

Buy now pay later set to surge over ten fold in India

1. During Covid period, as more people are moving towards online shopping, the demand for easy loans has driven more players to enter the BNPL market
2. Since maximum credit currently offered is Rs.1 lakh which is much lower than credit card offers, it takes some time to dominate credit cards
3. India's BNPL is booming these days as there are people who cannot afford to buy few items which are too expensive
4. Redseer estimates that India's BNPL market will rocket to \$45-\$50 billion by 2026 from \$3-\$3.5 billion now
5. The research firm estimates that the number of BNPL users in the country may rise to 80-100 million customers from 10-15 millions(currently)
6. Fintech from Mobikwiks sees BNPL businesses nearly doubling for the companies in 2 years, in a country where hundreds of millions of people have little access to formal credit
7. Mobikwik which is among the top BNPL players in India and is backed by the Abu Dhabi Investment authority, said income from the segment accounted for nearly a 5th of its 3.02 million rupees revenue for the financial year ending march 31st
8. Co-founder of MobiKwik said that only 60-70 million Indians have access to credit today
9. It will become the fast revenue driver for the business because there has been a 45X growth in the BNPL transactions in the last 2 years
10. A very large population of millennials and young customers during the pandemic were looking for credit and to extend their budgets
11. Because time won't be good always

Additional line to credit

1. Mumbai resident Divya Menon(she works in Human Resources department in an IT firm) said that she recently tried the buy now pay later option on e-commerce website for an item costing less than \$10
2. She said that she's feeling convenient that she's now opting for it on multiple platforms
3. Once BNPL is activated, it is just one step business
4. With cards it is two step process of giving a security code and finally one time password
5. Most payments apps which have BNPL services need customers to provide government verified information and bank details before they can avail the service
6. Indians are making a big use of BNPL during this pandemic time(during April and may)
7. Yogi Sadana said that we are now seeing revenge demand in India