

INFO5992 Introduction to IT innovation

Tutorial 07

Australian Startup – Afterpay



Pre-reading 1: PR1 - Buy now pay later.pdf

Recommended reading sections: pages 3-5

Pre-reading 2:

PR2 - How A 28-Year-Old Turned Layaway For Millennials Into A Billion-Dollar Business.pdf

Additional Reading:

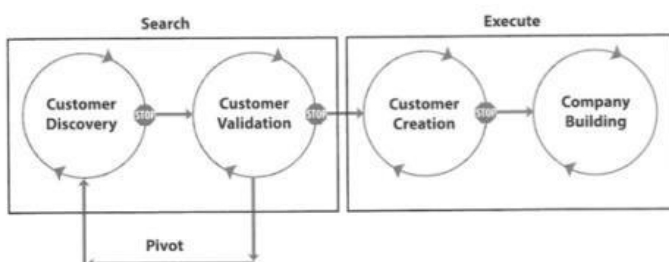
- PR3 - Nick Molnar's runaway success starts with style.pdf
- PR4 - Afterpay built its business by getting consumers to take on debt.pdf
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Have you used buy now pay later services?

- Discuss with your peers on whether you have used buy now, pay later services. If yes, which company did you use?
- Why did you use buy now pay later rather than a credit card?
- What are your concerns if you are using buy now pay later service?

How did Afterpay **develop its customers?**

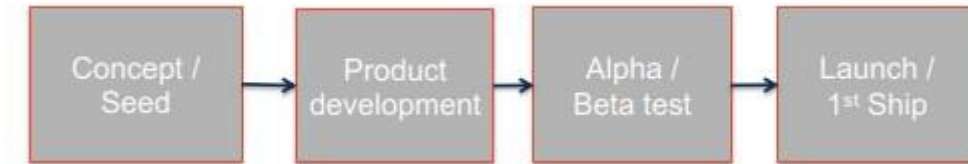
Recall the **customer development process** from the lecture.



Can this process be applied to Afterpay? I.e. Can you explain the following questions:

- **Who are the target customers of Afterpay? (This is the most important question!)**
- Did Afterpay discover a previously un(under)served customer segment?
- How did Afterpay validate the customer segment?
- How did Afterpay create new customers?

Why is the traditional model not a good fit for Afterpay?



Recall the traditional model of introducing a new product to a market. Why is this model not a good fit for FinTech start-up companies like Afterpay?