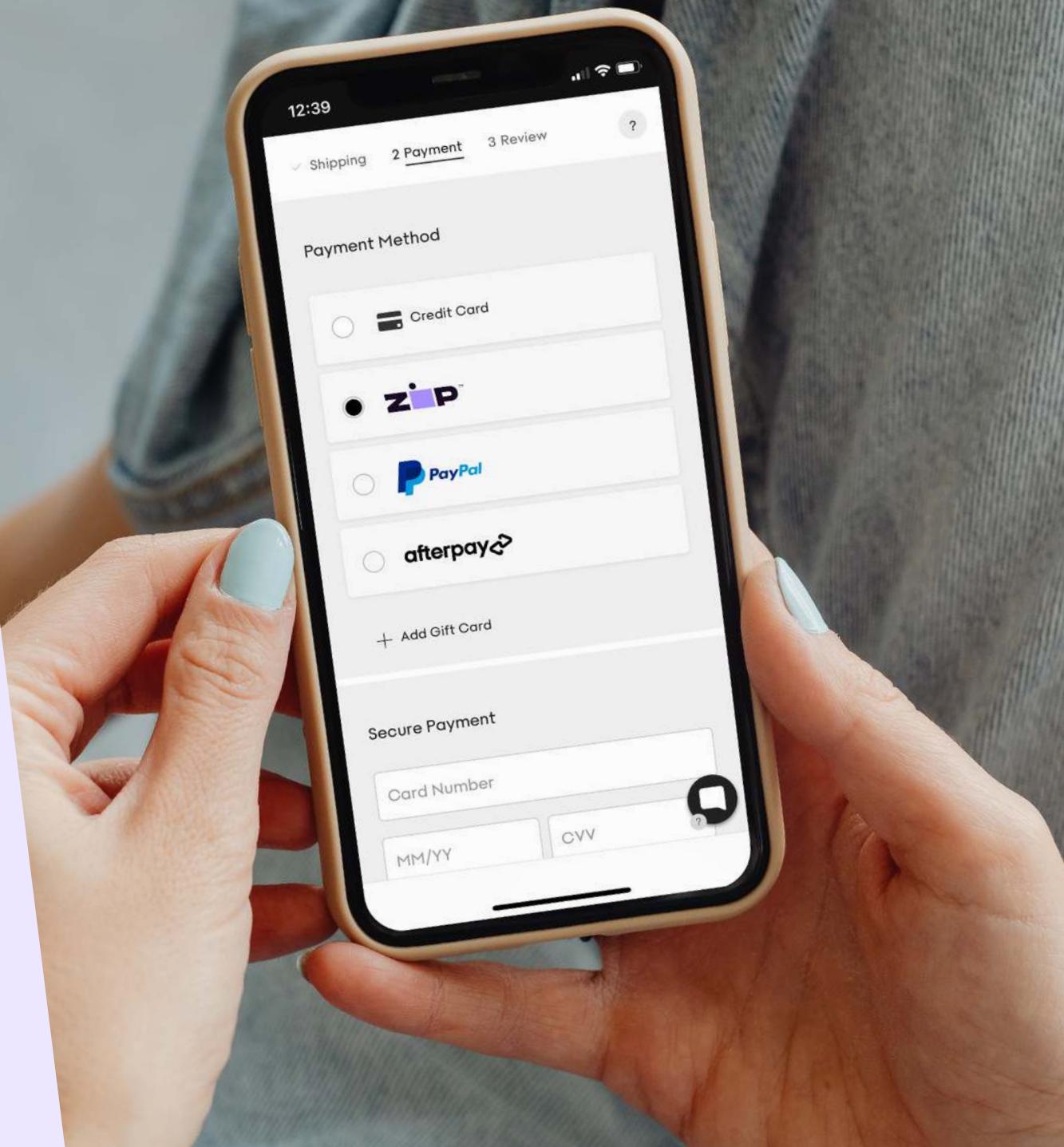




**WANT IT! NEED IT!  
GOT TO HAVE IT!**



Why Today's  
Buy Now, Pay Later  
Shoppers Crave Choice  
at the Checkout

EXPLORE INSIGHTS

# The Future Shopper is Here.

(And they're choosy)



**Buy Now, Pay Later (BNPL) shoppers are the future**, and they're selective. Especially when it comes to how they pay. Young and digitally savvy, these consumers know not all BNPL options are created equal and shop around.

Retailers have been offering a choice of credit cards, digital wallets and alternate payment methods for some time. Because it makes good business sense. Choice can also be a winning strategy for BNPL – accessing the spending power of this desirable, modern shopper.

More than one BNPL payment option – also called multi-apping – decreases cart abandonment, increases the reach and diversity of consumer segments, and builds loyalty, both online and in-store.

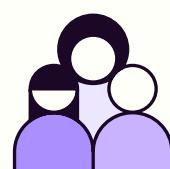
With global transactions expected to hit \$760 Billion (USD) by 2025, **BNPL is the fastest growing eCommerce payment method worldwide**. Retailers who cast their nets wider with BNPL, catch more (and often bigger spending) fish. Read on for Zip's don't-miss findings.



▼ DECREASE CART ABANDONMENT



▲ BUILD LOYALTY, BOTH ONLINE AND IN-STORE



▲ REACH UNIQUE, DIVERSE SEGMENTS

## ABOUT ZIP

As a global payments and consumer financing company, [Zip understands multi-apping behavior](#), and is here to support you.

**FAST AND FURIOUS TO 2025**

# Anticipated Global Growth of BNPL Shopping

Source: Kaleido Intelligence, Market Outlook 2021



**260%**  
**BNPL GROWTH**

# Explore Our Findings



## **GLOBAL TRENDS**

Aussies, Americans  
and Brits Lead the Way



## **FOR CONSUMERS**

Show us a World  
with Choice



## **FOR RETAILERS**

The Art of the Cart

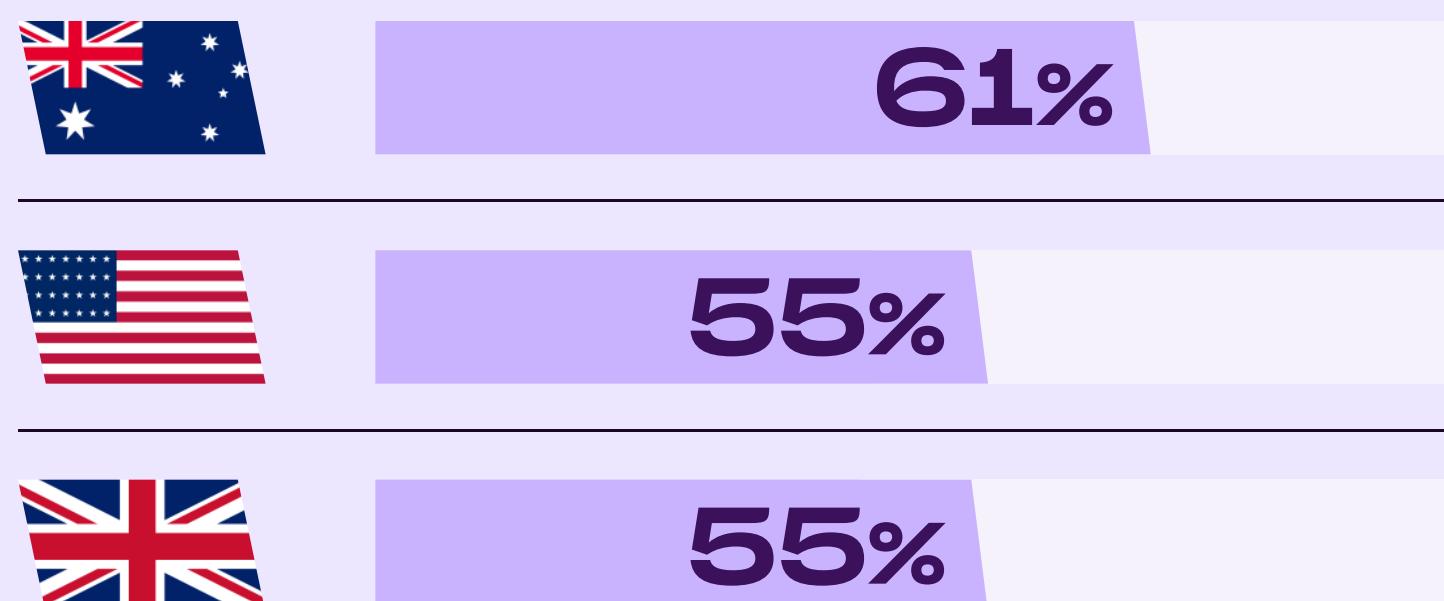
# Americans, Aussies & Brits Lead the Way

## Australia's Trust Issues are BNPL's Gain

Aussies lead the way with BNPL because **they simply don't like, or trust, credit cards**. Today, two out of three (63%) retailers in Oz offer more than one BNPL brand at checkout because they see a strong consumer desire.

Many find their adoption rates go up significantly during big event sales, like Boxing Day. And the US is following suit – seven in 10 (71%) American BNPL users are now considering opening another account.

### HOW MANY GLOBAL BNPL SHOPPERS MULTI-APP?\*



MORE INSIGHTS THIS WAY

# Give US Shoppers Credit (Or Maybe Something Better...)

Consumers get credit for getting smart about credit long ago. They realized having multiple credit cards was a way to score everything from travel rewards to better interest rates. BNPL shoppers get it too, connecting the dots that different solutions offer **different terms, APR and fees**.

The US currently lags behind more mature markets like Australia where nearly two-thirds (63%) of retailers offer multiple BNPL providers, but this won't last long. Expect the US to catch up to the land down under over the next 12 months.

But for the **17%** of US retailers already offering multi-app options at checkout, it's paying off: 43% say multi-apping has increased their total business sales, while 31% say it has increased Average Order Value (AOV).

**43%** US RETAILERS SAY MULTI-APPING HAS INCREASED THEIR TOTAL BUSINESS SALES



**31%** US RETAILERS SAY IT HAS INCREASED AVERAGE ORDER VALUE



# The Brits Don't Really Love the One They're With

In the UK, the number one reason 37% of people have accounts with multiple BNPL brands is because their preferred payment option isn't offered. But given a choice, they'll flex their consumer muscle.

Some (26%) use one brand for a small purchase, and another for a bigger one.

Others are romanced by incentives (23%) or better payment schedules (19%).

## WHY BRITS MULTI-APP

RETAILERS DON'T OFFER THEIR BRAND

**37%**

LARGE / SMALL PURCHASES SUIT DIFFERENT BRAND

**26%**

SIGN UP INCENTIVE

**23%**

BETTER REPAYMENT TERMS

**19%**

### DID YOU KNOW?

Nearly half of Zipsters around the world spend more, and shop more, with Zip. 41% of Australians and 47% of Americans shop more because of Zip. With Zip available at checkout, 44% of Aussies and Americans will make bigger purchases.

# Show Us a World with Choice

## Meet the Canadian Shopper with a Consumerist Mindset

Zip's Canadian shoppers are comfortable: they skew to diverse and digital millennials, and established multicultural families. Far from cash strapped, they are cash smart. Canada could attract 14 million of these shoppers by 2025.

The majority of the global Zipster community (71%) say it's important to have brand choice. Some (53%) will even actively avoid stores, or abandon their carts, when they don't see their favourite BNPL options. Less than half (49%) said they would only maybe still purchase from a store or website that did not have BNPL as a payment option.

**71%**

OF GLOBAL ZIPSTERS  
WANT TO CHOOSE FROM  
MULTIPLE BNPL BRANDS

KEEP ON EXPLORING

# Terms of Endearment

Modern consumers are showing that the terms matter, whether it's the number of payment periods, interest, APR, or spending thresholds. They know they may be assessed for a higher spend with one provider over another, and like the option to buy higher ticket items with the best terms.

Over 41% of Zipsters open accounts with multiple BNPL brands to get better interest rates or lower fees offered by different brands. Zip customers like that they're considered highly qualified shoppers and are rewarded with maximized spending limits.

**PAYMENT PERIODS**



**APR**

**LOWER FEES**

**INTEREST RATES**

**SPENDING THRESHOLDS**

# Loyalty Comes From Choice. Ironically.

While they're not loyal to one payment brand, these **shoppers will become return customers to retailers who listen**. Having many BNPL brands at the point of purchase is important to them, very important.

**Over 50% of consumers want to hear about BNPL offers and benefits from stores.** This trust is bankable. The more online checkout and prompts in-store at the point of sale, the bigger the opportunity, especially for brick and mortar stores.



## DID YOU KNOW?

Zipsters are digitally savvy, educated **young Canadians with high incomes and good credit**. They're ethnically diverse, status-driven and they love to shop.

# The Art of the Cart

## Attracting a New, Diverse Breed of Consumer

The BNPL shopper is like no other, and offers access to unique user groups that benefit the bottomline. **They're often shoppers who reject credit cards, and want the freedom to choose the way they pay.**

They're young, often Gen Z or Millennials, and they're aching to be heard. Consumer demand (55%) is the primary reason retailers offer BNPL options. Which pays off, because **the majority of shoppers (61%) say they'd consider signing up for BNPL at stores they already shop at.**

### WHY RETAILERS OFFER BNPL OPTIONS

CONSUMER DEMAND

**55%**

INCREASE TOTAL SALES

**42%**

CONSUMER SERVICE

**42%**

COMPETITORS OFFER IT

**39%**

BUT WAIT, THERE'S MORE!

# In-store Makes a Comeback

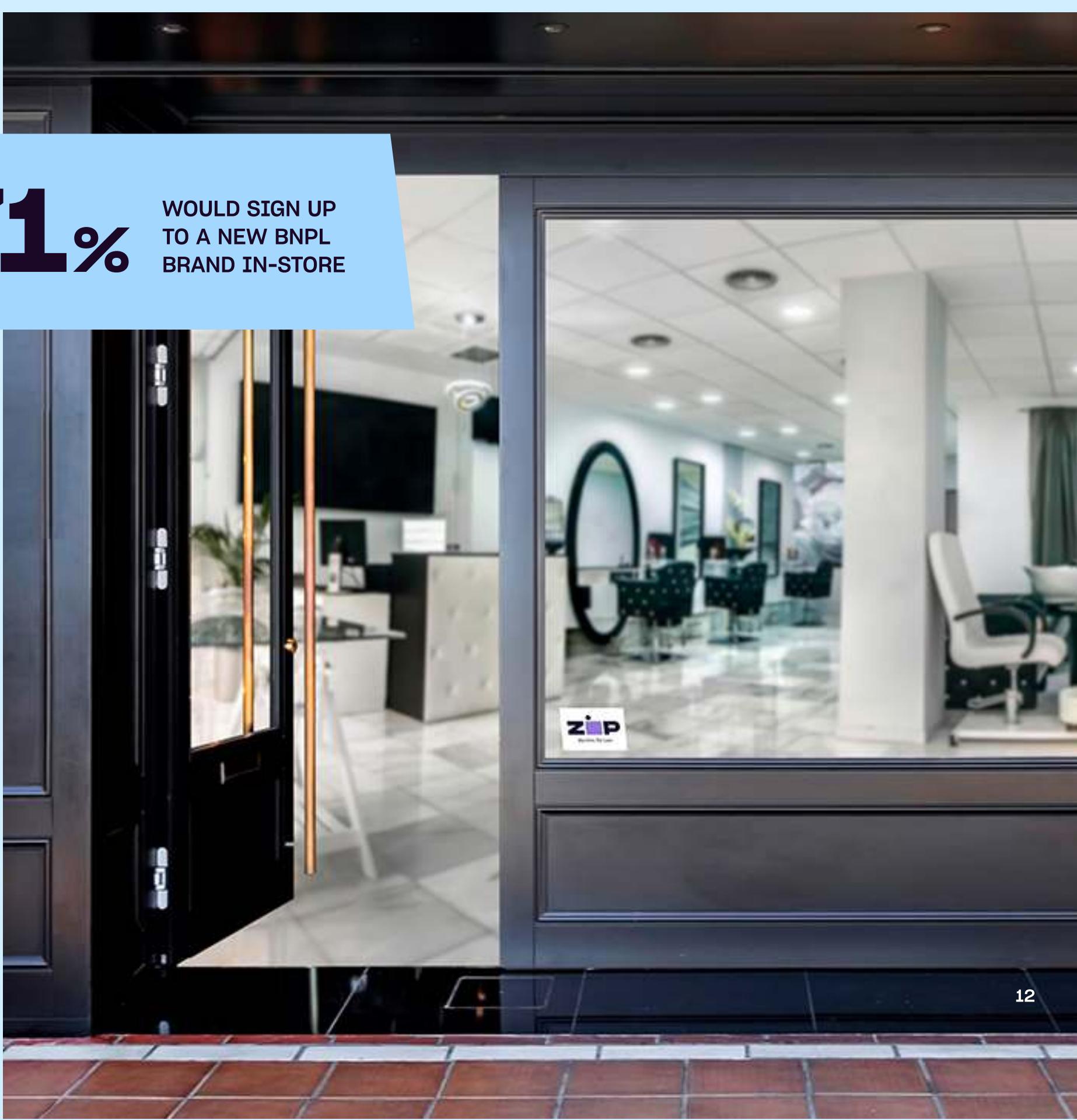
Think BNPL is a digital phenomenon? The surprising news is **71%** would consider signing up to a new BNPL brand in-store.

Once there, 25% would want to sign up exclusively in-store, while 46% would be happy to sign up either in-store or online.

A further 77% would want to use BNPL in-store exclusively, or along with online purchases.

**71%**

WOULD SIGN UP  
TO A NEW BNPL  
BRAND IN-STORE



# The (No Longer) Abandoned Cart

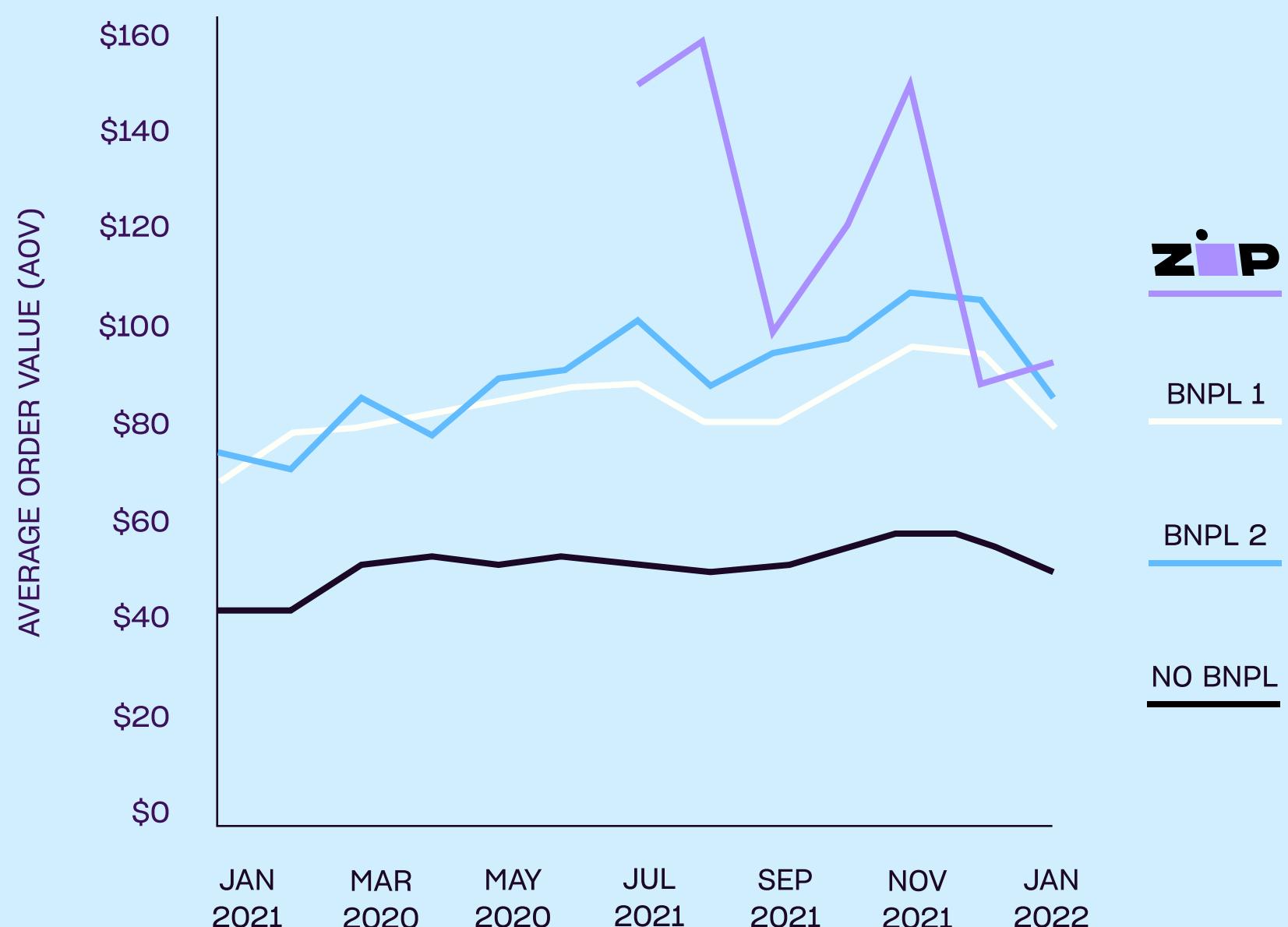
Add to Cart is music to any retailer's ear, but not always so easy. 91% of Canadian purchases were abandoned in just one quarter of 2021. So how do you change the record? We know when brands offer BNPL as a payment choice, they convert more shoppers.

Analysis from YipitData shows that adding more BNPLs increases conversions, meaning more revenue. Even better, they spend more.

Considering these shoppers are financially comfortable, with discretionary funds for luxury and non-essential goods, do you really want to miss out? (Hint: We don't think so!)

## REVENUE IMPACT WITH MULTIPLE BNPL PROVIDERS

Source: YipitData, February 2022 — [www.yipitdata.com](http://www.yipitdata.com)



## CASE STUDY

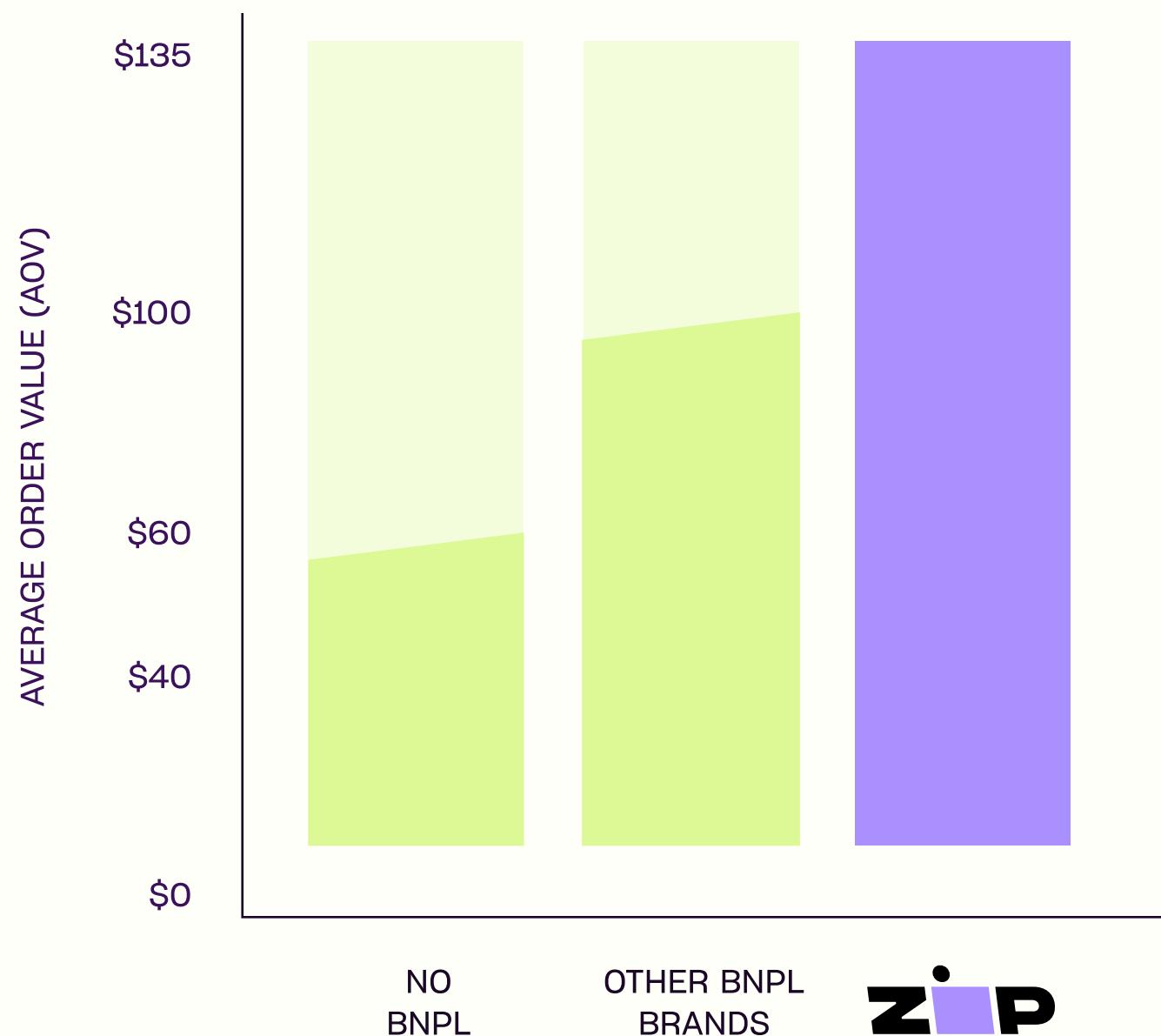
# When Zip Powers the Highest AOV

It's not bragging to say it, especially when there's data. **Zip shoppers spend more because they like getting the right terms, with the right spending limits, without racking up debt.** Something they're not getting with traditional payment methods, like credit cards, or with other BNPL providers.

At this favourite fashion retailer, Zipsters are not only fueling more orders, but **powering the highest order values** of any payment option.

### ZIPSTER FAVOURITE FASHION RETAILER AOV IN 2021

Source: YipitData, February 2022 — [www.yipitdata.com](http://www.yipitdata.com)



# Key Takeaways

BNPL is a fast-emerging consumer imperative with serious FOMO.

Multi-apping only makes the future brighter.

## GLOBAL TRENDS

**Overseas shopping behaviour is a real indicator of what's to come, here at home:**

Mature markets – like Australia – are leading BNPL. But watch the next 12 months.

The trend is most definitely global, and about to benefit any Canadian retailer who's ready to offer diverse BNPL options.

## FOR CONSUMERS

**Multi-apping can build loyalty, reduce abandoned carts and deter competitors:** Your customers are showing they want payment alternatives so they can shop for more, today! Make that happen and your customers will thank you, with bigger baskets and their valuable loyalty.

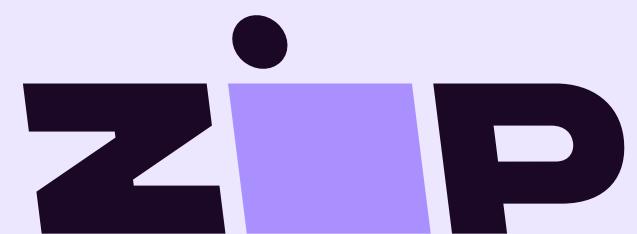
## FOR RETAILERS

**Online and in-store, retailers are the big winners with multiple BNPL apps:** Offer a cohesive, BNPL brand experience whether customers are in-store or online. See how each shopping channel helps the other, giving consumers the buying options they want, however they shop. And watch the sales increase!

**March  
2022**

**If you'd like to talk more  
about partnering with Zip,  
our team is happy to chat.**

[www.zip.co/en-ca/multi-app](http://www.zip.co/en-ca/multi-app)



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