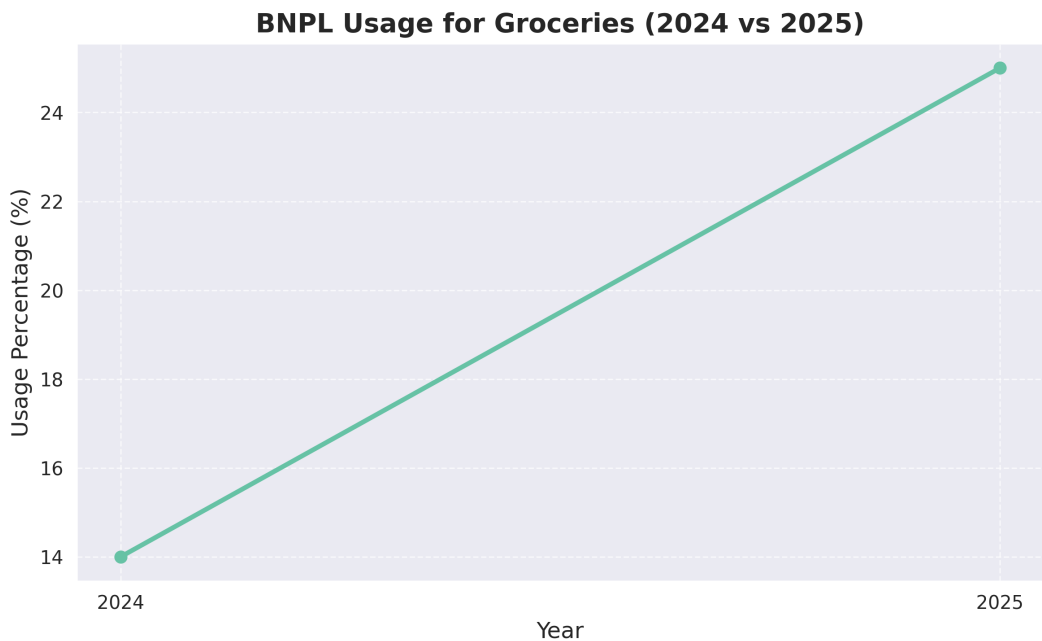


# BNPL Systemic Risk: Food Delivery

Concise Analysis of "Eat Now, Pay Later" Programs

## Critical Findings

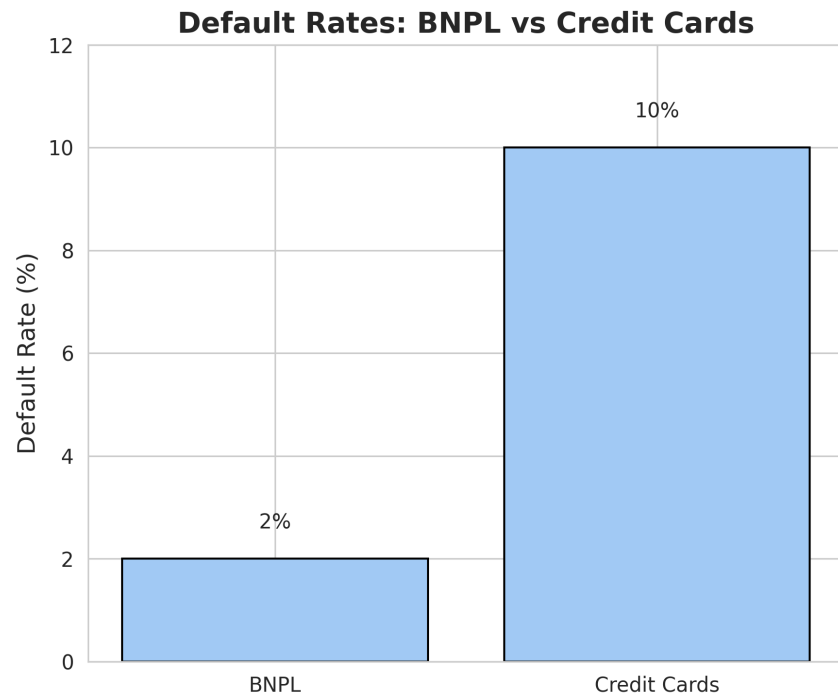
- 41% of BNPL users miss payments (+7% YoY)
- \$136M Klarna credit losses Q1 2025 (+17% YoY)
- BNPL default rates **5x higher** than credit cards
- 48% of users regret BNPL purchases
- 21% use BNPL for essential groceries



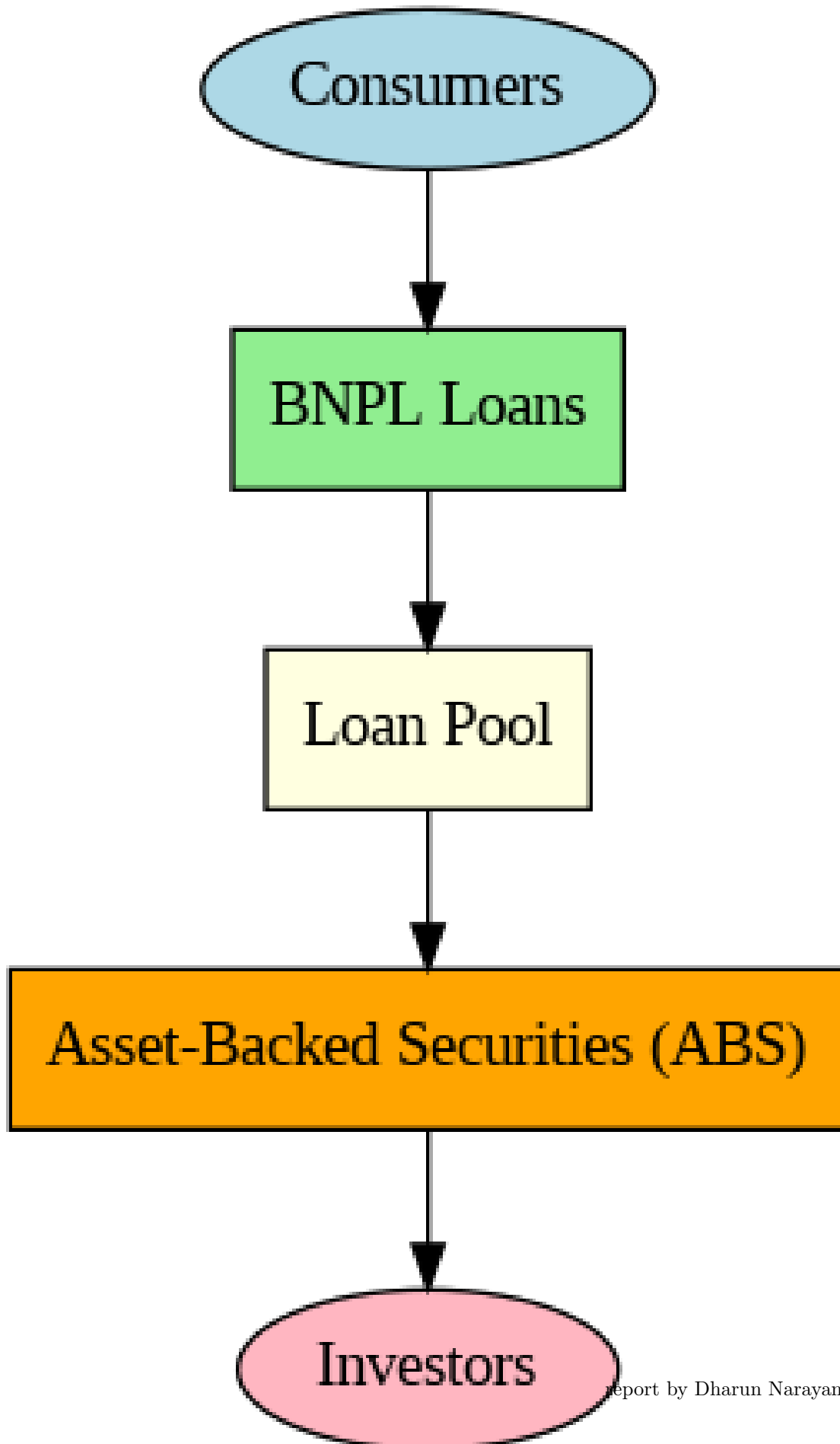
BNPL grocery usage increased 32% YoY

## Risk Indicators

Metric	Value
Late payment rate	41%
User regret rate	48%
Grocery BNPL usage	21%
Avg. debt per user	\$847



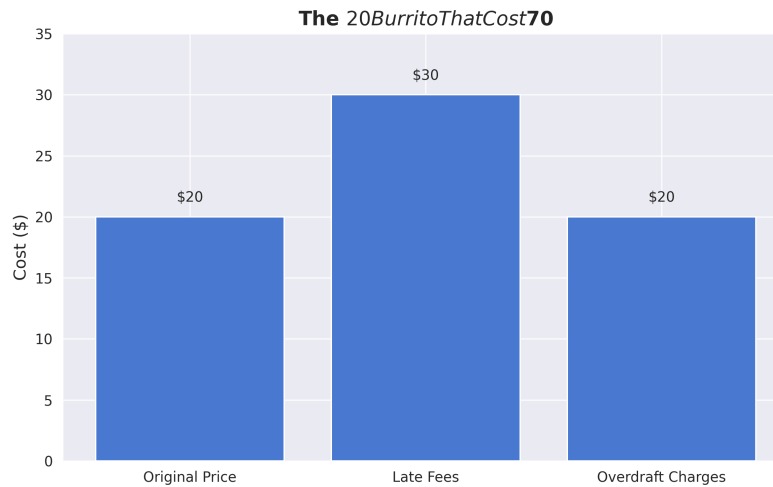
*BNPL defaults significantly exceed credit cards*



### Risks:

- Poor loan performance data
- High correlation during downturns
- Liquidity mismatch

### Hidden Costs



*\$20 meal becomes \$70 debt burden*

### Cost drivers:

- Late fees
- Overdraft charges
- Opportunity costs

### Contagion Vectors

1. **Consumer → Platform:** Defaults erode provider capital
2. **Platform → Merchants:** Restaurants face cash flow disruptions
3. **ABS Markets:** Losses spread to institutional investors

### Essential Safeguards

1. **Cooling-off periods** between loans
2. **Spending caps** at 15% of income
3. **Enhanced cost disclosures**
4. **Capital buffers** for ABS

### **Conclusion**

Food delivery BNPL creates systemic vulnerabilities through high default rates, securitization risks, and hidden costs. Regulatory action needed before economic stress amplifies impacts.