**Case Study: Tabby**

Tabby is a BNPL service that allows users to split their purchases into installments without having to pay interest. The service was launched in Saudi Arabia in 2019 and has quickly become one of the fastest-growing BNPL providers in the region, with over 1 million users.

**Problem Statement**

The founders of Tabby recognized that many people in Saudi Arabia were struggling to afford the products they wanted, especially when it came to larger purchases. They saw an opportunity to create a platform that would allow people to buy now and pay later, without having to pay interest. This would make it easier for people to afford the things they needed and wanted, while also helping merchants to increase their sales.

**Solution**

Tabby's platform allows users to split their purchases into installments, with no interest charges. Users can choose to pay over 3, 6, or 12 months, depending on their needs and budget. The platform also offers a range of features, such as the ability to pause payments, adjust payment dates, and view payment history.

To use Tabby, customers simply need to sign up for an account, which can be done through the company's website or mobile app. Once they have an account, they can shop at any participating merchant and choose to pay with Tabby at checkout. Tabby then pays the merchant in full, and the customer repays Tabby in installments.

**Key Features**

* Interest-free installment payments
* Flexible repayment terms (3, 6, or 12 months)
* Ability to pause payments
* Adjustable payment dates
* View payment history

**Benefits for Customers**

* Affordable payments: Tabby's installment payments make it easier for customers to afford the products they want, without having to pay interest.
* Flexibility: Customers can choose the repayment term that works best for them, and can also pause payments if needed.
* Convenience: Tabby's platform is easy to use, and customers can manage their payments online or through the mobile app.

**Benefits for Merchants**

* Increased sales: By offering Tabby's BNPL service, merchants can increase their sales and attract more customers.
* Reduced fraud risk: Tabby assumes the fraud risk, so merchants can have peace of mind when it comes to transactions.
* Easy integration: Tabby's platform can be easily integrated into merchants' existing payment systems.

**Growth and Expansion**

Since its launch in 2019, Tabby has grown rapidly and now has over 1 million users. The company has also expanded its merchant network to include a wide range of businesses, from small retailers to large e-commerce platforms.

**Challenges and Lessons Learned**

One of the biggest challenges Tabby faced was educating customers about the benefits of BNPL and how it works. To address this, the company launched a range of marketing campaigns and educational resources to help customers understand the service.

Another challenge was building trust with merchants, who were initially hesitant to partner with a new fintech company. Tabby addressed this by building strong relationships with merchants and providing them with data and insights to show the benefits of offering BNPL to their customers.

**Future Plans**

Tabby plans to continue expanding its merchant network and user base, as well as introducing new features and services to enhance the customer experience. The company is also exploring opportunities to expand into new markets, both within Saudi Arabia and beyond.

**Conclusion**

Tabby's success in Saudi Arabia's BNPL market is a testament to the company's innovative approach and commitment to customer and merchant satisfaction.

**Questions**

1. What problem did Tabby identify in the Saudi Arabian market, and how did they aim to solve it?
2. What are the key features of Tabby's platform, and how do they benefit both customers and merchants?
3. How did Tabby address the challenges of educating customers about BNPL and building trust with merchants?
4. What are some of the benefits of using Tabby's platform for customers, and how does it compare to traditional payment methods?
5. How has Tabby's growth and expansion impacted the company's success, and what are their future plans?
6. What can other entrepreneurs and startups learn from Tabby's approach to innovation and customer satisfaction?
7. How does Tabby's business model differ from traditional banking and financing systems, and what are the advantages and disadvantages of this approach?
8. What role does technology play in Tabby's platform, and how does it enhance the user experience for customers and merchants?
9. How does Tabby's focus on customer and merchant satisfaction align with their business goals, and what are some potential risks or challenges associated with this approach?
10. Can you think of other industries or markets where a similar BNPL model could be successful, and why?