

# Industry Insights:

How the Buy Now Pay Later  
& eCommerce landscapes  
are transforming in 2020

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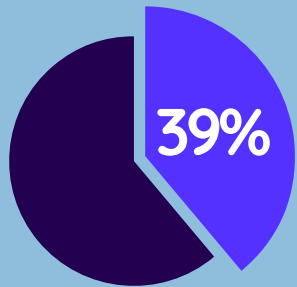
## About this report

With so much of our lives changed in the face of 2020 COVID-19 outbreak, consumer behaviour has also shifted.

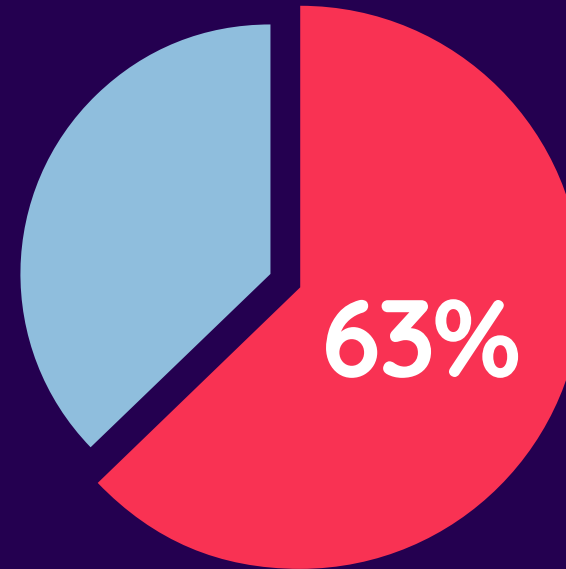
In this report we surveyed 500 Australian consumers to understand the shift in where and how they spend their money in a new economic climate which has seen the increase in distance selling and eCommerce, as well as an increased preference for buy now, pay later options as a way to manage cashflow, and budget effectively.

## Customers now indicating buy now pay later is more relevant than ever before

As of July this year, the majority of consumers showed a preference for buy now pay later as a preferred payment option. Interestingly, with the shift in the economic climate in the last six months, customers are now indicating that budgeting and spreading the cost of purchases over time is more attractive than ever.



39% of customers say buy now pay later is more relevant to them in the current economic climate.



63% of consumers would like to use buy now pay later as a payment option.

## Customers in 2020 are willing to shop online for higher value transactions

With eCommerce transactions across the country skyrocketing past Christmas levels, customers are indicating they're likely to spend big online where they would have previously shopped in-store.

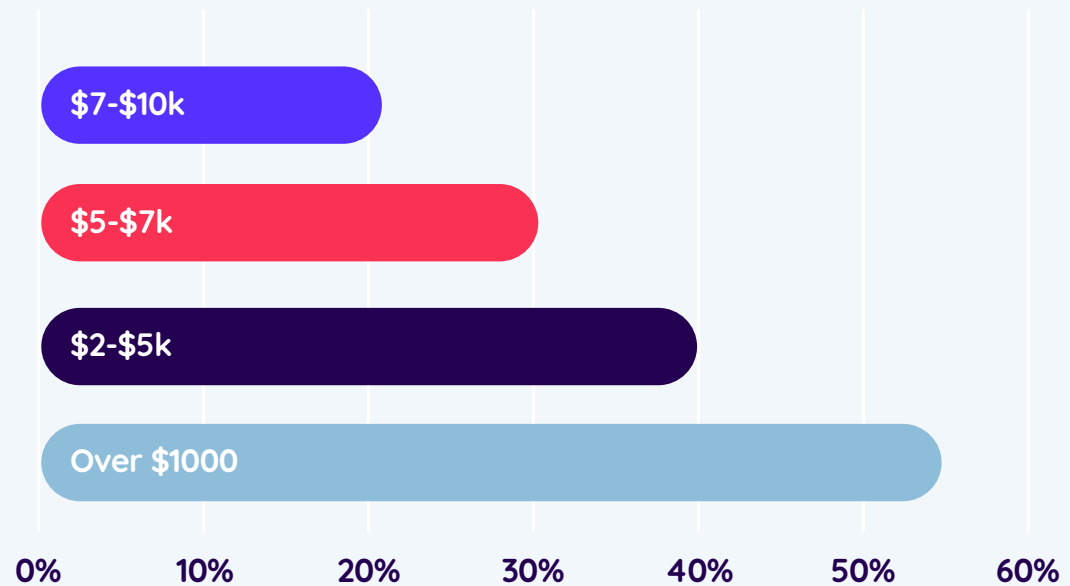


**55% of customers say they expect to make an online purchase over \$1000.**  
**32% say they're likely to spend between \$2000-\$5000 online.**

## Buy now pay later fuelling growing online transaction sizes

With customers now choosing to shop online more frequently, buy now pay later payment options are now part of the online conversion decision process.

Preference for Buy Now Pay Later by ATV

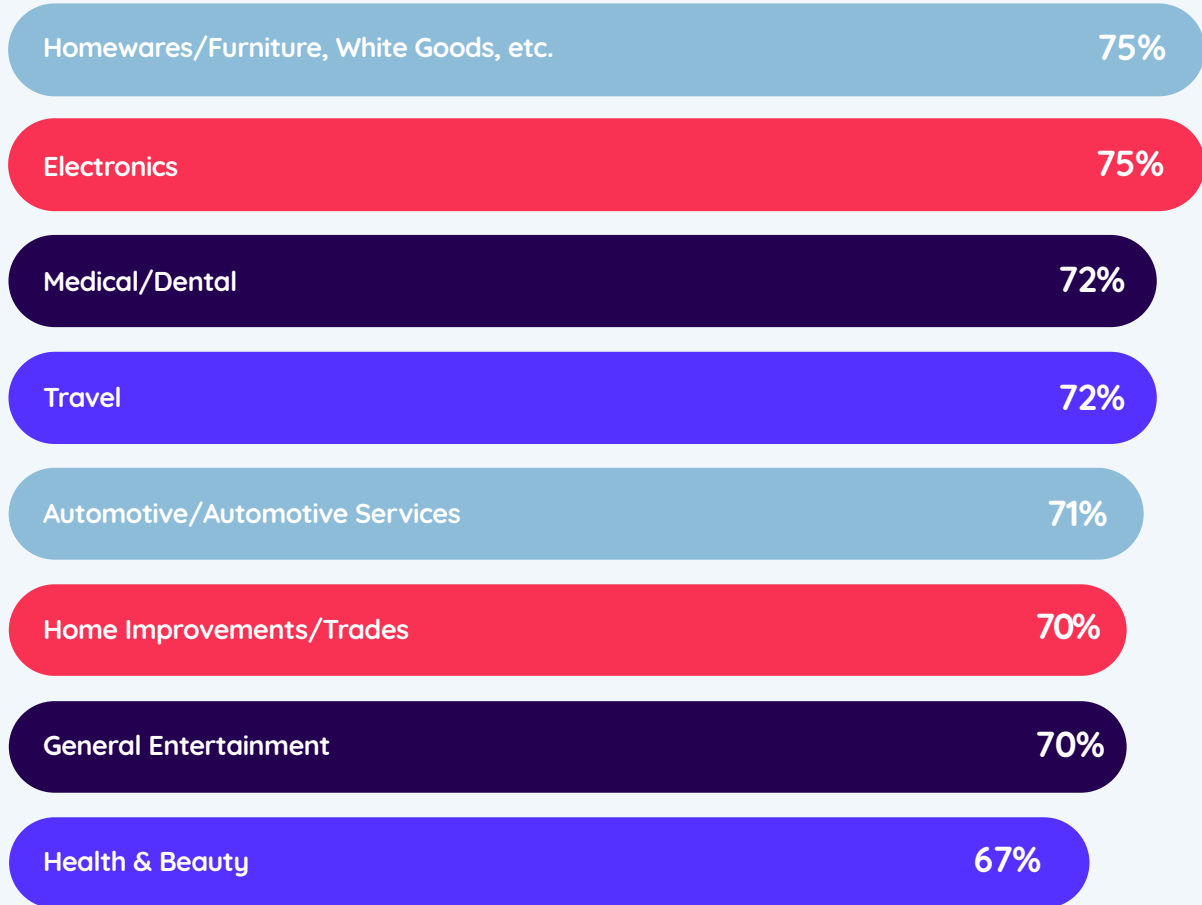


56% want a buy now pay later option for purchases over \$1000.  
40% want buy now pay later for purchases between \$2000-\$5000.  
21% want buy now pay later for purchases between \$5000-\$7000.  
15% want buy now pay later for purchases between \$7000-\$10,000.

## Customers indicate buy now pay later is preferred across all shopping categories

Diving into purchase behaviour by category, the vast majority of customers indicated they wanted buy now pay later options across every shopping category.

Between 67% and 75% of customers saw the need for buy now pay later across all shopping categories.



## Customers want payment options for higher price points from electronics retailers

With the majority of customers indicating the need for buy now pay later options across the category, businesses can leverage a higher price point purchase and sales conversion by offering payment options over \$1000.

**75% of consumers want buy now pay later options for electronics, with 40% wanting a payment plan option over \$1000.**



75%

## Travel & Accommodation

With the majority of customers indicating the need for buy now pay later options across the category, businesses can leverage a higher price point purchase and sales conversion by offering payment options over \$1000.

**72% of consumers want buy now pay later options for travel, with 49% wanting a payment plan option over \$1000.**

**72%**

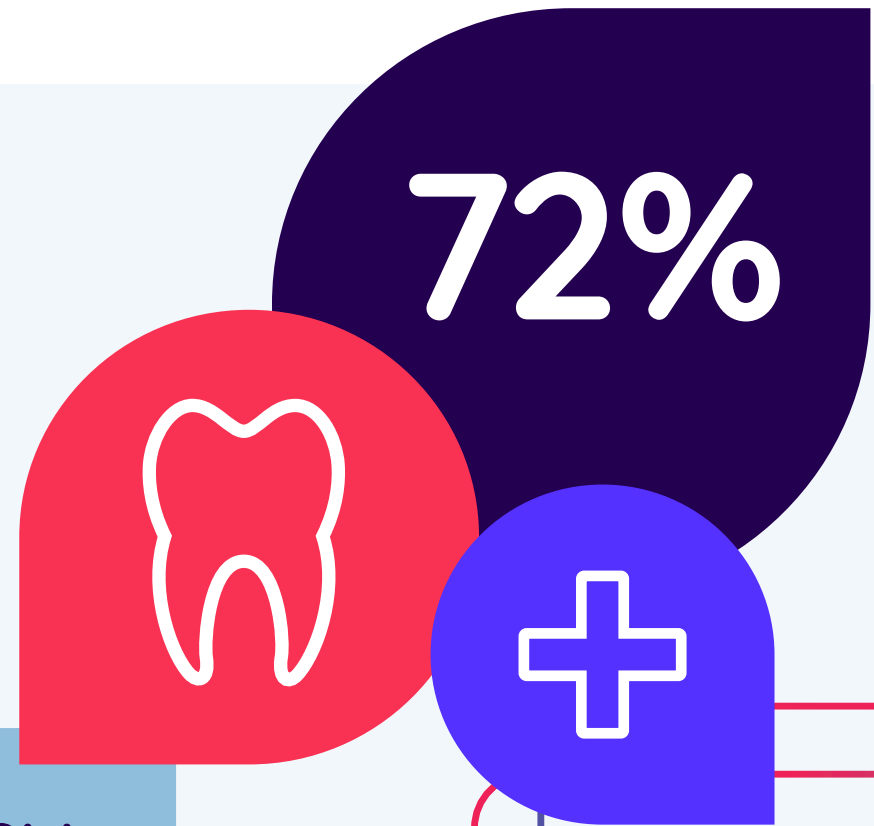




## Customers want payment options for higher price points for general health and dental procedures

With the majority of customers indicating the need for buy now pay later options across the category, businesses can leverage a higher price point purchase and sales conversion by offering payment options over \$1000.

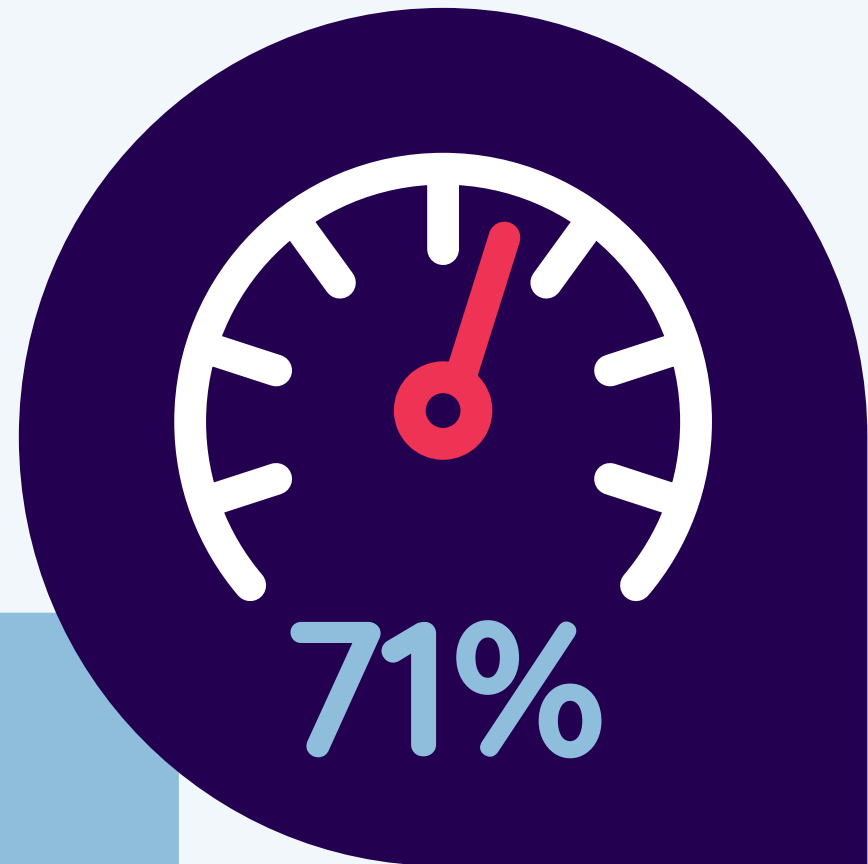
**72% of consumers want buy now pay later options for medical and dental procedures, with 36% wanting a payment plan option over \$1000.**



## Customers want payment options for higher price points for automotive purchases and repairs

With the majority of customers indicating the need for buy now pay later options across the category, businesses can leverage a higher price point purchase and sales conversion by offering payment options over \$1000.

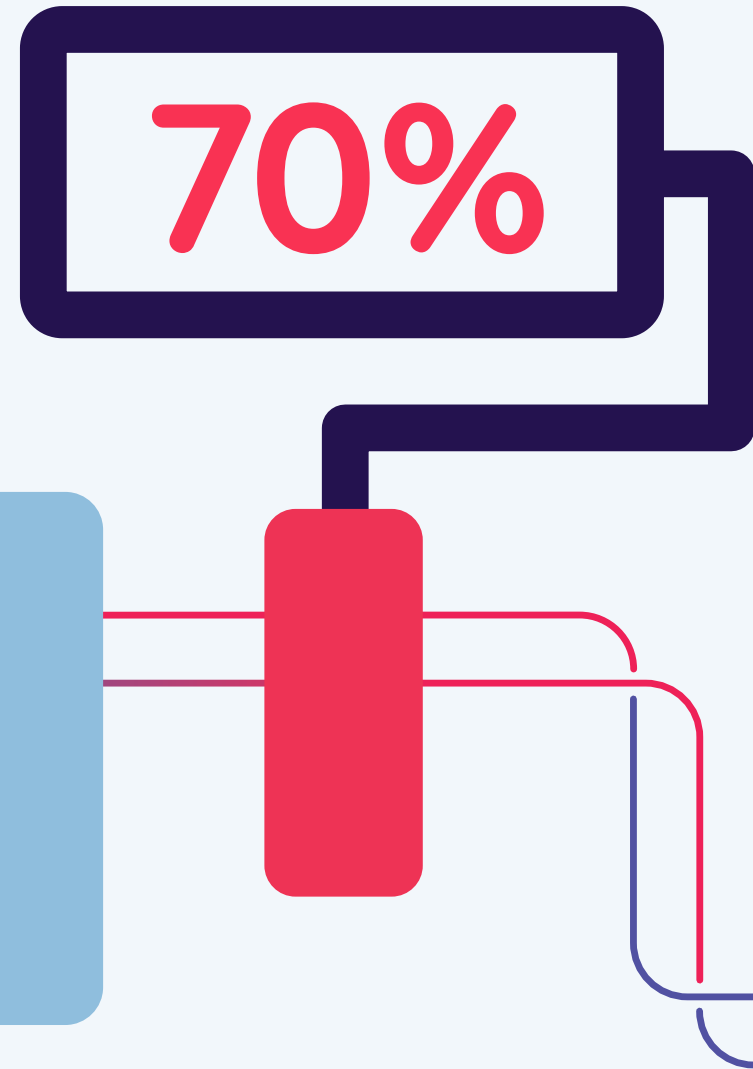
**71% of consumers want buy now pay later options for automotive and automotive services, with 42% wanting a payment plan option over \$1000.**



## Customers want payment options for higher price points from trade services

With the majority of customers indicating the need for buy now pay later options across the category, businesses can leverage a higher price point purchase and sales conversion by offering payment options over \$1000.

**70% of consumers want buy now pay later options for home improvement and trade services, with 39% wanting a payment plan option over \$1000.**



## Customers want payment options for higher price points for general entertainment

With the majority of customers indicating the need for buy now pay later options across the category, businesses can leverage a higher price point purchase and sales conversion by offering payment options over \$1000.

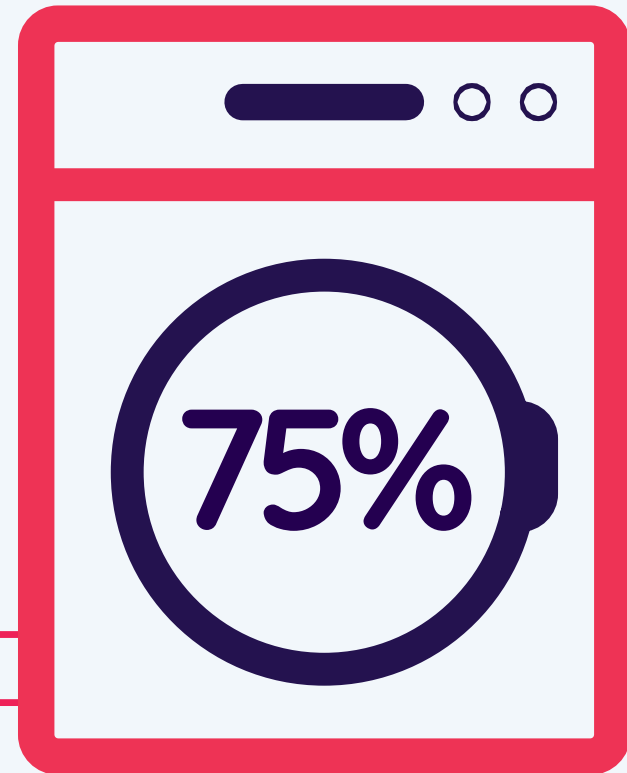
**70% of consumers want buy now pay later options for general entertainment, with 20% wanting a payment plan option over \$1000.**



## Customers want payment options for higher price points for white goods, homewares and furniture

With the majority of customers indicating the need for buy now pay later options across the category, businesses can leverage a higher price point purchase and sales conversion by offering payment options over \$1000.

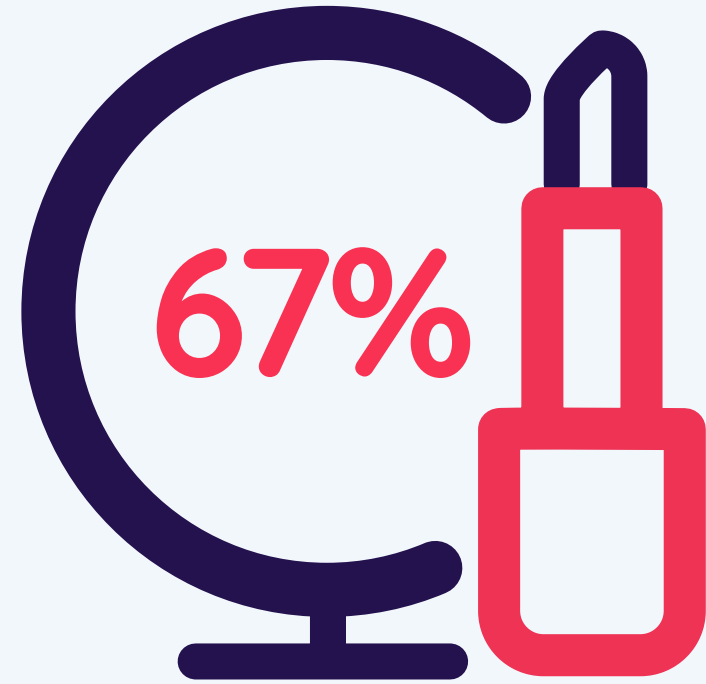
**75% of consumers want buy now pay later options for white goods, with 16% wanting a payment plan option over \$1000.**



## Customers want payment options for higher price points for beauty

With the majority of customers indicating the need for buy now pay later options across the category, businesses can leverage a higher price point purchase and sales conversion by offering payment options over \$1000.

**67% of consumers want buy now pay later payment options for their regular beauty treatments.**





Buy now pay later

Bite size payment plans up to \$10K

### How it works



#### Longer to Pay

Customers have up to 36 months to pay



#### Higher Value Plans

We cover purchases for goods and services up to \$10K



#### More Flexible Repayments

Customers choose fortnightly or monthly instalments

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