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| **<country> Buy Now Pay Later Market Opportunities Databook**  Country Intelligence Report  Reference code: DBPL11001  Published: January 2024  C:\Users\USER\Documents\PC\Prepaid\Site\Images\logo.png  **www.paynxt360.com** |

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# About this Report

## Summary

This report from PayNXT360 provides a comprehensive view of size and structure, industry dynamics, market trends, consumer attitude and behavior, and competitive landscape in the Buy Now, Pay Later industry in the country. The report focuses on the data-centric analysis of Buy Now Pay Later market dynamics to help companies understand business and investment opportunities along with risks.

It details market opportunities across key market segments in Buy Now Pay Later for the period 2019-2028 and identifies opportunities. It captures essential KPIs such as Gross Merchandise Value, Volume, and Average Value Per Transaction across end-use segments.

## Methodology

PayNXT360’s research methodology is based on industry best practices approved by leading research, consulting, and advisory firms. This report follows a combination of exhaustive secondary research along with primary research, which involves market experts from leading companies. The process involves reviewing publicly available information such as annual reports, broker reports as well as gaining any further insight through trade and consumer surveys.

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| Figure 1: PayNXT360’s Methodology Framework | |
| C:\Users\USER\Documents\PC\Prepaid\Site\Images\methodology.jpg | |
| Source: PayNXT360 | ©PayNXT360 |

This report also draws insights from overall industry research focused on identifying best practices and strategies adopted to gain market share.

PayNXT360 has developed a research methodology that provides clients with the most accurate data possible and ensures that all data points we publish are fully traceable. PayNXT360 research processes and proprietary methodologies have been designed to analyze multiple inputs and develop unique insights. These insights allow clients to perceive their business landscape more clearly and accordingly plan business strategies.

The aim of our research process is to analyze how current trends and market drivers are likely to influence future events and what effect those events are likely to have on the business landscape. The information provided across our series of databases and reports provides clients with the context necessary to make both strategic and tactical decisions with confidence.

## BNPL Definitions

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| **Category** | **Sub-Category** | **Definition** |
| **Buy Now, Pay Later (BNPL)** |  | BNPL is a flexible payment method that allows consumers to buy a product or service and pay in installments, without paying any interest. However, the merchant receives the amount in full from the BNPL service provider.    In this payment method, the BNPL provider carries the risk of credit being given to the consumer. |
| **BNPL by End-Use Sector** | **Retail Shopping** | This segment focuses on online and brick & mortar retail sales (POS) made through the BNPL payment method. Categories include apparel, footwear & accessories, jewelry, toys, sporting goods, and consumer electronics. |
| **Home Improvement** | This segment focuses on consumers’ spending on home improvement projects such as renovation, painting, and furnishing using the BNPL payment method. |
| **Leisure & Entertainment** | This segment includes consumers spending on leisure & entertainment activities such as travel packages through the BNPL payment option. |
| **Healthcare and Wellness** | This segment details consumer spending on healthcare and wellness through the BNPL payment method. |
| **Other** | Any spending using the BNPL platform did not fall under the above-mentioned four sub-categories considered in this segment. |
| **Demographics by Income Group** | **Tier 1, Tier 2, and Tier 3** | It varies from country to country - below is the broad indication for income segmentation  Developed Economies – **Tier 3** - annual income less than US$ 60,000; **Tier 2** - annual income between US$ 60,000 - US$ 150,000; **Tier 1** - annual income more than US$ 150,000  Advanced Economies (GDP per capita > US$ 9,000) - **Tier 3** - annual income less than US$ 20,000; **Tier 2** - annual income between US$ 20,000 - US$ 100,000; **Tier 1** - annual income more than US$ 100,000  Developing / Growth Economies - **Tier 3** - annual income less than US$ 10,000; **Tier 2** - annual income between US$ 10,000 - US$ 80,000; **Tier 1** - annual income more than US$ 80,000 |
| **Distribution Segments** | **Online** | BNPL service opted through an online channel such as an e-commerce website using a desktop or mobile device. |
| **POS** | BNPL service opted for a brick-and-mortar retail store. |
| **Business Model** | **Two party** | A two-party system is a business model in which the end user and bank consistently dominate the business landscape. |
| **Third-party** | A third-party business model is a business that involves a person or entity other than the main participants. |
| **By Merchant Ecosystem** | **Open Loop System** | An open loop system involves a system where pay later is accepted everywhere |
| **Closed Loop System** | The opposite of an open loop system is a system where pay later can only be used at a specific retailer and falls inside a closed loop system. |
| **By Purpose** | **Convenience** | Convenience can be defined as a mode of deferred payment that includes a 15-30d interest-free credit period with a bullet repayment at the end of the period. |
| **Credit** | Credit Model means a License Package based on the number of permitted Transactions that may be carried out by the Customer using the Service, drawn down from Credit. |
| **Distribution Model** | **Standalone** | The standalone distribution model works on its own without being part of a set, or without being connected to others. |
| **Banks and Payments** | Bank and payments definition goes to a financial institution authorized to accept deposits and provide credits. |
| **Marketplaces** | A marketplace is a platform where vendors can come together to sell their products or services to a curated customer base. The role of a marketplace owner is to bring together the right vendors and the right customers to drive sales through an exceptional multi-vendor platform - sellers have a place to gain visibility and sell their products, and the marketplace owner earns a commission from each sale |
| **Currency Conversion** |  | All numbers have been reported in US$. All currency conversions have been done using the historical five-year average. |
| **Demographics by Age** |  | Gen Z – 15 to 27 years Millennials – 28 to 44 years  Gen X – 45 to 60 years  Baby Boomers – 60+ years |

## Disclaimer

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The facts of this report are believed to be correct at the time of publication but cannot be guaranteed. Please note that the findings, conclusions, and recommendations that PayNXT360 delivers will be based on information gathered in good faith from both primary and secondary sources, whose accuracy we are not always in a position to guarantee. As such PayNXT360 can accept no liability whatever for actions taken based on any information that may subsequently prove to be incorrect.

# <country> Buy Now Pay Later Industry Attractiveness

## <country> Buy Now Pay Later – Gross Merchandise Value Trend Analysis, 2020-2029

GMV grew steadily over the years.

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| Figure 2: <country> Buy Now Pay Later – Gross Merchandise Value Trend Analysis (US$ Million), 2020-2029 | |
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| Source: PayNXT360 | ©PayNXT360 |

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| **Table 1: <country> Buy Now Pay Later – Gross Merchandise Value Trend Analysis (US$ Million), 2020-2029** | | | | | | |
| **Years** | **2020** | **2021** | **2022** | **2023** | **2024** | **CAGR 2025 - 2029** |
| Value | **100.0** | **Section1\_Y2021** | **Section1\_Y2022** | **Section1\_Y2023** | **Section1\_Y2024** | **${Section1\_cgrp}** |
| Growth Rate (%) | 20% | **Section1\_Y2021\_KPI2** | **Section1\_Y2022\_KPI2** | **Section1\_Y2023\_KPI2** | **Section1\_Y2024\_KPI2** |
| **Years** | **2025** | **2026** | **2027** | **2028** | **2029** |
| Value | **Section1\_Y2025** | **Section1\_Y2026** | **Section1\_Y2027** | **Section1\_Y2028** | **Section1\_Y2029** |
| Growth Rate (%) | **Section1\_Y2025\_KPI2** | **Section1\_Y2026\_KPI2** | **Section1\_Y2027\_KPI2** | **Section1\_Y2028\_KPI2** | **Section1\_Y2029\_KPI2** |

## <country> Buy Now Pay Later—Transaction Volume Trend Analysis, 2020-2029

Volume growth is consistent.

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| Figure 4: <country> Buy Now Pay Later – Transaction Volume Trend Analysis (Thousand), 2020-2029 | |
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| Source: PayNXT360 | ©PayNXT360 |

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| --- | --- | --- | --- | --- | --- | --- |
| **Table 3: <country> Buy Now Pay Later – Transaction Volume Trend Analysis (Thousand), 2020-2029** | | | | | | |
| **Years** | **2020** | **2021** | **2022** | **2023** | **2024** | **CAGR 2025 – 2030** |
| Value | **Section2\_Y2020** | **Section2\_Y2021** | **Section2\_Y2022** | **Section2\_Y2023** | **Section2\_Y2024** |  |
| Growth Rate (%) | **Section2\_Y2020\_KPI2** | **Section2\_Y2021\_KPI2** | **Section2\_Y2022\_KPI2** | **Section2\_Y2023\_KPI2** | **Section2\_Y2024\_KPI2** |  |
| **Years** | **2025** | **2026** | **2027** | **2028** | **2029** | **${section2\_cgrp}** |
| Value | **Section2\_Y2025** | **Section2\_Y2026** | **Section2\_Y2027** | **Section2\_Y2028** | **Section2\_Y2029** |  |
| Growth Rate (%) | **Section2\_Y2025\_KPI2** | **Section2\_Y2026\_KPI2** | **Section2\_Y2027\_KPI2** | **Section2\_Y2028\_KPI2** | **Section2\_Y2029\_KPI2** |  |

## Buy Now Pay Later Share by Revenue Segments

Service revenue increased significantly.

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| Figure 7: Buy Now Pay Later Share - Revenue Segments (%), 2020-2029 | |
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| Source: PayNXT360 | ©PayNXT360 |

## Buy Now Pay Later Market Share by End-Use Sector, 2024

Retail and Electronics lead the market share.

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| Figure 29: Australia Buy Now Pay Later – Market Share by End-Use Sector (%), 2024 | |
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| Source: PayNXT360 | ©PayNXT360 |

## Buy Now Pay Later Share by Retail Product Category, 2024

Electronics and Apparel dominate.

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| Figure 34: Australia Buy Now Pay Later – Market Share by Retail Product Category (%), 2024 | |
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| Source: PayNXT360 | ©PayNXT360 |