Hi John,

Hope you are well. Here is our recommendation regarding introducing a Buy Now Pay later option for Everqlo’s e-commerce store. Based on the findings, our recommendation is that Everqlo should go ahead with implementing a BNPL option.

This method of point-of-sale finance is becoming increasingly popular with consumers and has the potential to impact several key revenue drivers for Everqlo.

Below are the reasons why we are making this recommendation:

1. BNPL market is showing consistent growth, shaping consumer expectations when shopping online

* Data shows that overall BNPL market CAGR is estimated to be 22.4% over the next few years
* Surveys suggest that 1 in 3 consumers in the US has used a BNPL service, whilst in the UK 67% of millennials have used such service
* Fashion & garment industry accounted for over 40% of BNPL volume, which is particularly relevant given Everqlo’s business

1. BNPL option can help increase AOV & conversions for Everqlo

* Reports show that introducing BNPL option can increase average order value for the merchant by 45- 85%, which can significantly boost overall revenue
* Retailers implementing BNPL reported conversion rate improvements of up to 20%

1. Majority of BNPL providers offer low upfront costs & direct integrations with popular e-commerce engines

* Majority of leading BNPL provides charge a transaction fee between 3% to 5% with low setup costs, making it an attractive to start offering BNPL at checkout
* A number of pre-built integrations exists with popular e-commerce platforms (Adobe Commerce, Shopify, BigCommerce and the likes) meaning implementation should be relatively quick

Overall, looking at the 3 points above, our hypothesis is that introducing the BNPL payment option has the potential to boost e-commerce revenue for Everqlo considerably. Additionally, if successful, the same offering can be introduced in physical stores as well.

Sources:

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