

## STATISTICAL FIGURES

Source	Source Title	Source Info	Supported By
<a href="https://www.smartdigitalmarketing.co.uk/buy-now-pay-later-apps/">https://www.smartdigitalmarketing.co.uk/buy-now-pay-later-apps/</a>	Buy Now Pay Later Apps: Top Choices Explained	<b>Top BNPL providers:</b> Afterpay 20M+ users and accepted by 144,000 merchants, Klarna – most popular in UK, PayPal, Zilch, Affirm partnered up with major retailers – Amazon, Walmart, Target	
<a href="https://katadata.co.id/digital/e-commerce/60c07040442ad/paylater-di-e-commerce-makin-diminati-akan-gantikan-cod">https://katadata.co.id/digital/e-commerce/60c07040442ad/paylater-di-e-commerce-makin-diminati-akan-gantikan-cod</a>	<p>Paylater di E-Commerce Makin Diminati, Akan Gantikan COD?</p> <p>Paylater in E-Commerce is Increasingly Popular, Will it Replace COD?</p>	<p>“Katadata Insight Center ( KIC ) and Kredivo, Indonesia research shows that 27% of 3,560 respondents shopped on e-commerce by paying in installments or paylater during the past year.”</p> <p>"More than 50% of new users have used paylater in e-commerce in the past year or during the corona pandemic,"</p> <p>“The research results are based on an online survey of 3,560 respondents during March 26-30. As many as 64% of them are women.”</p> <p>Top advantages for using BNPLs: 1) can fulfil needs when short on fund: 69% positive</p> <p>2) alternative to credit card instalments: 67% positive</p> <p>3) easy and fast credit access 58%</p> <p><b>*check website for more stats*</b></p>	<p><a href="https://www.researchgate.net/profile/Mohammed-Nuseir/publication/340023804_The_extent_of_the_influences_of_social_media_in_creating_impulse_buying_tendencies/International_Journal_of_Business_Innovation_and_Research/links/5e7368ae299bf1571848d56d/The_extent-of-the-influences-of-social-media-in-creating-impulse-buying-tendencies/International-Journal-of-Business-Innovation-and-Research.pdf">https://www.researchgate.net/profile/Mohammed-Nuseir/publication/340023804_The_extent_of_the_influences_of_social_media_in_creating_impulse_buying_tendencies/International_Journal_of_Business_Innovation_and_Research/links/5e7368ae299bf1571848d56d/The_extent-of-the-influences-of-social-media-in-creating-impulse-buying-tendencies/International-Journal-of-Business-Innovation-and-Research.pdf</a> - impulse buying can support no.1 advantage</p>
Singer, P. (1993). Practical Ethics. Cambridge	Practical Ethics	"Ethics refers to the principles that govern a person's behaviour or the conducting of an activity, often focusing on what is good for individuals and society."	

Universit y Press			
<a href="https://kpmg.com/us/en/articles/2024/buy-now-pay-later-bnpl-cfpb-rule-on-consumer-protections-reg-alert.html">https://kpmg.com/us/en/articles/2024/buy-now-pay-later-bnpl-cfpb-rule-on-consumer-protections-reg-alert.html</a>	Buy Now, Pay Later (BNPL): CFPB Rule on Consumer Protections	<p>“The Consumer Financial Protection Bureau (CFPB) issues an interpretive rule affirming that “Buy Now, Pay Later” (BNPL) lenders are subject to some of the same consumer protection requirements as traditional credit card companies.”</p> <p>“The rule, which becomes effective sixty (60) days after publication in the Federal Register, will require BNPL lenders to:</p> <ul style="list-style-type: none"> <li>• Investigate disputes.</li> <li>• Provide refunds for voided services and returned products.</li> <li>• Issue billing statements that disclose any applicable fees and pricing structures.”</li> </ul> <p>““Traditional BNPL products are closed-end loans payable in four or fewer instalments without a finance charge, used to make purchases on credit.”</p>	<p><a href="https://www.consumerfinance.gov/about-us/newsroom/cfpb-study-details-the-rapid-growth-of-buy-now-pay-later-lending/">https://www.consumerfinance.gov/about-us/newsroom/cfpb-study-details-the-rapid-growth-of-buy-now-pay-later-lending/</a></p> <p><a href="https://www.consumerfinance.gov/about-us/newsroom/cfpb-publishes-new-findings-on-financial-profiles-of-buy-now-pay-later-borrowers/">https://www.consumerfinance.gov/about-us/newsroom/cfpb-publishes-new-findings-on-financial-profiles-of-buy-now-pay-later-borrowers/</a></p> <p><b>** VERY GOOD SOURCES FOR STATS</b></p>
<a href="https://www.consumerfinance.gov/about-us/newsroom/cfpb-study-details-the-rapid-growth-of-buy-now-pay-later-lending/">https://www.consumerfinance.gov/about-us/newsroom/cfpb-study-details-the-rapid-growth-of-buy-now-pay-later-lending/</a>	CFPB Study Details the Rapid Growth of “Buy Now, Pay Later” Lending	“The five firms surveyed in the report originated 180 million loans totalling over \$24 billion in 2021, a near tenfold increase from 2019.”	
<a href="https://www.bankrate.com/l">https://www.bankrate.com/l</a>	Has the Buy Now, Pay Later Model Changed	global BNPL spending is estimated to increase nearly 300% from 2022 to 2027	

<p>oans/personal-loans/buy-now-pay-later-impact-on-spending/ Later Spend to Accelerate, Reaching Over \$437 Billion Globally by 2027; Fuelled by Deteriorating Macro-Economic Factors (Oct. 25, 2022), <a href="https://www.juniperresearch.com/press/releases/buy-now-pay-later-spend-to-accelerate-reaching">https://www.juniperresearch.com/press/releases/buy-now-pay-later-spend-to-accelerate-reaching</a> (on file with the Columbia Law Review)))</p>	<p>American Spending Habits for Good?</p>		
<p><a href="https://blog.s.coventry.ac.uk/researchblog/the-cost-of-">https://blog.s.coventry.ac.uk/researchblog/the-cost-of-</a></p>	<p>The Cost-of-Living Crisis is Fuelling Buy Now Pay Later but Where is the Promised</p>	<p>"During the COVID-19 pandemic, the use of BNPL products almost quadrupled in the UK, to £2.7bn of transactions and five million customers."</p>	

living-crisis-is-fuelling-buy-now-pay-later-but-where-is-the-promised-regulation-and-consumer-protection/?com#_edn1	Regulation and Consumer Protection?		
<a href="https://www.citizensadvice.org.uk/Global/CitizensAdvice/Debt%20and%20Money%20Publications/BNPL%20report%20%28FINAL%29.pdf?com">https://www.citizensadvice.org.uk/Global/CitizensAdvice/Debt%20and%20Money%20Publications/BNPL%20report%20%28FINAL%29.pdf?com</a>	Buy Now...Pain Later?	<b>** statistics on bnpl user issues</b>	

## ETHICAL ISSUES

Source	Source Title	Source Info	Supported By
<a href="https://www.researchgate.net/profile/Mohammed-Nuseir/publication/340023804_The_extent_of_the_influences_of_social_media_in_creating_impulse_buying_tendencies/International_Journal_of_Business_Innovation_and_Research/links/5e7368ae299bf1571848d56d/The">https://www.researchgate.net/profile/Mohammed-Nuseir/publication/340023804_The_extent_of_the_influences_of_social_media_in_creating_impulse_buying_tendencies/International_Journal_of_Business_Innovation_and_Research/links/5e7368ae299bf1571848d56d/The</a>	The extent of the influences of social media in creating 'impulse buying' tendencies	<p>"Customers tend to seek to buy things according to needs (Lee and Johnson 2010; Ko et al., 2014) and wants (Rhee and Ko, 2014; Huang, 2016)"</p> <p>"Impulse buying is a phenomenon borne by artificial needs or overbearing desires of customers to own something."</p> <p>"Michael et al. (2010) have defined impulse buying as a tendency to buy what was not planned for."</p>	

-extent-of-the-influences-of-social-media-in-creating-impulse-buying-tendenciesInternational-Journal-of-Business-Innovation-and-Research.pdf		<p>"Most studies have attached value to the product by suggesting that impulse buying involves buying something that adds no value to the buyer (Lee and Johnson, 2010)"</p> <p>"Chan et al. (2017) noted that while impulse buying might denote lack of planning or discipline in buying habits, it does not necessarily indicate purchase of a useless item."</p>	
<a href="https://www.researchgate.net/profile/Hendy-Aji/publication/385722353_Understanding_Buy-Now-Pay-Later_Adoption_in_the_Muslim_Market_Do_Religious-Based_Ethics_Matter/links/6732d63d4a70511f071bd8b8/Understanding-Buy-Now-Pay-Later-Adoption-in-the-Muslim-Market-Do-Religious-Based-Ethics-Matter.pdf?__cf_chl_tk=nMw2Ux">https://www.researchgate.net/profile/Hendy-Aji/publication/385722353_Understanding_Buy-Now-Pay-Later_Adoption_in_the_Muslim_Market_Do_Religious-Based_Ethics_Matter/links/6732d63d4a70511f071bd8b8/Understanding-Buy-Now-Pay-Later-Adoption-in-the-Muslim-Market-Do-Religious-Based-Ethics-Matter.pdf?__cf_chl_tk=nMw2Ux</a>	Understanding Buy-Now-Pay-Later Adoption in the Muslim Market: Do Religious-Based Ethics Matter?	** Good for sources	
Alhawari, S., Karadsheh, L., Talet, A. N., & Mansour, E. (2012). Knowledge-based risk management framework for	Knowledge-based risk management framework for information technology project	<p>"Risk analysis facilitates the conversion of risk data into decision making information (Higuera &amp; Haimes, 1996)."</p> <p>"Finally, culture is</p>	<a href="https://www.researchgate.net/publication/220363328_Knowledge_risk_management_A_framework">https://www.researchgate.net/publication/220363328_Knowledge_risk_management_A_framework</a>

information technology project. International Journal of Information Management, 32(1), 50-65.		<p>defined by Gold, Malhotra, and Segars (2001) as “shared and widely accepted values and visions that permeate in mind to direct work practice or facilitate necessary changes.”, the purpose is to infuse knowledge vision to everyone visibly, regularly, and extensively (Chan &amp; Chao, 2008). Knowledge Management”</p> <p>“Selecting knowledge is an activity of extracting the knowledge from internal knowledge resources and providing it in a suitable representation to the users (Holsapple &amp; Joshi, 2002)”</p>	
<a href="https://www2.deloitte.com/us/en/pages/advisory/articles/buy-now-pay-later-risk.html">https://www2.deloitte.com/us/en/pages/advisory/articles/buy-now-pay-later-risk.html</a>	Addressing buy now pay later risks effectively How to sustain growth and compliance in BNPL business model?	“a study by Qualtrics on behalf of Credit Karma found that 34% of those who have used BNPL have fallen behind on one or more payments.”	
<a href="https://www.philadelphiafed.org/consumer-finance/consumer-credit/buy-now-pay-later-survey-evidence-of-consumer-adoption-and-attitudes">https://www.philadelphiafed.org/consumer-finance/consumer-credit/buy-now-pay-later-survey-evidence-of-consumer-adoption-and-attitudes</a>	Buy Now, Pay Later: Survey Evidence of Consumer Adoption and Attitudes	“One of the main challenges in analyzing and researching BNPL is that the term is used to describe a wide range of products, many of which are well established and well understood. Arguably, any product that lets you take possession of an item or receive a service without requiring you to pay the full amount immediately can be considered a buy now, pay later product, including well-established banking	

		<p>products like credit cards, auto loans, education loans, and mortgages.”</p> <p>“Only 5.2 percent of respondents are considered heavy BNPL users as compared with credit, debit, and P2P at 77.1 percent, 64.3 percent, and 40.5 percent, respectively.”</p> <p>“BNPL users reporting high satisfaction at a 68.5 percent rate”</p> <p>“16.9 percent of BNPL users were “Neither Satisfied nor Dissatisfied” with their experience versus 6.4 percent or fewer of other products’ users.”</p> <p>“Only 53.2 percent of BNPL users (people with experience using the product) said they were likely to use it again in the future; this information, combined with the low volume of heavy users for the BNPL product may be an indicator that many BNPL users over this period were testing the product.”</p> <p>“The survey results reveal some noticeable differences in the demographic characteristics of BNPL users compared with other payment tools. BNPL users are generally lower earning, younger, non-White, and more likely to be employed (within our respondent population, there was no difference in</p>	
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		<p>usage rates between genders for any of the products)."</p> <p>"BNPL users are more likely to earn less than \$75,000 annually"</p> <p>"BNPL users are younger, with 41.6 percent indicating that they are under 36 years old"</p> <p>"When looking at usage intensity within income ranges, we see that BNPL usage increases as income increases"</p> <p>"BNPL users were asked how likely they were to recommend BNPL to friends or family; on a 10-point scale, 61.2 percent of users selected the top three boxes, indicating a high likelihood to recommend"</p> <p>Top reasons for using BNPL:</p> <ol style="list-style-type: none"> <li>1) Convenience (52.6% of BNPL users)</li> <li>2) Size of purchase (46.2%)</li> <li>3) Ability to better manage finances (43.8%)</li> </ol> <p>Bottom reasons for using BNPL:</p> <ul style="list-style-type: none"> <li>- It is my preferred payment method (11.5%)</li> <li>- Inability to get approved for credit (13.6%)</li> <li>- Lack of credit (19.1%)</li> </ul> <p>"Nonusers generally agreed with users on the</p>	
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		<p>words they are most likely to associate with BNPL over credit cards; both groups associate flexibility most frequently with BNPL (46.2 percent and 64.0 percent for nonusers and users, respectively), compared with any of the other terms listed, while they associate security least frequently (32.9 percent and 8.7 percent, respectively) (Figure 16). However, nonusers associated all of the terms more frequently with credit cards, whereas users favoured BNPL for half of the options.”</p> <p><b>** read more on missed payments, user characteristics, graphs</b></p>	
<a href="https://www.consumerfinance.gov/about-us/newsroom/cfpb-study-details-the-rapid-growth-of-buy-now-pay-later-lending/">https://www.consumerfinance.gov/about-us/newsroom/cfpb-study-details-the-rapid-growth-of-buy-now-pay-later-lending/</a>	CFPB Study Details the Rapid Growth of “Buy Now, Pay Later” Lending	<p>“Apparel and beauty merchants, who had combined to account for 80.1% of originations in 2019, only accounted for 58.6% of originations in 2021.”</p> <p>“Late fees are becoming more common: 10.5% of unique users were charged at least one late fee in 2021, up from 7.8% in 2020.”</p> <p>Risks of consumer harms:</p> <ul style="list-style-type: none"> <li>- Inconsistent consumer protections</li> <li>- Data harvesting and monetization</li> </ul> <p>Debt accumulation and overextension</p>	<a href="chrome-extension://efaidnbmnnnibpcajpcgclclefindmkaj/https://files.consumerfinance.gov/f/documents/cfpb_buy-now-pay-later-market-trends-consumer-impacts_report_2022-09.pdf">chrome-extension://efaidnbmnnnibpcajpcgclclefindmkaj/https://files.consumerfinance.gov/f/documents/cfpb_buy-now-pay-later-market-trends-consumer-impacts_report_2022-09.pdf</a>
<a href="https://www.consumerfinance.gov/about-us/newsroom/cfpb-">https://www.consumerfinance.gov/about-us/newsroom/cfpb-</a>	CFPB Publishes New Findings on Financial Profiles of	“Buy Now, Pay Later borrowers also typically had lower credit scores than non-borrowers. Non-borrowers had an average	

publishes-new-findings-on-financial-profiles-of-buy-now-pay-later-borrowers/	Buy Now, Pay Later Borrowers	credit score classified as near-prime (670-739), while borrowers had an average score in the sub-prime category (580-669). Lower credit scores lead to higher interest rates on traditional credit products, which makes Buy Now, Pay Later loans with no interest an attractive alternative that many borrowers seek."	
<a href="https://www.researchgate.net/publication/362242256_The_Rise_of_Buy_Now_Pay_Later_Bank_and_Payment_Network_Perspectives_and_Regulatory_Considerations">https://www.researchgate.net/publication/362242256_The_Rise_of_Buy_Now_Pay_Later_Bank_and_Payment_Network_Perspectives_and_Regulatory_Considerations</a>	The Rise of Buy Now, Pay Later: Bank and Payment Network Perspectives and Regulatory Considerations	<p>"Regulators in the UK and Australia are implementing stricter measures for BNPL services, focusing on consumer outcomes, access to dispute resolution, and transparency in fees." This illustrates the evolving regulatory landscape affecting BNPL platforms"</p> <p>"For merchants, BNPL products offer the ability to settle sales quickly, and BNPL providers assume the risks of chargebacks and fraud (Eckler 2020)"</p> <p><b>** good source for info on credit cards, banks and BNPL relationship with providers/ merchants</b></p>	
<a href="https://link.springer.com/chapter/10.1007/978-3-031-40647-8_6">https://link.springer.com/chapter/10.1007/978-3-031-40647-8_6</a>	Fintech, Financial Inclusion, and Social Challenges: The Role of Financial Technology in Social Inequality	<p>Fintech services can empower financial inclusion, drive economic growth, and achieve sustainable development by increasing accessibility, reducing costs, and promoting equal opportunities</p> <p><b>** good source for overconsumption and indulgence for GenZ</b></p>	

## MARKET RESEARCH

Source	Top Markets (in descending order)	Extra Source Info
<a href="https://www.demandsage.com/bnpl-statistics/">https://www.demandsage.com/bnpl-statistics/</a>	<ol style="list-style-type: none"> <li>1) Fashion and Apparel (46%)</li> <li>2) Furniture and appliances (34%)</li> <li>3) Electronics (27%)</li> <li>4) Beauty and skincare (26%)</li> <li>5) Leisure/ events (18%)</li> <li>6) Travel (11%)</li> </ol>	"Currently, clothing is the most popular BNPL purchase, followed by home decor (furniture and appliances) and electronic devices."

## TECHNICAL ISSUES RESEARCH

Source	Source Title	Source Info
chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://columbialawreview.org/wp-content/uploa	Regulating Buy Now, Pay Later: Consumer Financial Protection in The Era of Fintech	<p>"BNPL platforms must ensure adherence to GDPR and other data protection regulations, emphasizing encryption and secure data storage to mitigate risks of breaches." This aligns with the general need for data security in fintech services"</p> <p><b>** very good source</b></p>

ds/2023/11/Soni-Regulating_buy_now_pay_later.pdf		
<a href="https://www.mdpi.com/2071-1050/16/15/6368">https://www.mdpi.com/2071-1050/16/15/6368</a>	Sustainable Development through Fintech: Understanding the Adoption of Buy Now Pay Later (BNPL) Applications by Generation Z in Saudi Arabia	"System quality, service quality, and information quality exhibit significant correlations with user satisfaction, emphasizing the importance of high-performing and scalable systems in BNPL platforms." This indicates the technical necessity of scalability for user trust and satisfaction"
<a href="https://ecommpay.com/blog/buy-now-pay-later-bnpl-pros-and-cons-for-merchants/">https://ecommpay.com/blog/buy-now-pay-later-bnpl-pros-and-cons-for-merchants/</a>	Buy Now, Pay Later (BNPL): Pros and cons for merchants	<p>Cons of BNPL:</p> <p>"Technical complexities Implementing BNPL can present technical challenges. Some e-commerce platforms aren't natively equipped for BNPL, requiring custom development or updates. Integrating third-party APIs, ensuring compatibility, and updating checkout flows can be a time-consuming process.</p> <p>Poor integration can lead to failed checkouts and lost customers, so it's essential to make sure BNPL is implemented as seamlessly as other available payment methods."</p> <p>"criminals may use stolen identities or fake credentials to exploit the deferred payment model. Because payments are split, fraud can be harder to detect early on. Collaborating closely with BNPL providers and financial institutions ensures that strong fraud detection measures, such as identity verification and transaction analysis are in place."</p> <p>"Returns and refunds in a BNPL context can be more complicated than traditional payment methods. Processing a refund requires coordinating with the BNPL provider to manage ongoing instalments,</p>

		<p>which can be cumbersome if your systems aren't closely integrated.</p> <p>To keep customers happy, it's important to establish clear policies and efficient processes for returns. Automating refunds and maintaining open communication with the BNPL provider will help streamline the experience for both you and your customers."</p> <p>"Costs cutting into profits: Processing fees charged by BNPL providers tend to be higher than other payment methods, which can impact your bottom line."</p> <p>"Navigating regulatory compliance: Regulators are intensifying their scrutiny of the sector to ensure customers are properly safeguarded and informed that many BNPL products remain unregulated. Compliance issues vary widely depending on the region, from transparency in terms, to consumer protection laws. Keeping up with changing BNPL regulations across different markets is essential, especially for merchants operating internationally, as they may need to make updates to their processes and policies to remain compliant."</p>
<a href="https://www.latentview.com/blog/how-to-mitigate-challenges-in-bnpl-using-analytics/">https://www.latentview.com/blog/how-to-mitigate-challenges-in-bnpl-using-analytics/</a>	How to Mitigate Challenges in BNPL Using Analytics	<p>"Economic factors like unemployment or reduced consumer spending can lead to higher default rates, placing financial strain on BNPL providers. Building effective credit risk management systems and incorporating real-time underwriting processes are essential to mitigate these risks."</p> <p><b>** good source for how analytics should be used to prevent fraud</b></p>
<a href="https://performline.com/blog-post/biggest-challenges-">https://performline.com/blog-post/biggest-challenges-</a>	BNPL: The Biggest Challenges of BNPL [Part 2]	<p>"The BNPL market must adhere to strict compliance measures like PCI DSS and data protection laws. Platforms must implement robust security systems to protect sensitive</p>

of-buy-now-pay-later/		user data, which includes encryption, access controls, and regular audits."