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# Buy Now Pay Later

Understanding media & public perspectives on consumer trust, regulatory compliance and leading brands

# Buy Now, Pay Later:
# the future of e-commerce?

Over the past decade, Buy Now, Pay Later (BNPL) products have become established within public consciousness, retail business models, and audience behavior.

For many, they are a bright-coloured, ubiquitous payment option on e-commerce sites, particularly those aimed at younger audiences. Fintech as a fun, easily accessible user-facing product. Amidst pandemic-driven shifts in economic security, however, platforms have also emerged as a vital tool for purchasing necessities.

We see communities using BNPL solutions when shut out of other financing options. And yet, the more entrenched BNPL options become amongst various audiences – and the further the conversation shifts from fashion and lifestyle purchases to everyday essentials – the greater the degree of  scepticism and alarm.  It makes the clamour for further legislative action, and financial education, a more urgent one. And it creates a complex environment for PR, Comms or public affairs professionals to understand when they looked to take the temperature of the media and public conversation.

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# BNPL moves into media spotlight, while audiences grow more circumspect

Spending habits have significantly transformed since the pandemic. Changes in job security, interest rates, inflation, digital landscapes, legislation, and budgets have forced lifestyle adaptations.

This has had an intriguing impact on the predominance of BNPL platforms in public conversations.

Social and search mentions have diverged. Audiences appear more likely than ever to search for it, and less likely to talk openly about it. This could be a result of BNPL losing its novelty, or of harder economic conditions clamping down on casual pay-later behaviours.

But it might also signify a significant part of this conversation going 'underground' as the focus shifts towards less glamorous, aspirational elements – and more urgent needs.

"Buy Now, Pay Later" is such a funny branding for what is the tautological definition of a loan

Martin Lewis issues new warning to people thinking about paying for Christmas presents using Buy Now, Pay Later

Social

News

Search

Volume (normalized)

100

80

60

40

20

0

Jan '22   Apr '22   Jul '22   Oct '22   Jan '23   Apr '23   Jul '23   Oct '23   Jan '24   Apr '24

Mentions of buy now, pay later on X and online news, Jan 2022 – May 2024, set against Google Search interest over the same period. Source: Pulsar TRENDS and Google Trends.

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# How BNPL narrative differs: news media vs social platforms

The news media's coverage of the BNPL sector experiences significant fluctuations tied to specific events. Holidays and New Year's resolutions serve as triggers for discussions on consumer financial goals and habits.

Due to the infrequent occurrence of these calendar moments, the news media's focus on BNPL is by its nature streaky. Despite an overall dip in mentions, social media is still where many narratives about the BNPL sector are formulated.

Growing user awareness of negative impacts naturally leads to calls for government regulation. These cautionary stories often stem from discussions among social media users, who share experiences and concerns about BNPL during times of heightened spending.

Social
News

## Essentials Driving Debt

## Credit Card Alternative

## Gov Regulation Needed

Martin Lewis issues new warning to people thinking about paying for Christmas presents using Buy Now, Pay Later

## Negative Impact on Spending Habits

## Scams and Hidden Costs

the order was cancelled and the amount was refunded to the card used through Afterpay so I opened up another inquiry and once again they said it wasn't enough to give me my refund. They are insane. Paying 60 dollars for something I never received. I will never use them again. I feel completely scammed.

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# The media informing conversations around BNPL

Pulsar's integration with experts in misinformation NewsGuard, reveals numerous unreliable news sources linked to the BNPL topic. Narratives concerning the financial future of these platforms can be ambiguous and unverified, which we can see evidenced by the conversation taking place around embattled firm Akulaku.

When these narratives are entangled with extreme left or right-leaning publications, or are biased in favor of these companies, the risk of misinformation escalates. Inflammatory opinion pieces targeting politicians like Joe Biden and using the term "Bidenomics" appear on political outlets such as RedState and Zero Hedge.

These platforms often lack substantiation or neutrality, claiming that the reliance on BNPL platforms proves Biden's misleading statements about the U.S. economy. Zero Hedge frequently delves into conspiracy theories, while Tech Times tends to favor brands that pay for features.

## Credible



## Non-credible



The most engaged with media content in news channels by credibility in the BNPL conversation between Aug 1 2023 – Jun 30th, 2024  Source: Pulsar TRAC

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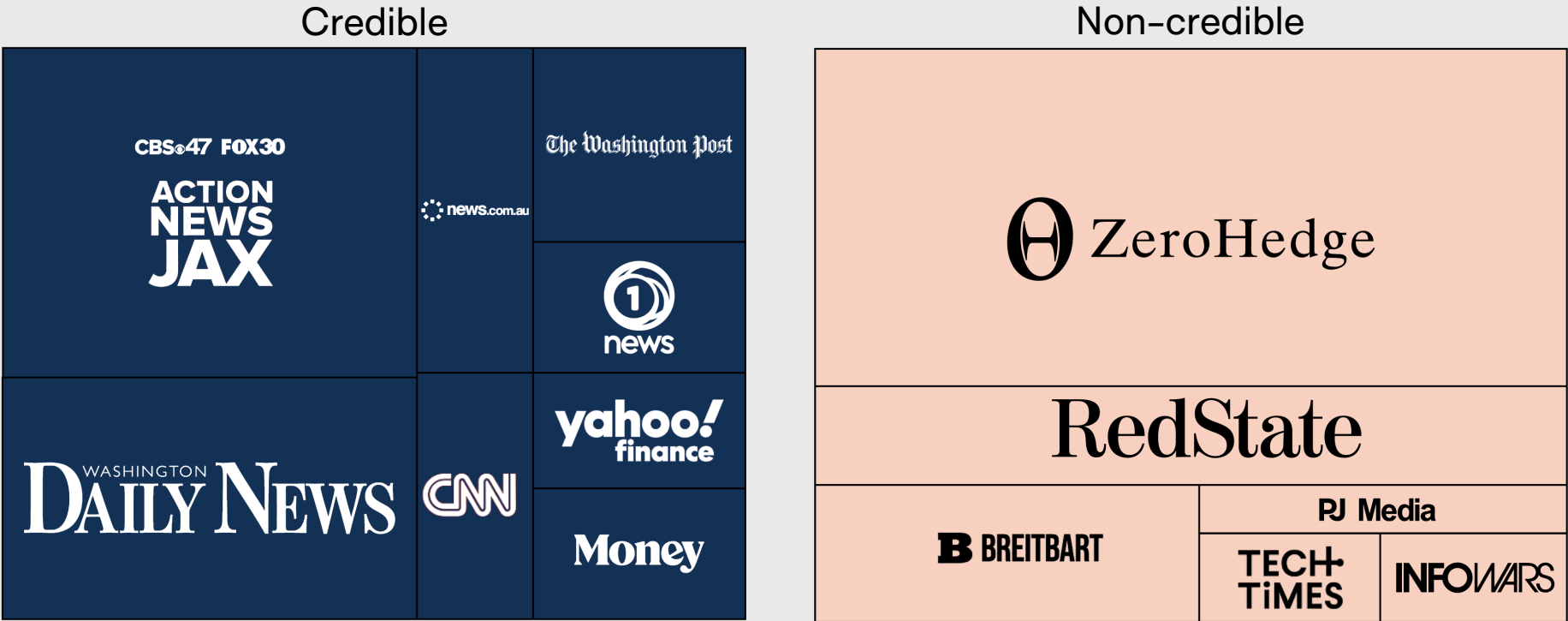
# The providers dominating discussion

In ANZ regions, BNPL ASX and NZX–listed companies have struggled. This raises concerns about their viability of the potential impact on consumers, merchants, and investors. Afterpay, meanwhile, is widely used but much criticized as "unhealthy," with consumers expressing concern about using the platform for essentials like petrol.

In the UK, Klarna leads media discussions, focusing on regulations and consumer transparency, as the BNPL sector itself calls for regulation comparable to the mainstream credit market. Younger demographics, on the other hand, broadly take to social media to jokingly talk about their addictions to using BNPL.

In the US, media focuses on innovations like Apple Pay Later, which recently exited the market after a brief stint. Afterpay's partnerships with other brands has also made it a major discussion leader, appealing to younger generations who find themselves having to explain BNPL methods to older generations.

When you're having a good time but then remember your Klarna debt

" Sorry its a problem atp #klarna

**Legend:** PayPal · Klarna · afterpay · Pay Later · sezzle · ZIP · affirm

**Chart (stacked bar, 0%–100%):**
- UK
- ANZ
- USA
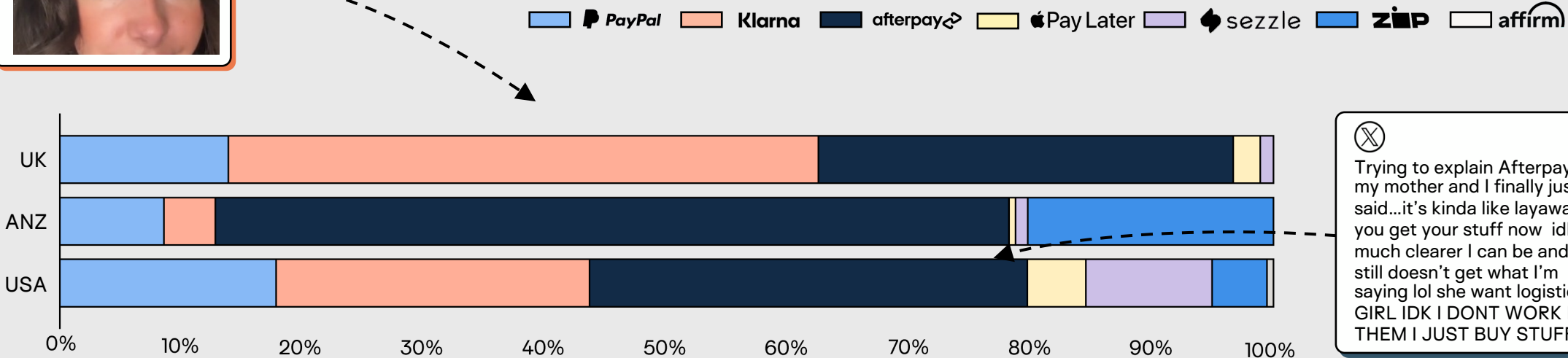
Trying to explain Afterpay to my mother and I finally just said...it's kinda like layaway but you get your stuff now  idk how much clearer I can be and she still doesn't get what I'm saying lol she want logistics GIRL IDK I DONT WORK FOR THEM I JUST BUY STUFF

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# Which brands are most associated with BNPL?

Media explore how easy access to BNPL and frictionless payments promotes unsustainable spending habits and exacerbates environmental strain. Brands like Amazon, already associated with sustainability and pronounced consumption, frequently appear in these debates.

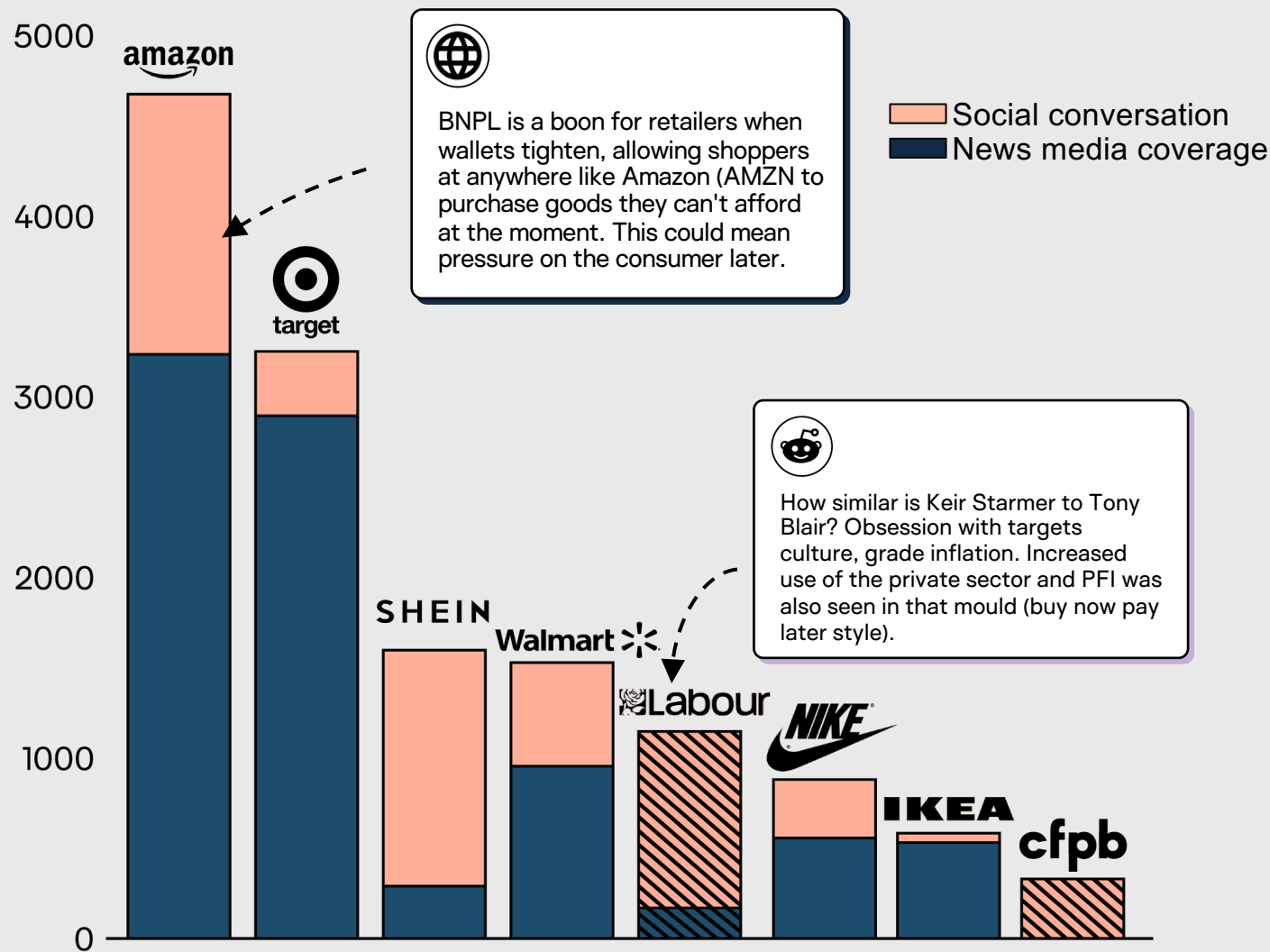BNPL usage from a Gen Z approach is a top media subject as their limited income requires them to shop within their means, with media citing brands like Shein. In contrast the attitude amongst younger people themselves, is largely one of ironic detachment, as they joke on social media about their BNPL habits.

The UK Labour party's involvement, distinct from retail brand discussions, highlights the sector's politicization. Debates on regulation, the presence of a BNPL provider at a Labour event, and past Labour PFI deals stir controversy. It highlights the asymmetrical spread of the conversation, as different nation's media and political bodies play outsized roles in driving a global conversation.

**Legend:**
- Social conversation
- News media coverage

**amazon**

🌐 BNPL is a boon for retailers when wallets tighten, allowing shoppers at anywhere like Amazon (AMZN to purchase goods they can't afford at the moment. This could mean pressure on the consumer later.

**target**

**SHEIN**

**Walmart**

**Labour**

How similar is Keir Starmer to Tony Blair? Obsession with targets culture, grade inflation. Increased use of the private sector and PFI was also seen in that mould (buy now pay later style).

**NIKE**

**IKEA**

**cfpb**

y-axis: 0, 1000, 2000, 3000, 4000, 5000

The leading brands in the BNPL topic as discussed across social:  Facebook, Instagram, Reddit, TikTok, X, Twitch, YouTube, Reviews, Tumblr, Forums vs News media: podcasts, radio, TV, Online news, blogs, , between Aug 1 2023  - June 12, 2024  Source: Pulsar TRAC
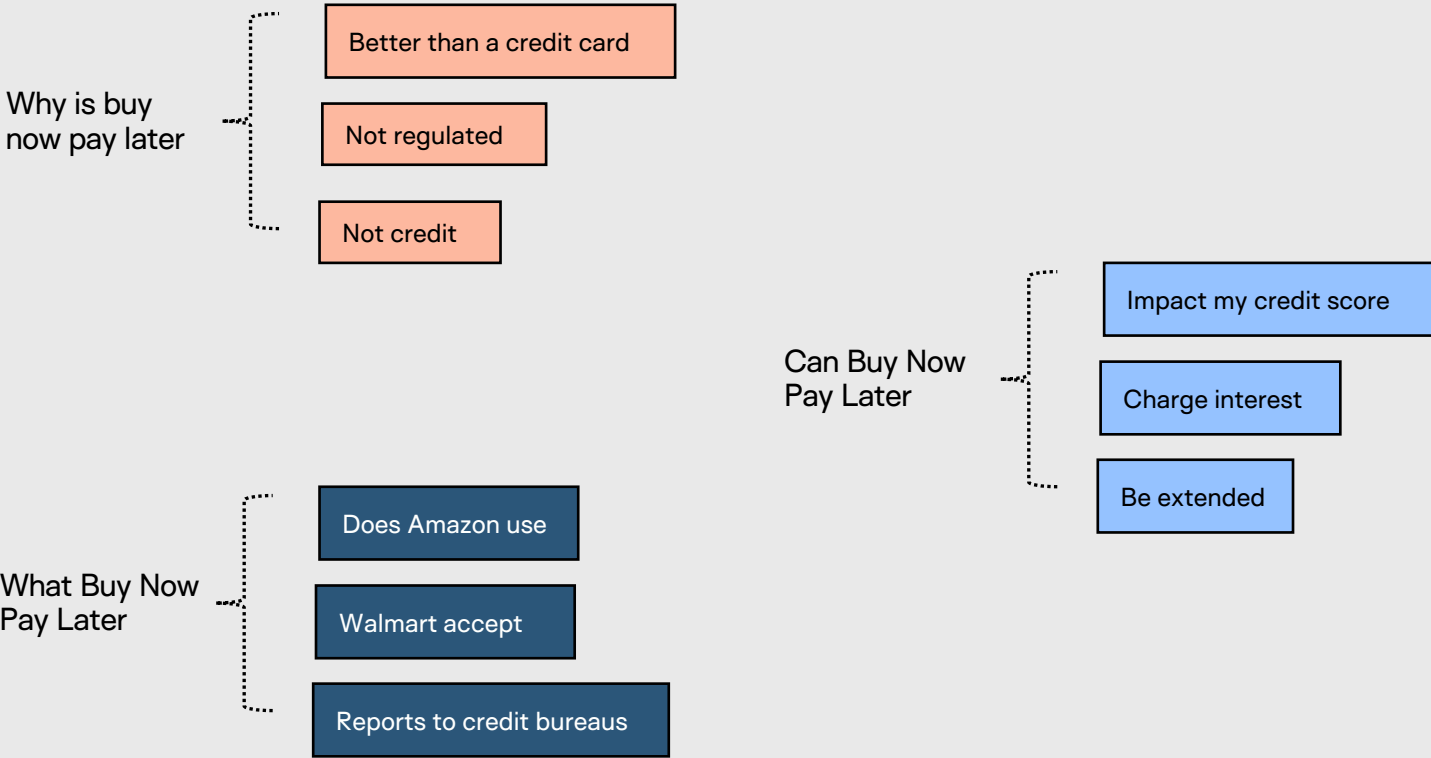
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# What do consumers ask about BNPL?

Top search queries on the use of BNPL reveal how people are looking to become more educated on regulations – from when they're going to be enforced to whether it impacts their financial profile. This is evident in queries such as 'Why is buy now pay later not regulated?' and 'Can buy now pay later impact my credit score?'.

Recently, BNPL platforms are being called to report to consumer credit reporting companies like Experian – this has helped accelerate the degree of audience interest in regulation.

We also see that the method has not yet entirely permeated the consumer journey, as audiences question whether top brands accept it as a payment option.

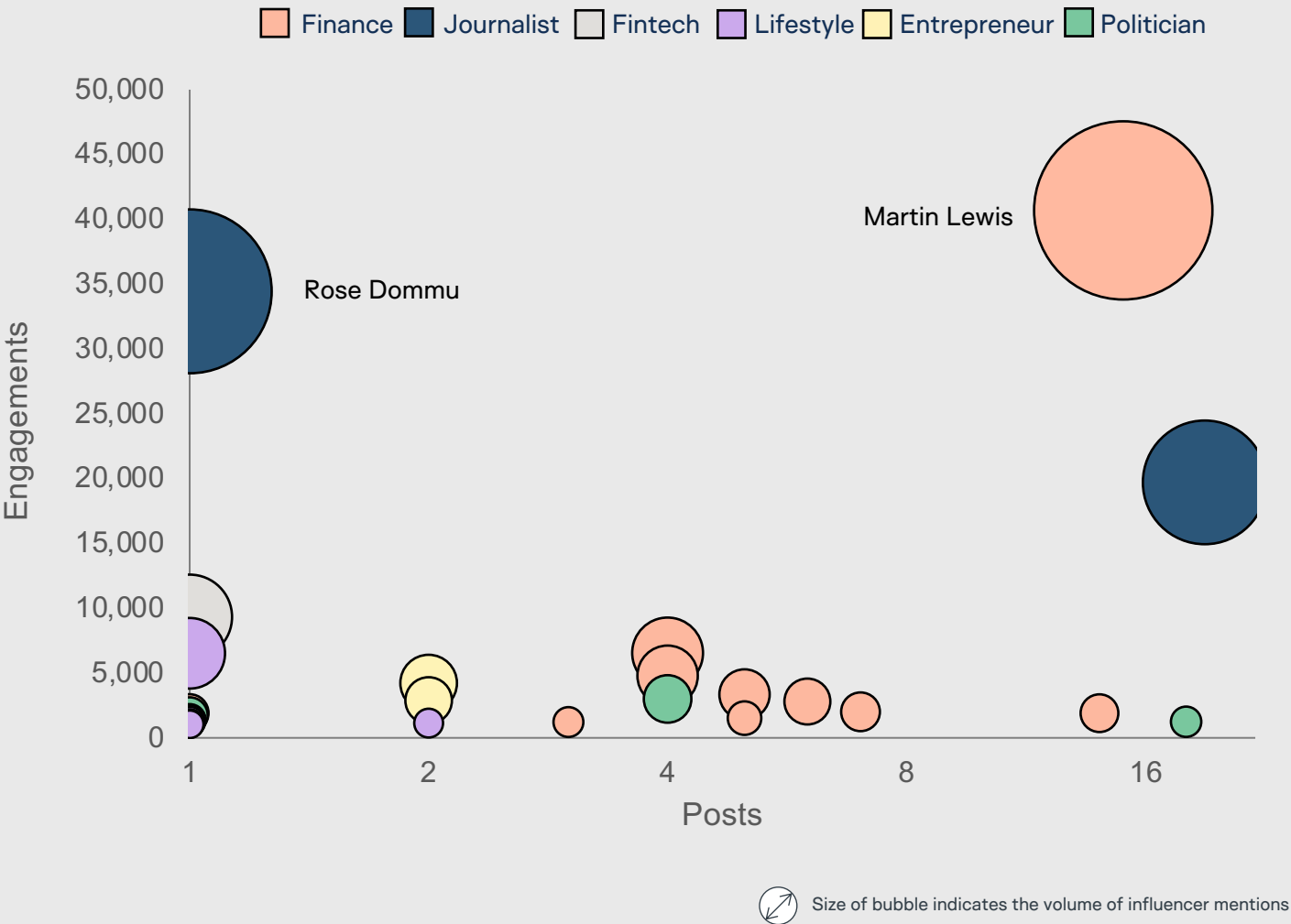Why is buy now pay later
- Better than a credit card
- Not regulated
- Not credit

Can Buy Now Pay Later
- Impact my credit score
- Charge interest
- Be extended

What Buy Now Pay Later
- Does Amazon use
- Walmart accept
- Reports to credit bureaus

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# Why are influential voices unevenly distributed on the BNPL topic?

Finance expert and political commentator Martin Lewis is a significant figure in the BNPL space. His critique of non–committal attitudes towards government regulation in the sector resonates with a wide audience.

Lewis stands along as the single most influential figure. Lifestyle influencers often create content mocking their reliance on BNPL, such as an influencer joking about using it for a McDonald's meal.

Politicians are also becoming prominent voices on the topic, with UK Labour party member Tulip Siddiq campaigning for stronger regulation across her platforms. Advocating for the rights of consumers, sellers, and the sector's future security can build loyalty among an audience grappling with financial challenges.



Legend: ☐ Finance ☐ Journalist ☐ Fintech ☐ Lifestyle ☐ Entrepreneur ☐ Politician

Labels on chart: Rose Dommu, Martin Lewis

Y-axis: Engagements (0 – 50,000)
X-axis: Posts (1, 2, 4, 8, 16)

Size of bubble indicates the volume of influencer mentions

Comparing the mentions and engagements of the top 26 influencers, by engagement, in the BNPL conversation, Aug 2023– Jun 2024.
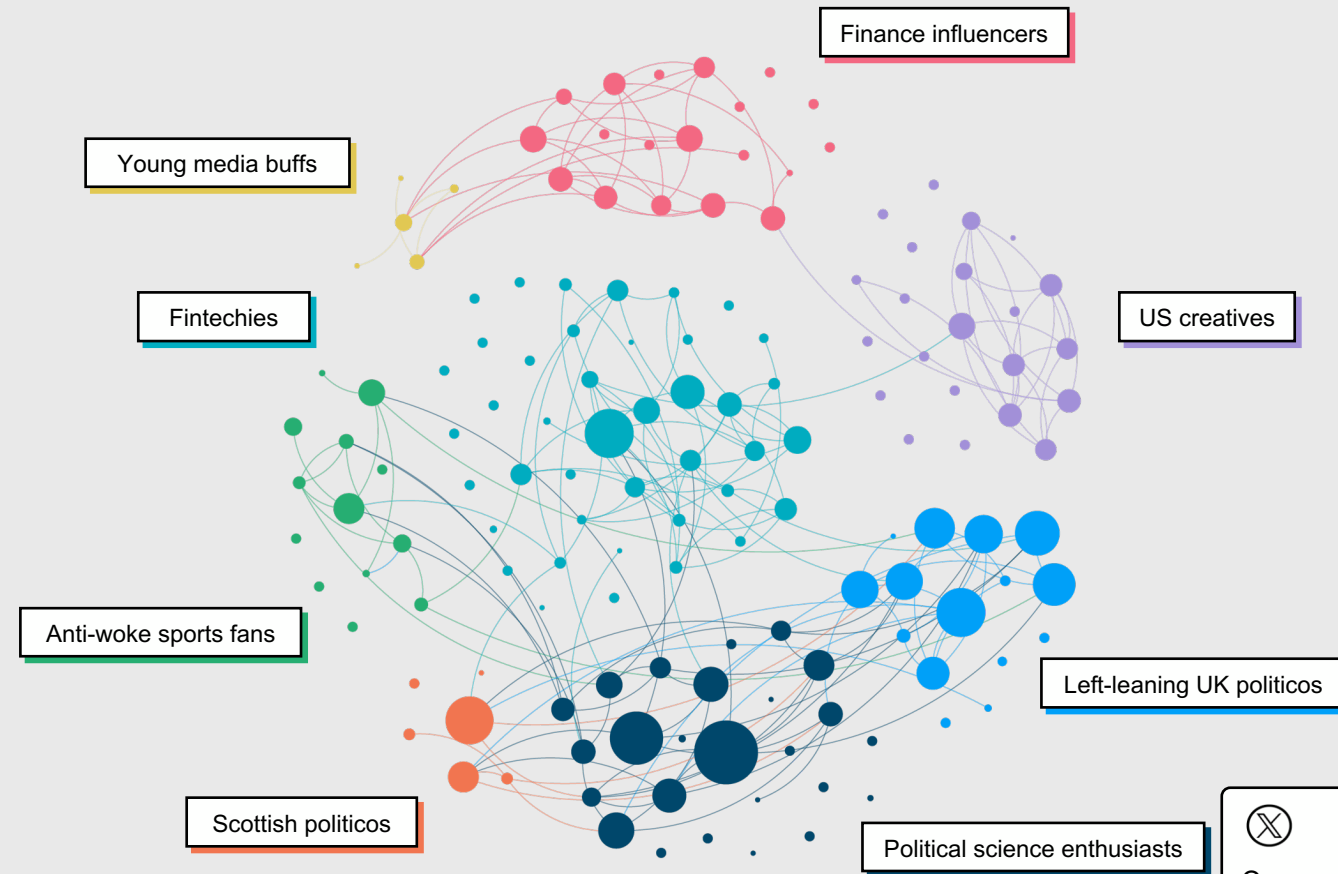Source: Pulsar TRAC.

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# The audiences driving discussion around BNPL

Here, we visualize the communities driving the global conversation around BNPL. The more points within a segment, the larger that particular segment is – the larger those points, the more interconnected it is within the wider conversation.

The first thing to note is that there several themes within these communities – Young Media Buffs and US Creatives, for instance, reflect the youthful consumers who use and amplify BNPL in line with its conception as a fun, convenient way of financing 'nice to haves'

Political and financial communities, on the other hand, are far more likely to talk about category in the abstract. Overall the sector's increasing scrutiny has elevated its significance among the politically engaged, sparking conversations about government intervention and regulatory oversight.

Finally, we see that Britain is disproportionately represented – this is due to the involvement of the Labour Party alongside prominent commentators such as personal finance journalist Martin Lewis.



Finance influencers

Young media buffs

Fintechies

US creatives

Anti-woke sports fans

Left-leaning UK politicos

Scottish politicos

Political science enthusiasts

One more way in which the #FinancialSector is out of control. With government refusing to regulate #BNPL
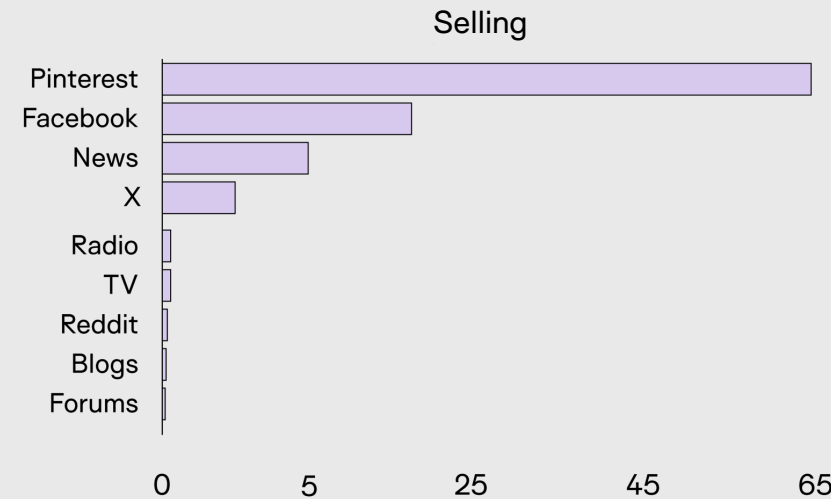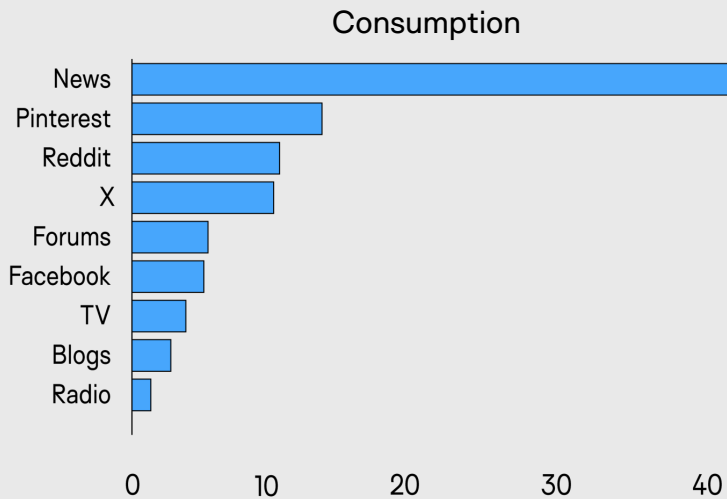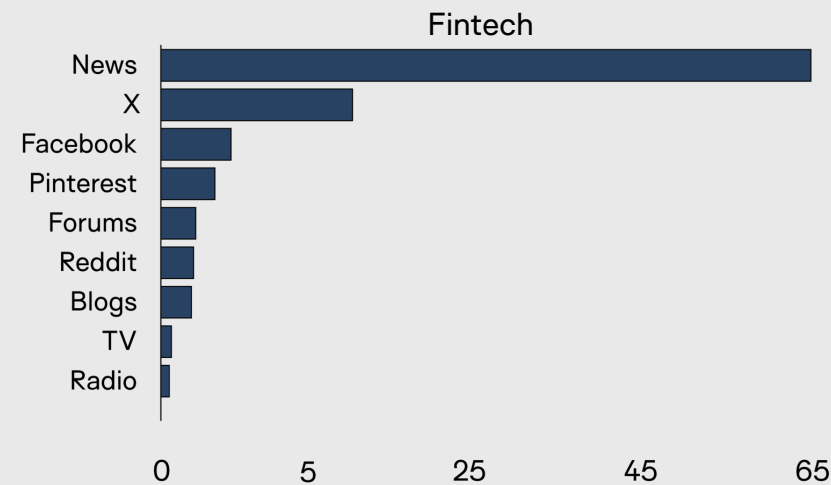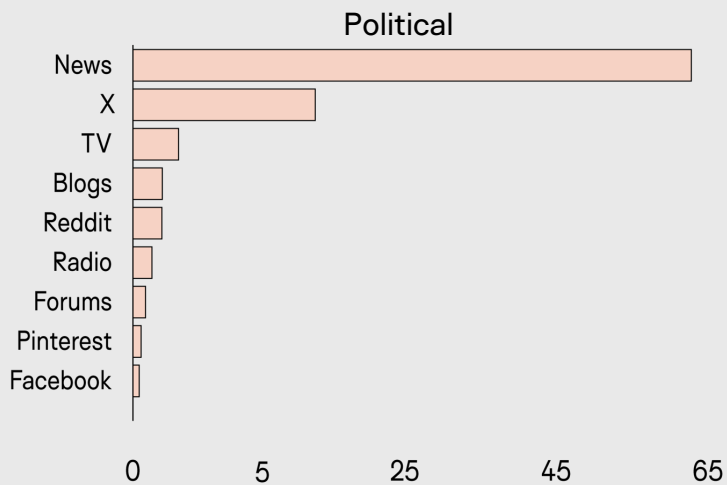
The overall audiences talking BNPL on X between Jan  – Dec  2023. Source: Pulsar TRAC

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# Where do different conversations play out?

Having established that these four macro-groups drive much of the conversation, we can identify the language each audience uses, and look to see where it occurs across different social platforms.

News emerges as the single most important platform for communicating information around the political, fintech, consumption and seller conversations. Elsewhere, X has a well-established role as a platform for political commentary and debate. Discussions on the platform primarily revolve around government involvement and sector changes as opposed to personal use.

Consumers often turn to Reddit, forums and other platforms to critique practices and consider financial impacts. Sellers, on the other hand, leverage Pinterest and Facebook for marketing and business communication.

## Political

| Platform | |
|---|---|
| News | |
| X | |
| TV | |
| Blogs | |
| Reddit | |
| Radio | |
| Forums | |
| Pinterest | |
| Facebook | |

Axis: 0, 5, 25, 45, 65

## Fintech

| Platform | |
|---|---|
| News | |
| X | |
| Facebook | |
| Pinterest | |
| Forums | |
| Reddit | |
| Blogs | |
| TV | |
| Radio | |

Axis: 0, 5, 25, 45, 65

## Consumption

| Platform | |
|---|---|
| News | |
| Pinterest | |
| Reddit | |
| X | |
| Forums | |
| Facebook | |
| TV | |
| Blogs | |
| Radio | |

Axis: 0, 10, 20, 30, 40

## Selling

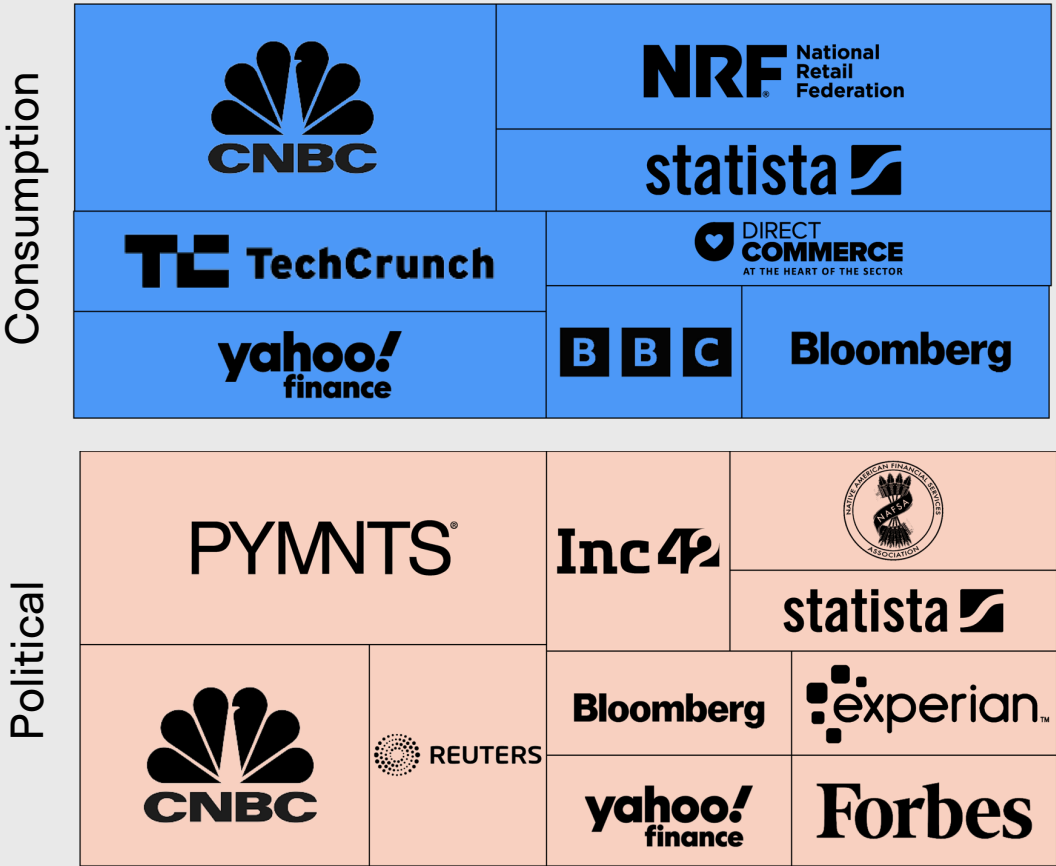| Platform | |
|---|---|
| Pinterest | |
| Facebook | |
| News | |
| X | |
| Radio | |
| TV | |
| Reddit | |
| Blogs | |
| Forums | |

Axis: 0, 5, 25, 45, 65

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# What media informs different conversations?

Outlets like PYMNTS lead political debates on regulations, inflation, and cost of living, while the Native American Financial Services Association highlights consumer concerns. These outlets serve as reputable sources on BNPL's influence on daily consumer life.

Fintech content, highlighted by PYMNTS and Inc4, addresses industry challenges like high-interest rates and start-up struggles. Selling discussions, typically aimed at small businesses, share guides on leveraging e-commerce techniques and BNPL to boost sales.

Consumption themes explore changing financial behaviors, with CNBC noting Gen Z's BNPL use, and the BBC highlighting how easy spending and returns impact retailers. Experts like the NRF and Statista contribute data to these discussions.



**Fintech:** Inc42, PYMNTS, Medium, CNBC, Finovate, statista, TechCrunch, REUTERS, yahoo! finance, Bloomberg

**Selling:** PYMNTS, Medium, DIGITAL COMMERCE 360, affirm, CNBC, statista, REUTERS, TechCrunch

**Consumption:** CNBC, NRF National Retail Federation, statista, TechCrunch, DIRECT COMMERCE AT THE HEART OF THE SECTOR, yahoo! finance, BBC, Bloomberg

**Political:** PYMNTS, Inc42, NAFSA, statista, CNBC, REUTERS, Bloomberg, experian, yahoo! finance, Forbes

The most shared media sites in news content across the macro themes between Aug 1 2023 – Jun 30 2024  Source: Pulsar TRAC
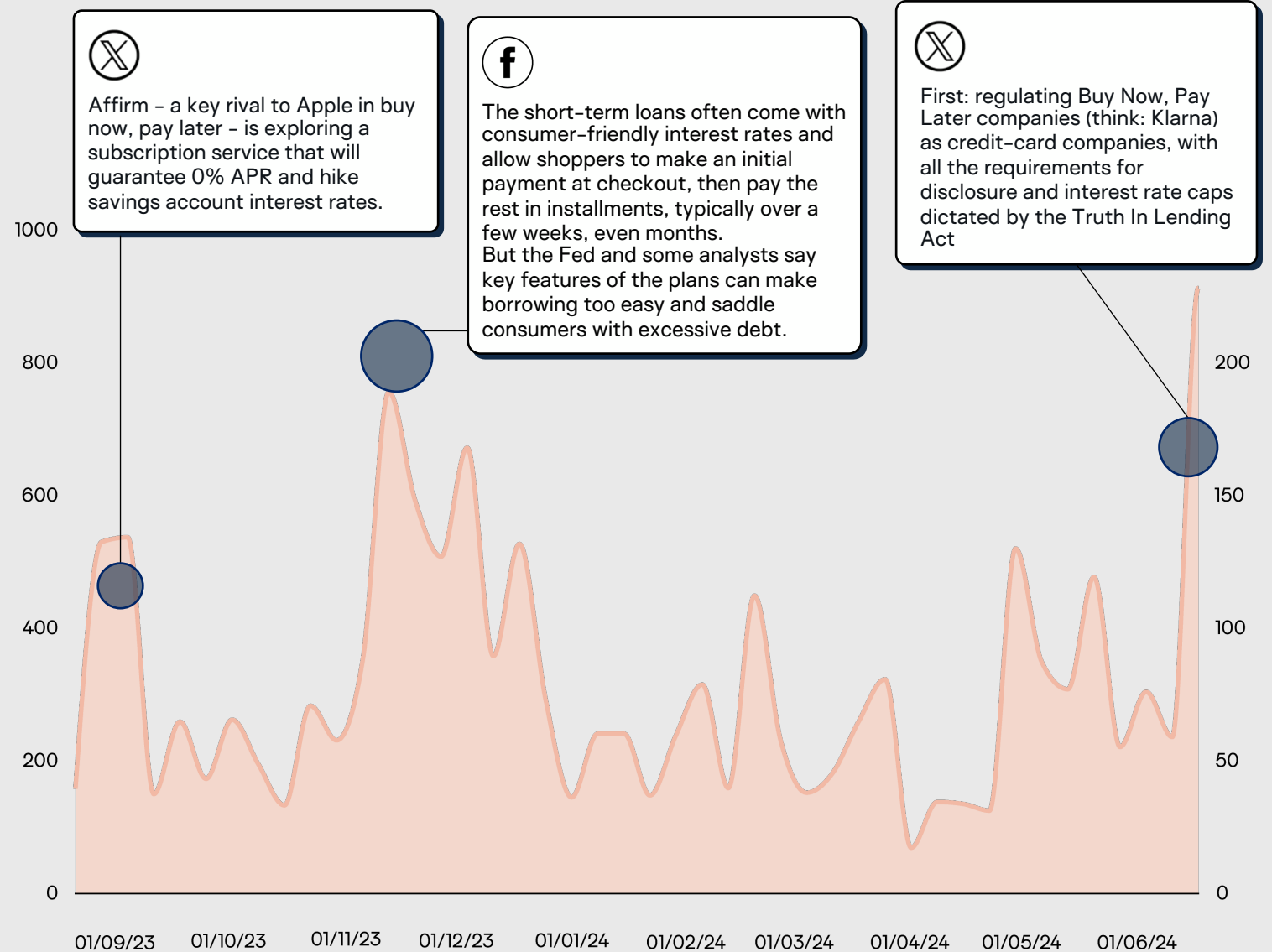
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# Interest rates: an existential threat to BNPL?

High interest rates pose significant challenges to the BNPL business model, known for offering low or no interest loans. This environment forces BNPL companies to absorb higher costs or shift towards traditional loan models with higher interest rates and stricter terms, contradicting their low-hassle image.

Finance publications are increasingly highlighting these challenges, discussing the impact on profitability and sustainability. Analysts suggest that BNPL companies may need to innovate or diversify to stay competitive.

However, this conversation hasn't gained significant traction on social media, indicating a lag in public awareness. Posts with higher engagement often focus on news updates about BNPL, particularly regarding the need for similar oversight as credit cards to protect consumers from excessive debt. This gap in understanding could lead to backlash if consumers face higher costs or more complex terms.

Affirm – a key rival to Apple in buy now, pay later – is exploring a subscription service that will guarantee 0% APR and hike savings account interest rates.

The short-term loans often come with consumer-friendly interest rates and allow shoppers to make an initial payment at checkout, then pay the rest in installments, typically over a few weeks, even months.
But the Fed and some analysts say key features of the plans can make borrowing too easy and saddle consumers with excessive debt.

First: regulating Buy Now, Pay Later companies (think: Klarna) as credit-card companies, with all the requirements for disclosure and interest rate caps dictated by the Truth In Lending Act



Mentions of interest rates in relation to BNPL across online news (left Y axis) with social engagements across TikTok, X, Reddit, YouTube, Reviews, Forums, Tumblr, Instagram, Facebook, VK, Twitch, TrustPilot (right Y axis) between Aug 1 2023 - Jun 30 2024  Source: Pulsar TRAC

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## About Pulsar

Pulsar is the world's leading audience intelligence platform—harnessing rich data sets, AI and human minds – so our clients can access nuanced and actionable insights that get straight to what matters most to their customers, their businesses and to society.

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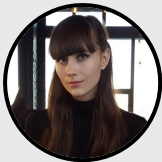

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