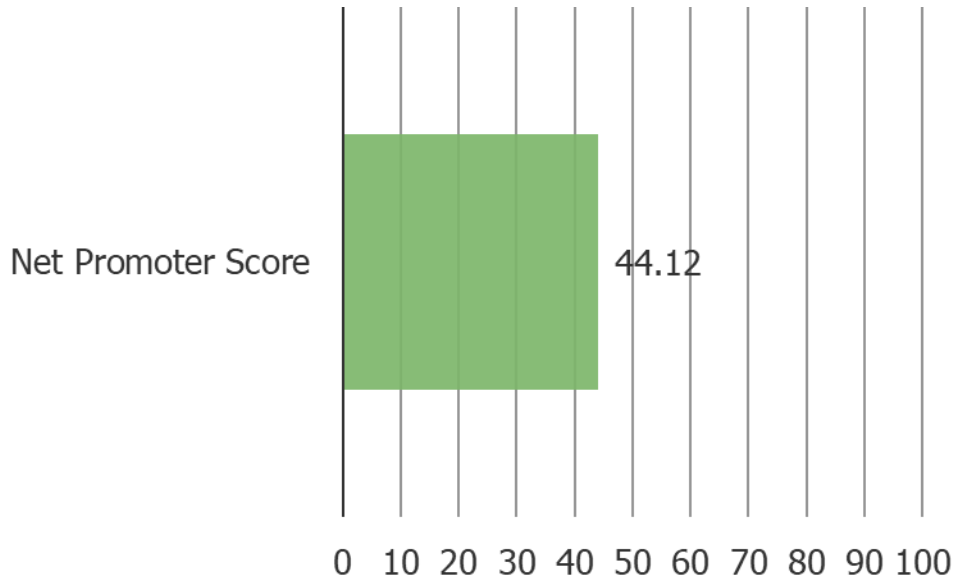
Posed to all respondents who have the Klarna Card. (N=38 after combining waves to date)



*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?

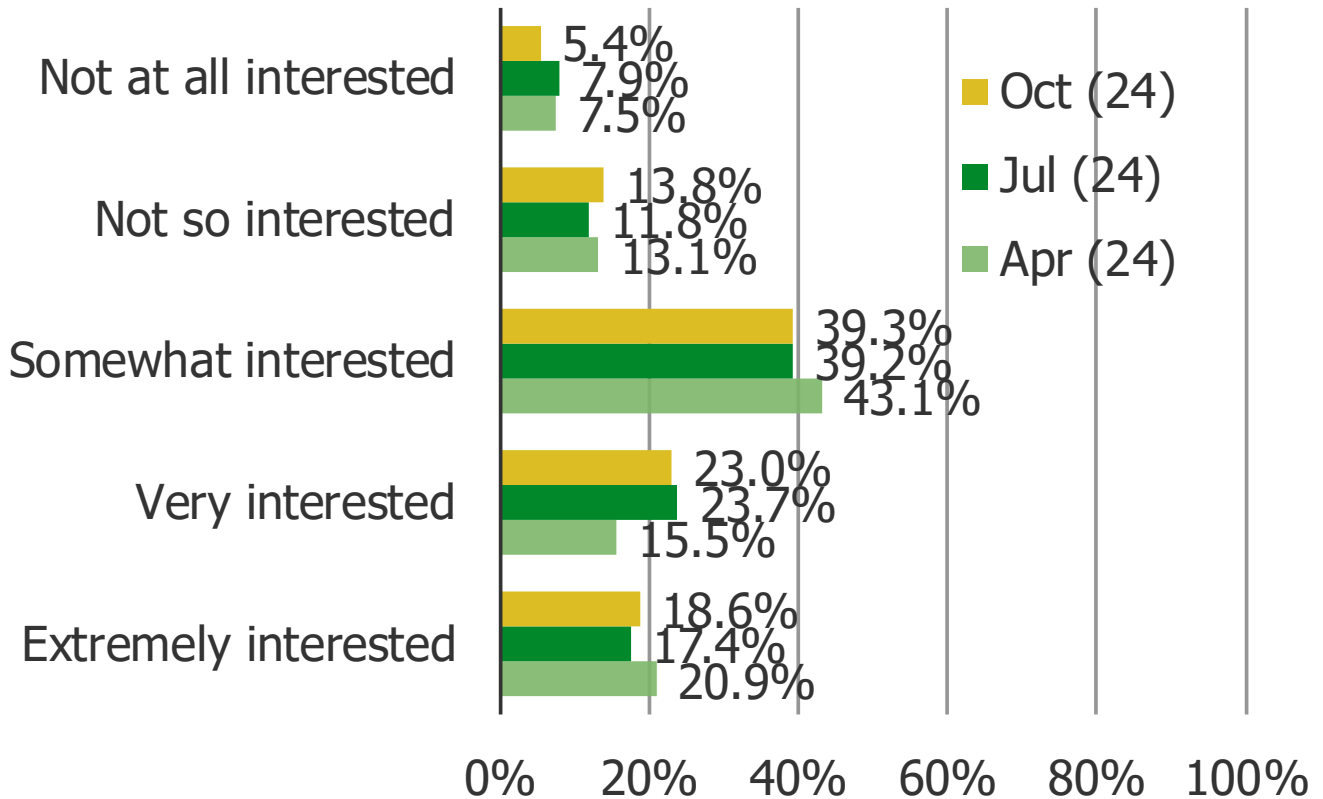
Posed to all respondents who have the AfterPay Plus Card. (N=68 after combining waves to date)



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

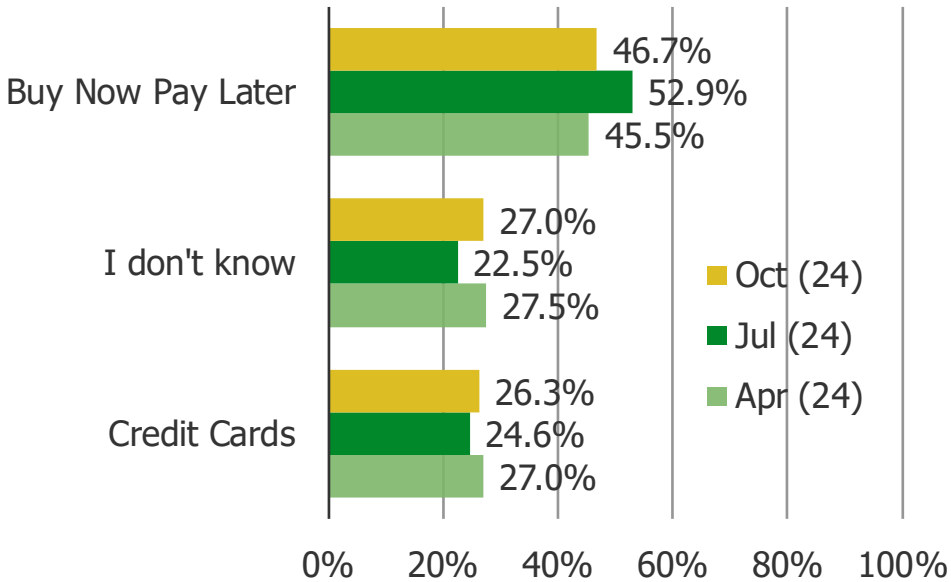
HOW MUCH INTEREST WOULD YOU HAVE IN BEING ABLE TO USE BNPL (BUY NOW, PAY LATER) OPTIONS WHEN SHOPPING IN-PERSON, IN-STORES?

Posed to all respondents who are open to using BNPL services (N = 392).



WHICH DO YOU THINK IS BETTER?

Posed to all respondents who are open to using BNPL services.



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

Posed to all respondents who are open to using BNPL services.

- No Internet charges
- If they don't have interest they are definitely a better option.
- Because you are more mindful of spending and don't rack up interest charges
- LITTLE TO NO INTEREST
- No interest!!!!
- No interest is the better way
- I like it because it's convenient and easy.
- You can pay over time no interest
- No interest
- Saves on interest big time
- Helps manage spending costs.
- It depends on the situation and the price.
- Interest rates
- It gives you the opportunity to purchase something that's needed without having to pay for it right there so you can save up for what is needed.
- No interest
- If there is no fee added, I prefer Buy Now Pay Later
- Because I can get what I want now and pay over time
- No interest
- No interest/fees

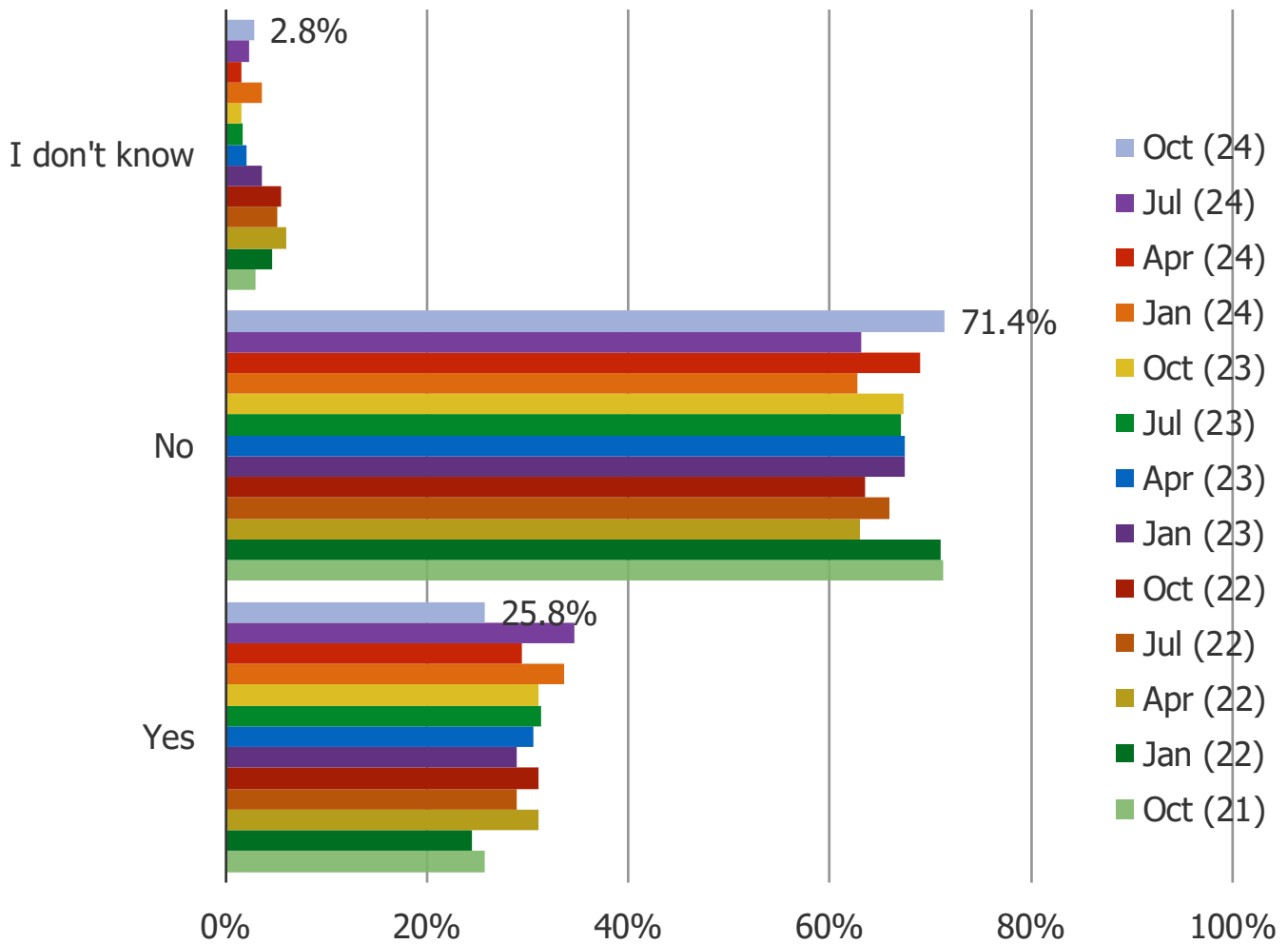
RESPONDENTS WHO THINK CREDIT CARDS ARE BETTER.... WHY?

Posed to all respondents who are open to using BNPL services.

- No over spending and buying
- Credit cards allow me to earn rewards points.
- I think both of them are good but the credit cards you can pay them a certain amount each month when you have to pay later I'm sure you got to pay the whole amount
- I get 2% back on my credit card
- I like to get the rewards.
- When I "Buy Now Pay Later " I usually pay it off with a 2% cash back credit card when due.
- I enjoy the cash back perks of my credit cards.
- I don't know or trust the BNPL plans, they are too new.
- I only spend what I can afford. I use cc that give rebates.

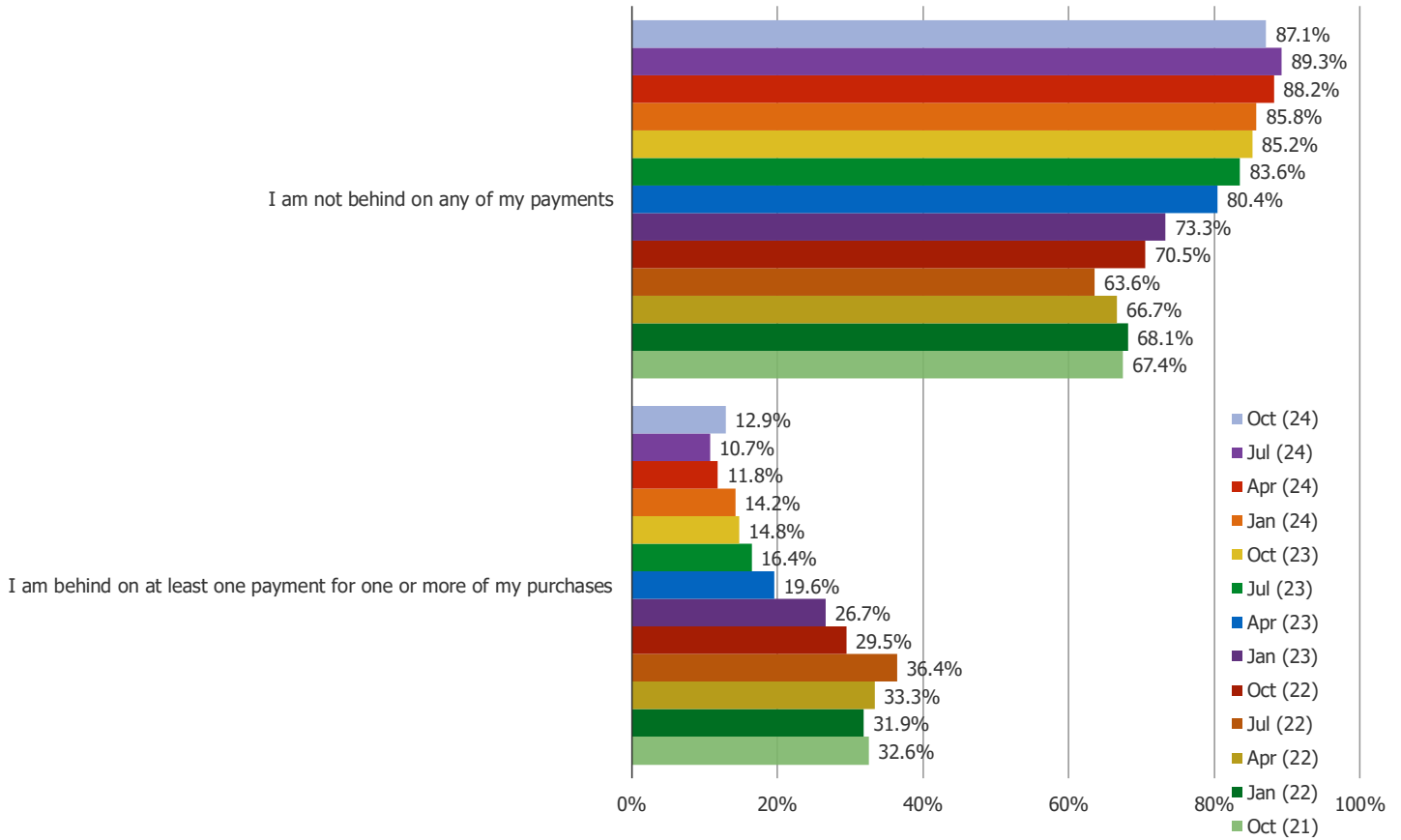
HAVE YOU USED BUY NOW PAY LATER OPTIONS (LIKE AFFIRM, AFTER PAY, KLARNA, ETC) TO BUY ANYTHING IN THE PAST 6 MONTHS?

Posed to all respondents.



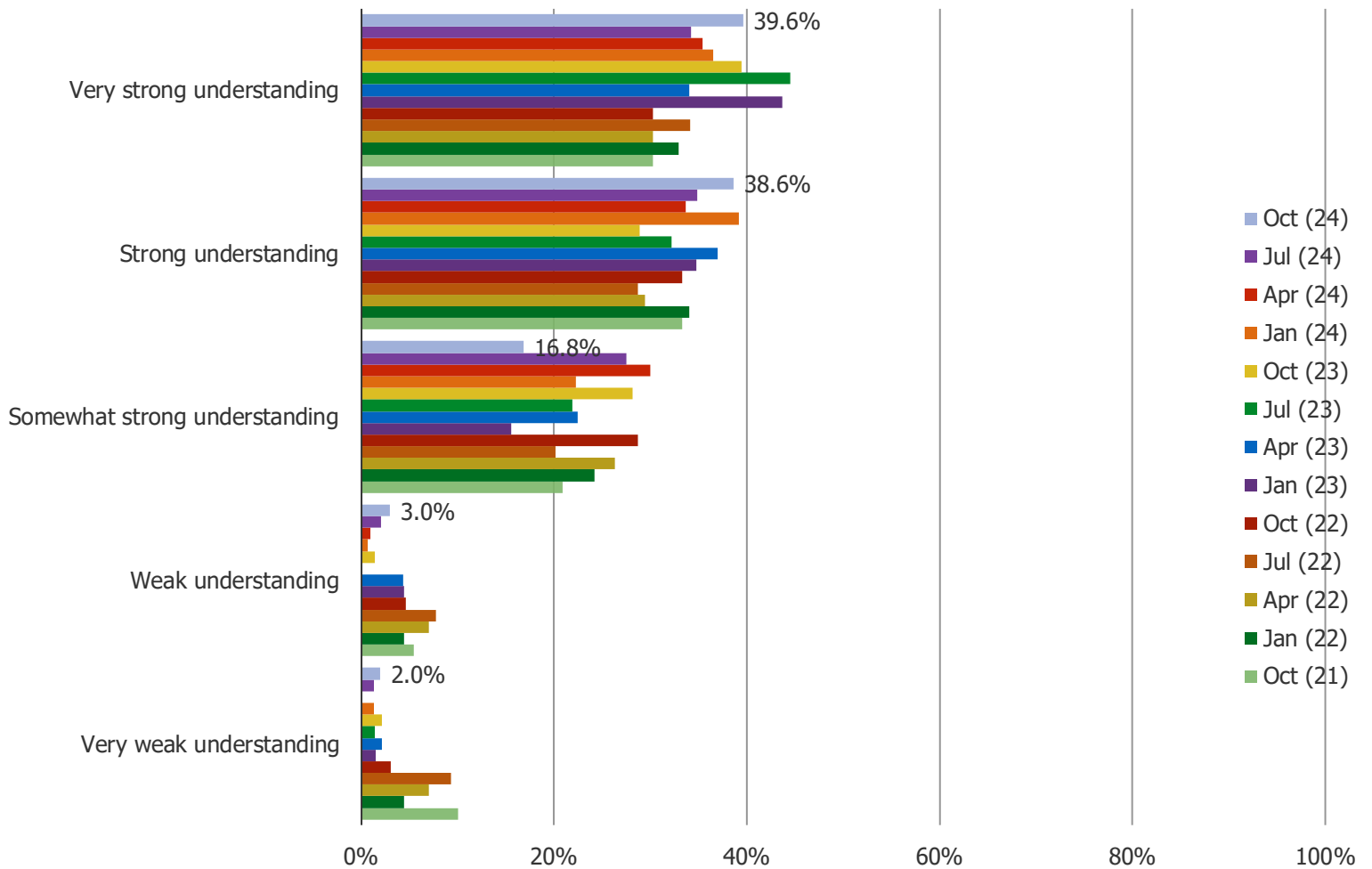
ARE YOU CURRENTLY BEHIND ON ANY OF YOUR BUY NOW PAY LATER PAYMENTS?

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



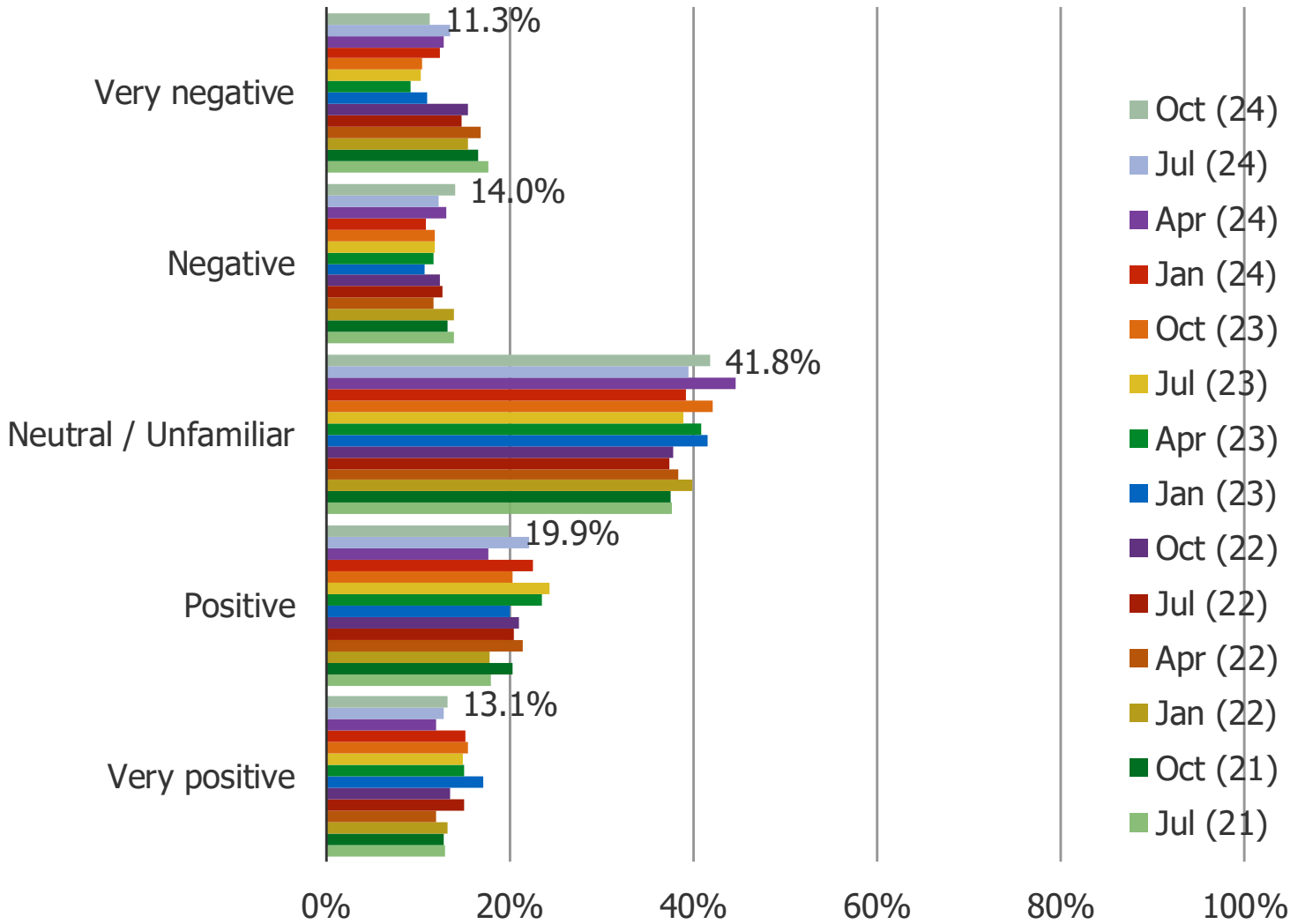
HOW WELL DO YOU FEEL YOU UNDERSTAND HOW THESE BUY NOW PAY LATER OFFERINGS WORK?

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



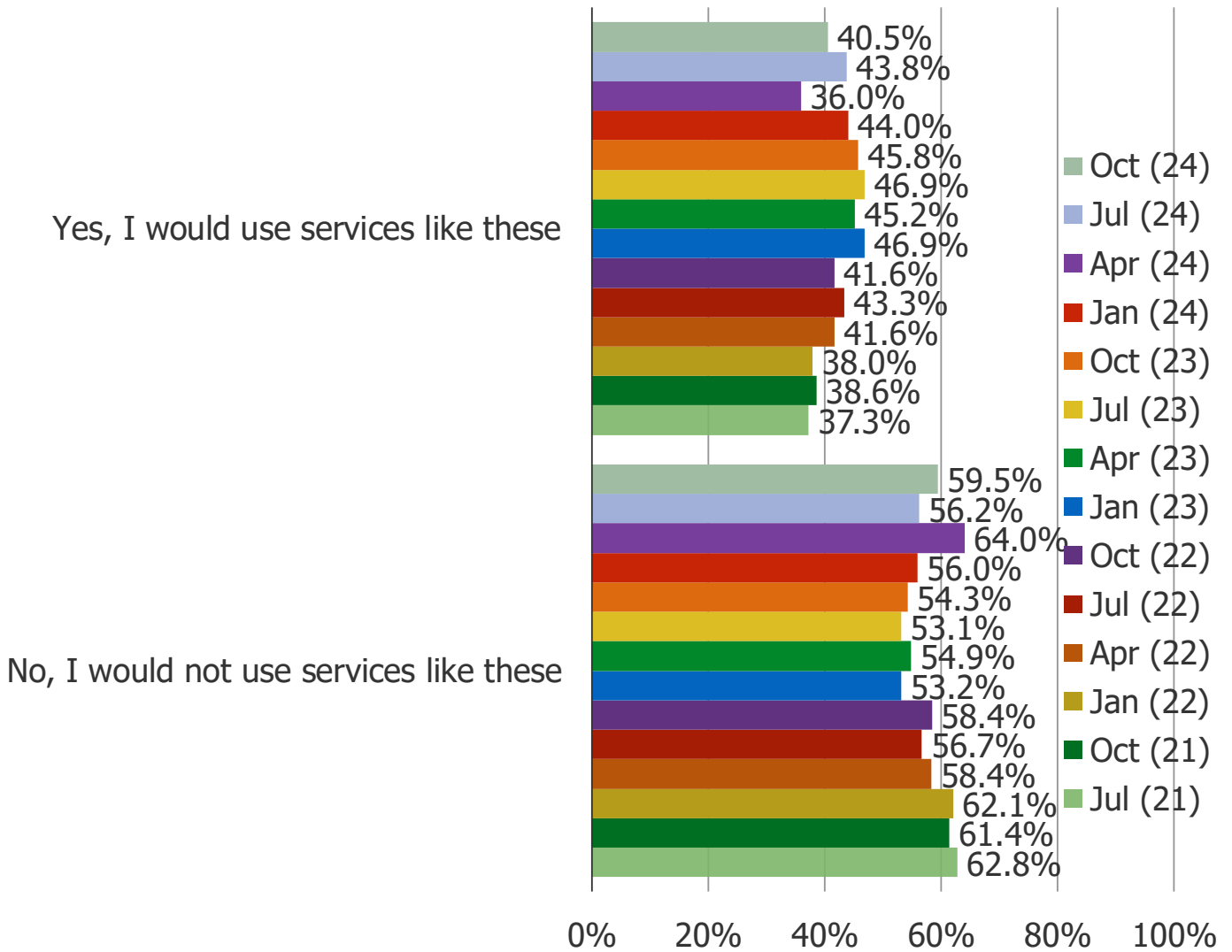
WHAT IS YOUR OPINION OF THE CONCEPT OF "BUY NOW AND PAY LATER" SERVICES IN WHICH YOU COULD BUY A PRODUCT FROM A RETAILER NOW AND PAY LATER WITHOUT THE NEED FOR TRADITIONAL CREDIT, UPFRONT FEES, OR INTEREST (UNLESS YOU ARE LATE ON A PAYMENT)?

Posed to all respondents.



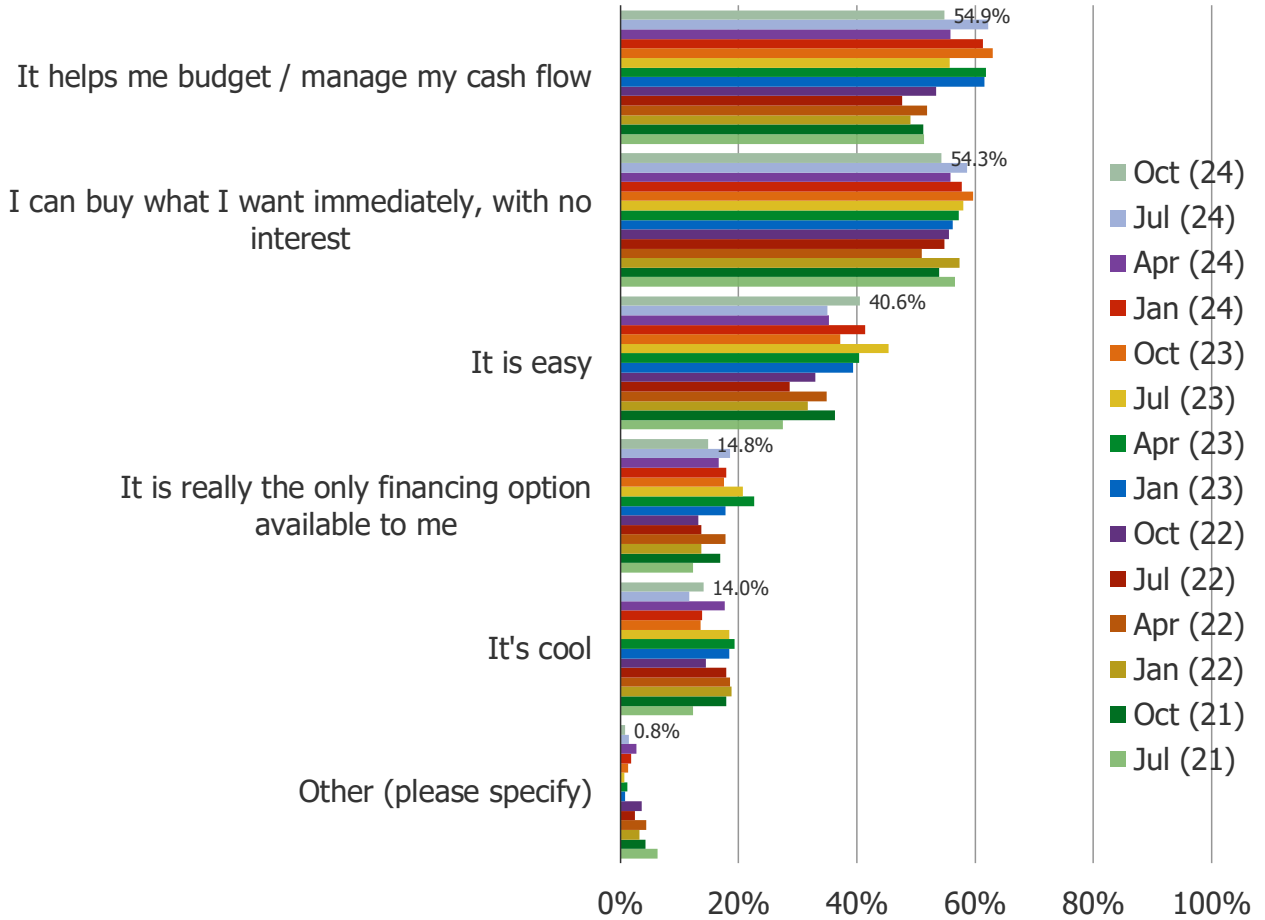
WOULD YOU USE "BUY NOW AND PAY LATER" SERVICES IN WHICH YOU COULD BUY A PRODUCT FROM A RETAILER NOW AND PAY LATER WITHOUT THE NEED FOR TRADITIONAL CREDIT, UPFRONT FEES, OR INTEREST (UNLESS YOU ARE LATE ON A PAYMENT)?

Posed to all respondents.



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

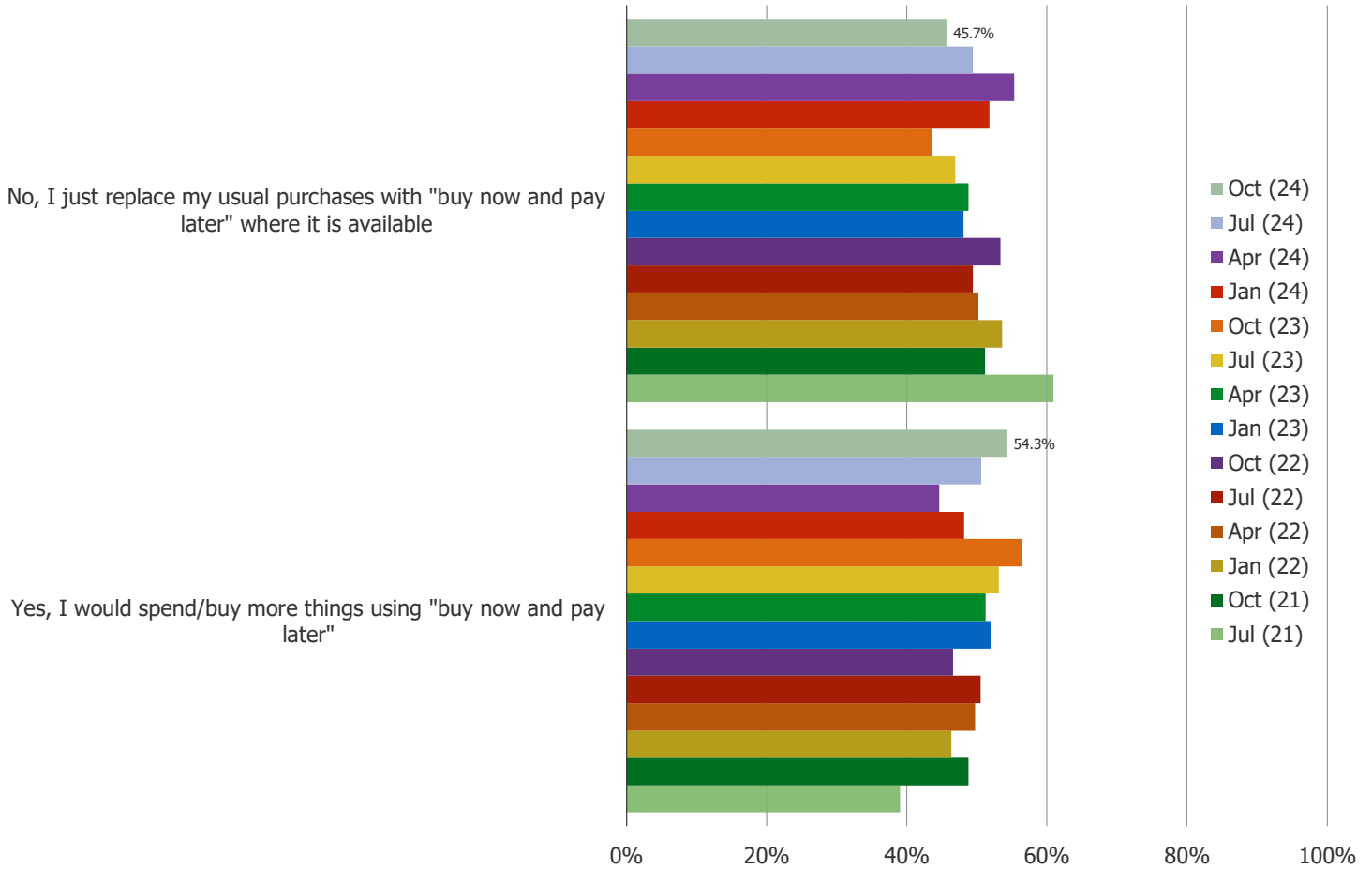
Posed to respondents who said they would use buy now and pay later services.



N = 392

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

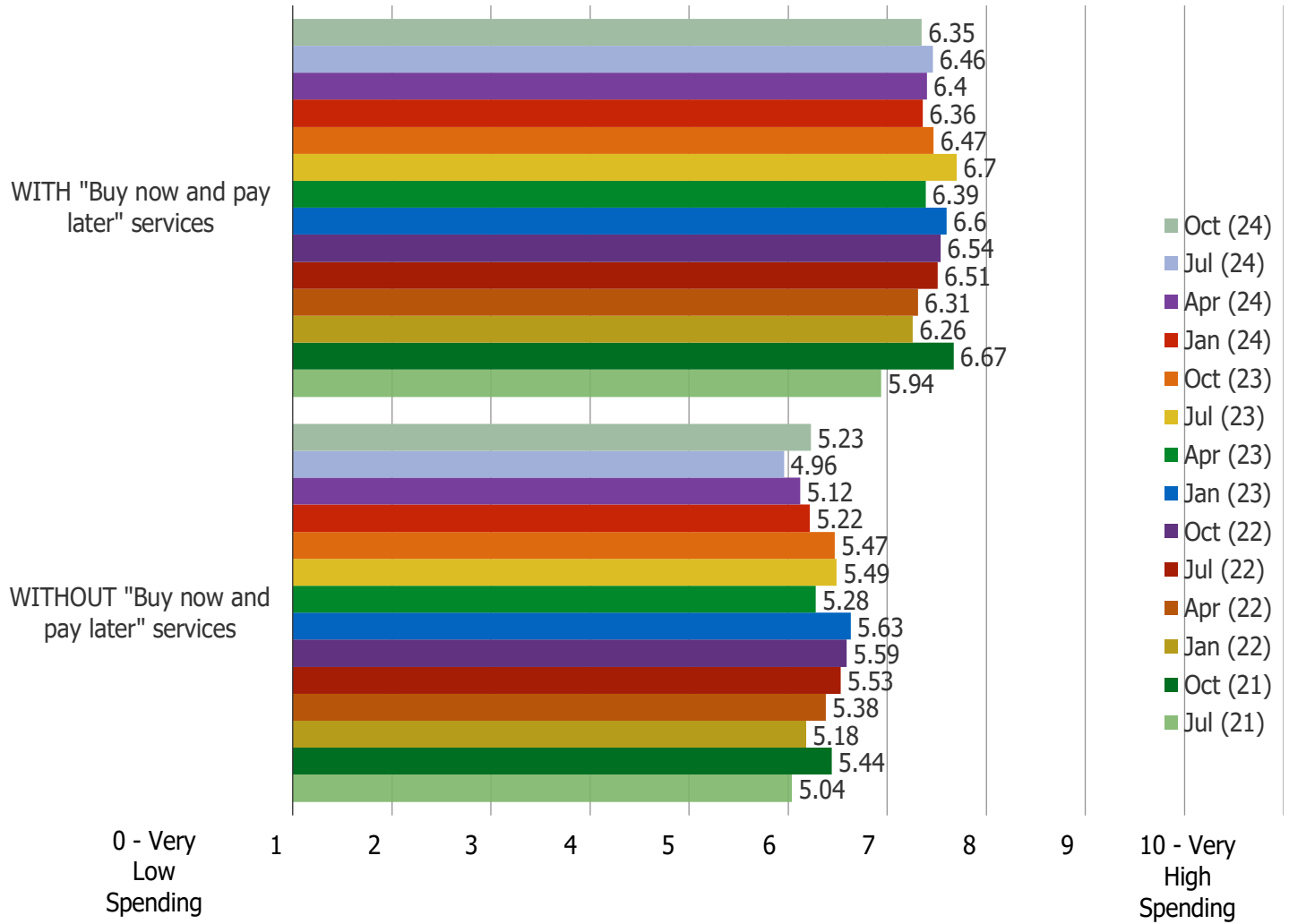
Posed to respondents who said they would use buy now and pay later services.



N = 392

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

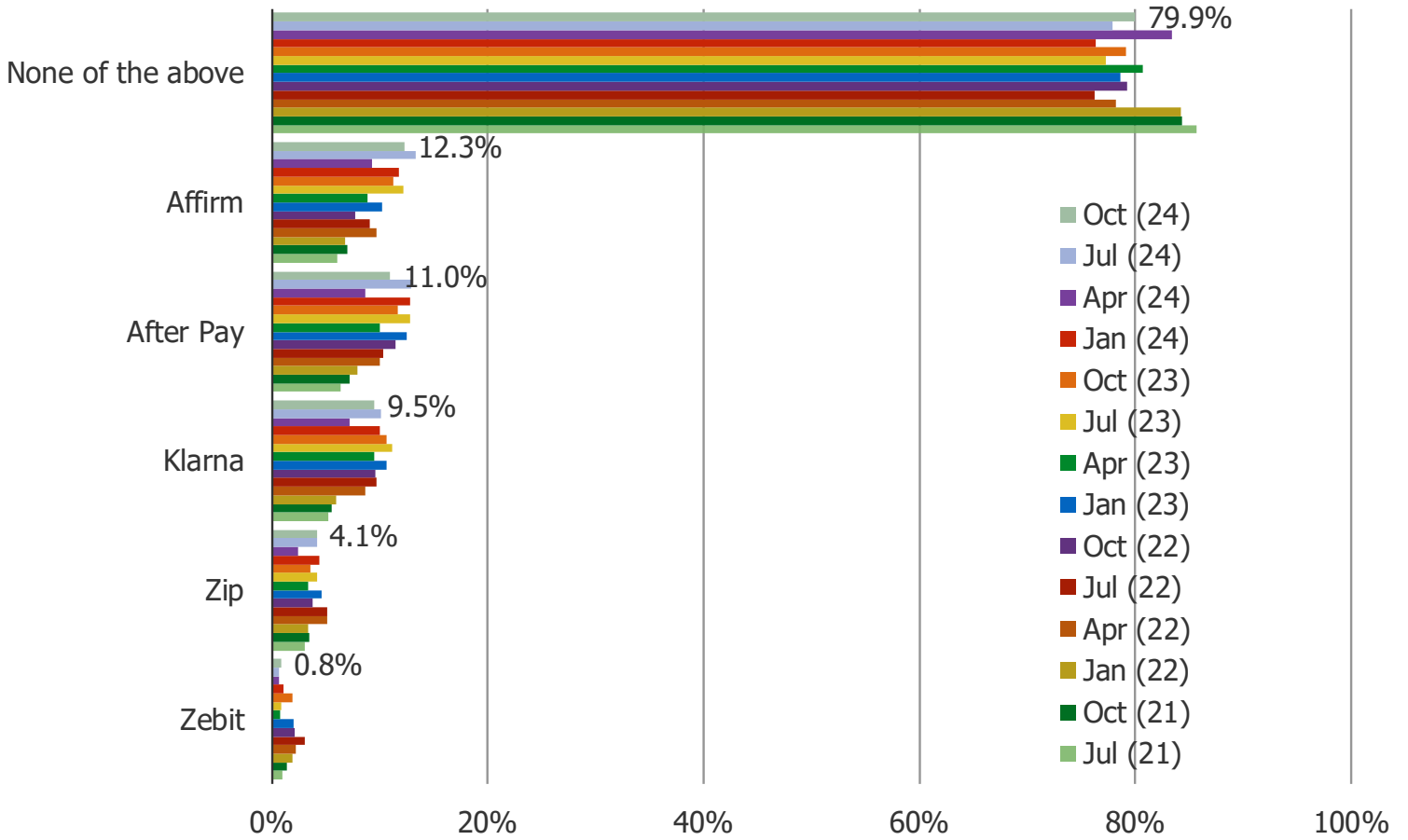
Posed to respondents who said they would use buy now and pay later services.



N = 392

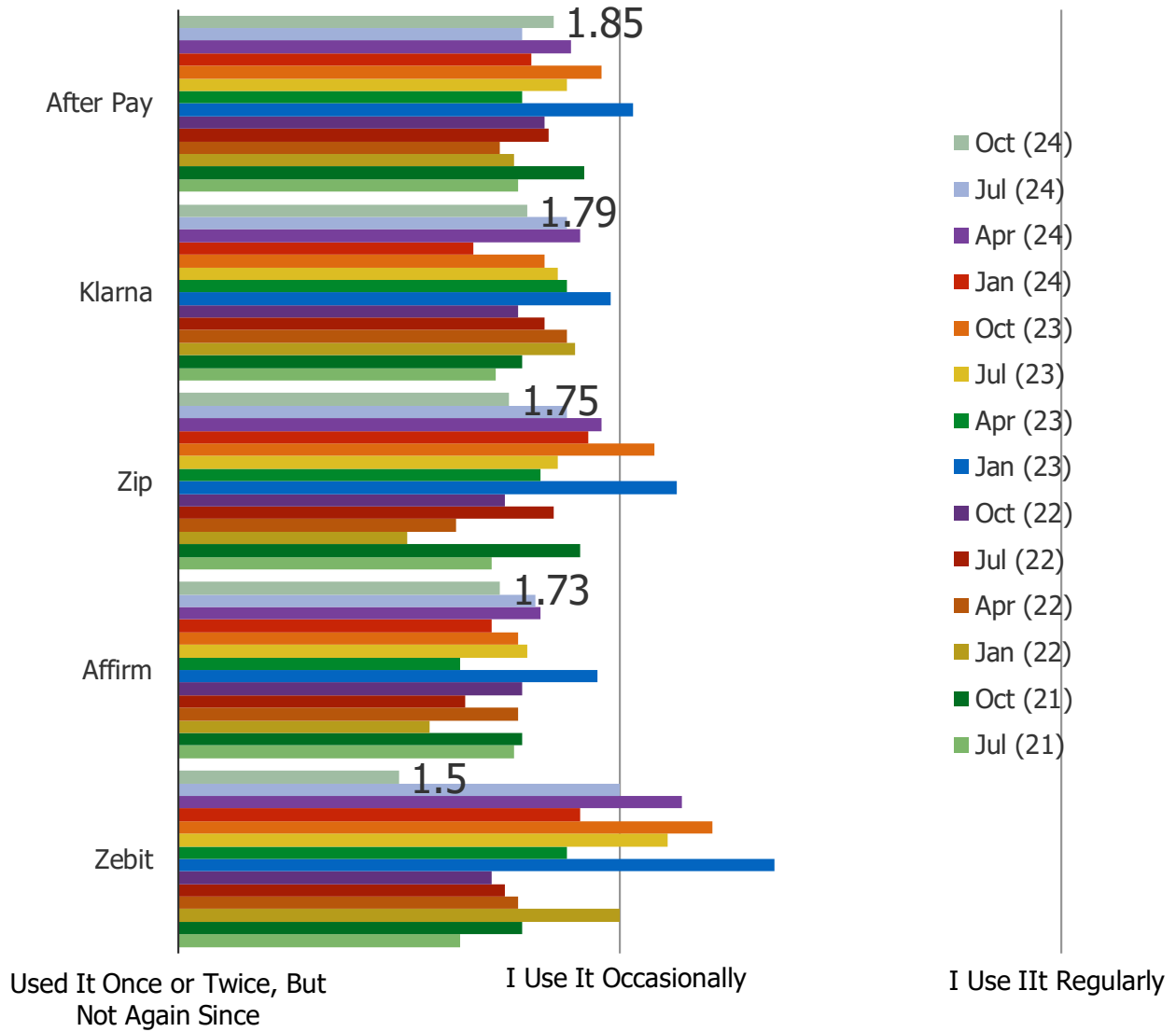
HAVE YOU EVER USED ANY OF THE FOLLOWING?

Posed to all respondents.



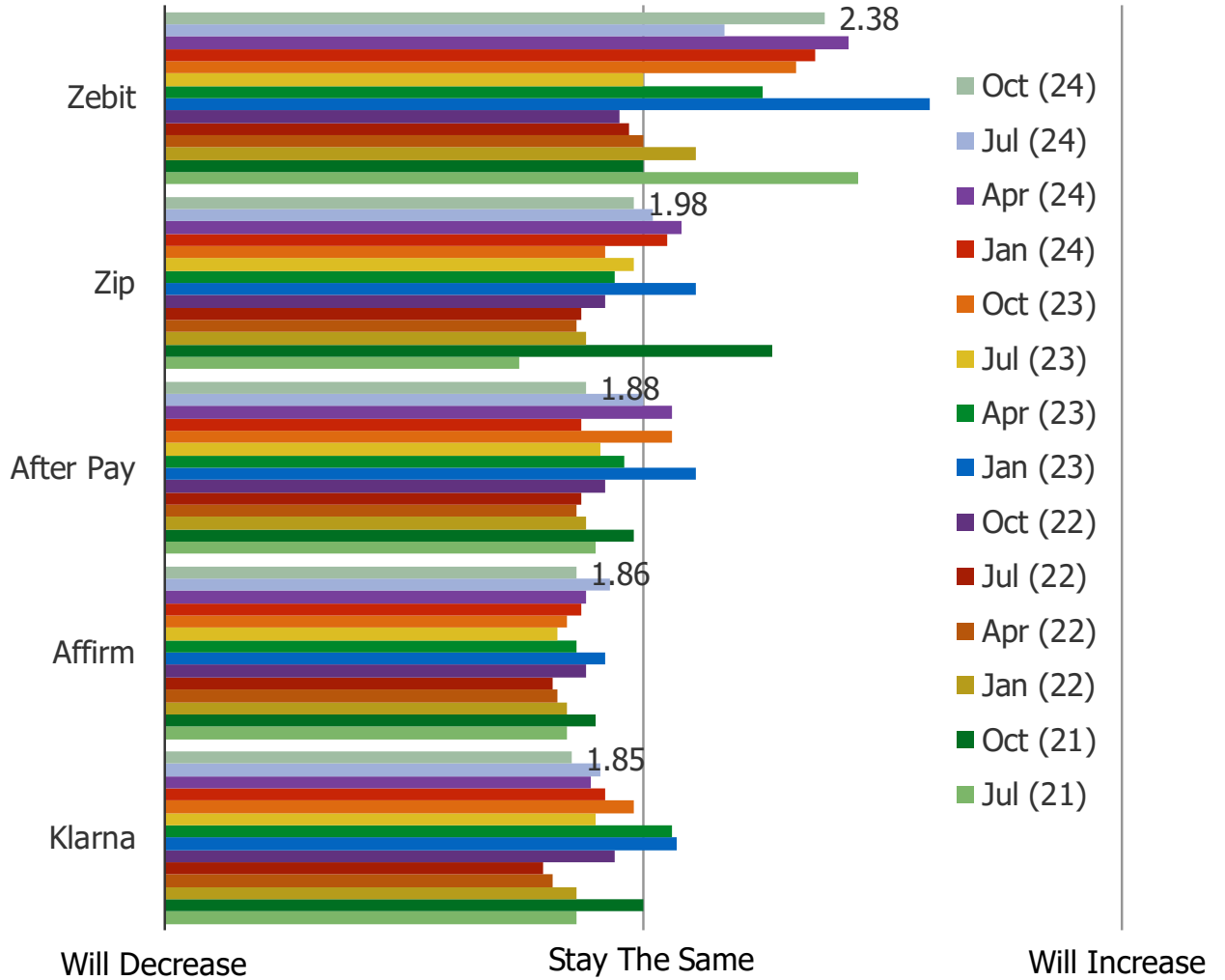
WHICH OF THE FOLLOWING BEST DESCRIBES YOUR EXPERIENCE WITH THE FOLLOWING:

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?

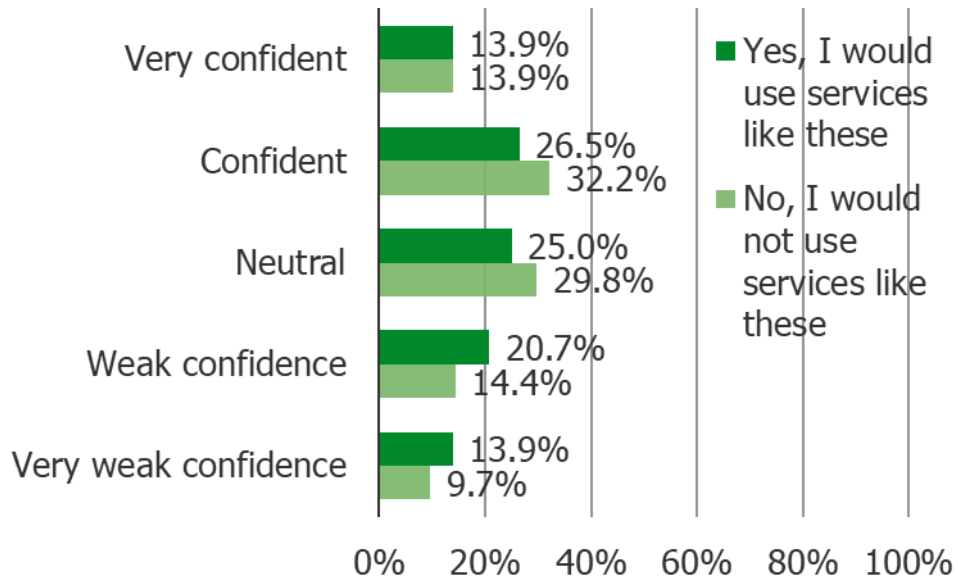
Posed to all respondents who have used the below.



SPENDING CONFIDENCE CURRENTLY:

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

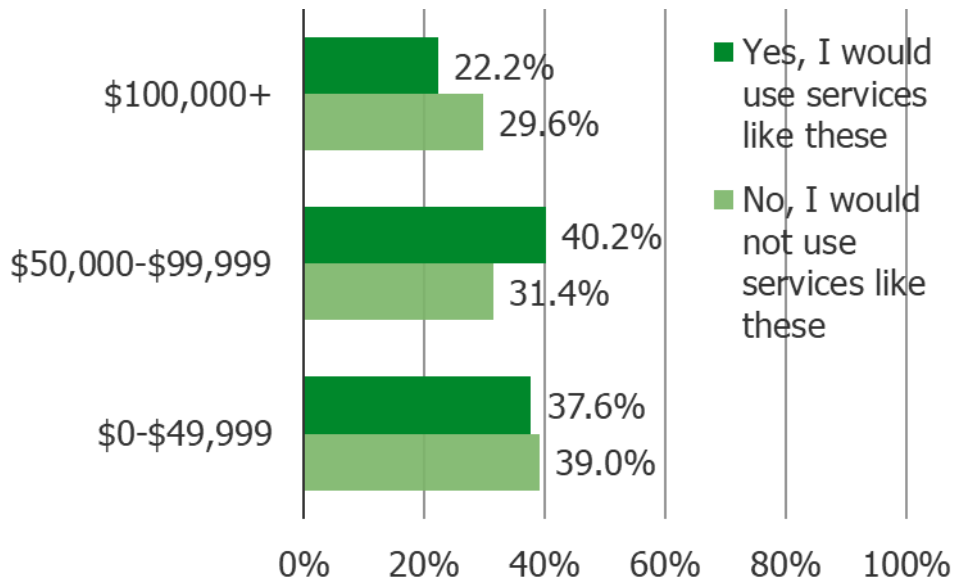
October 2024



INCOME:

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

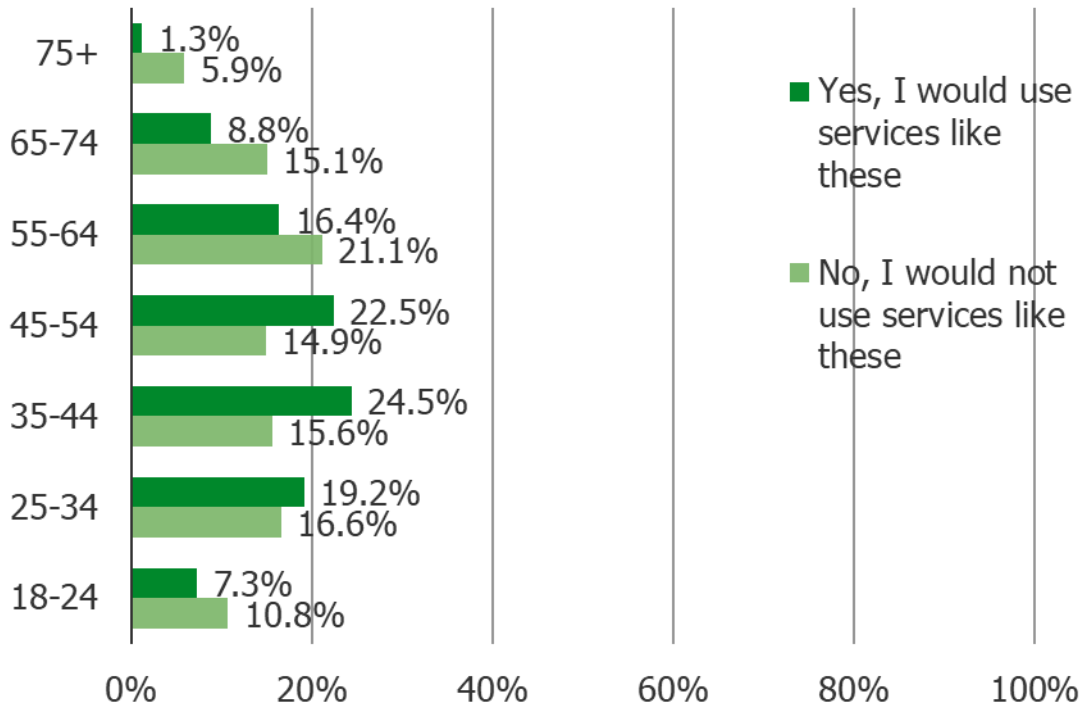
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AGE:

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

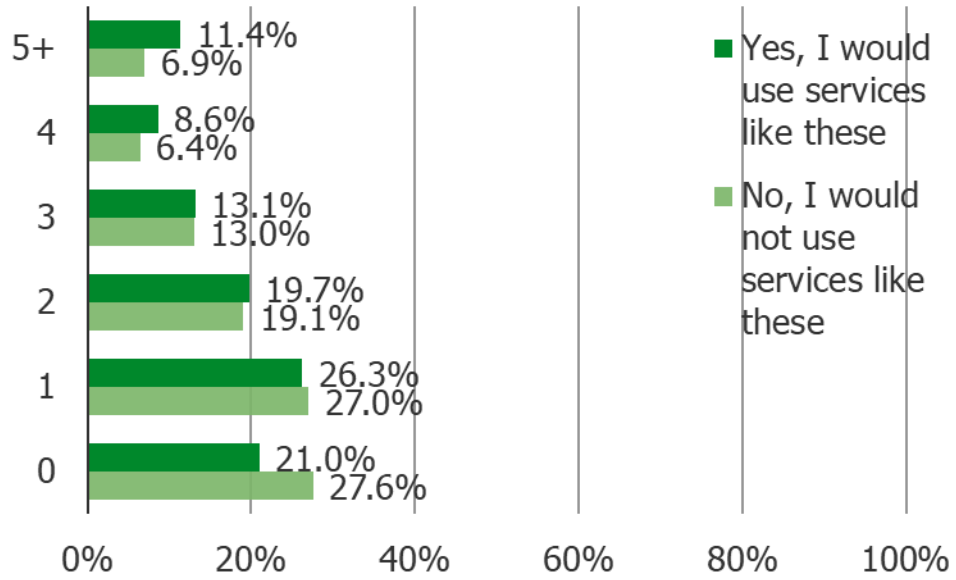
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NUMBER OF CREDIT CARDS RESPONDENTS HAVE:

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

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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.

July 2024

