

Afterpay and Sezzle look to healthcare payments for BNPL greenfield

Article

The news: Two major buy now, pay later (BNPL) providers signed healthcare-related deals.

- Block-owned **Afterpay** partnered with online eyewear retailer **EyeBuyDirect** to let customers purchase prescription eyewear in four biweekly, interest-free installments, per a press release.

- **Sezzle** is letting **WellNow Urgent Care** customers pay their medical bills in four interest-free installments, per a press release. Customers can pay with Sezzle at more than 100 WellNow locations across five states, including New York. They can also use Sezzle to pay for services through WellNow’s virtual care platform.

Trendspotting: Healthcare could become a hot area for BNPL providers as consumers seek out flexible payments for high-value expenses.

Forty-three percent of US adults said they want to use BNPL for high-value purchases, per a PYMNTS and AWS survey. And of those who are “very” or “extremely” interested in BNPL for high-value purchases, 21.8% said they’d want to use it for medicine and prescription payments.

As consumers become increasingly concerned about health-related **costs**, Afterpay and Sezzle could provide a viable solution for certain expenses. Both providers already work with **medical supply** retailers and some **cosmetic dentist** offices, but they aren’t the only ones that recognize the opportunity: Healthcare fintech **PayZen offers** “Care Now, Pay Later,” which lets healthcare providers offer patients more affordable payment options.

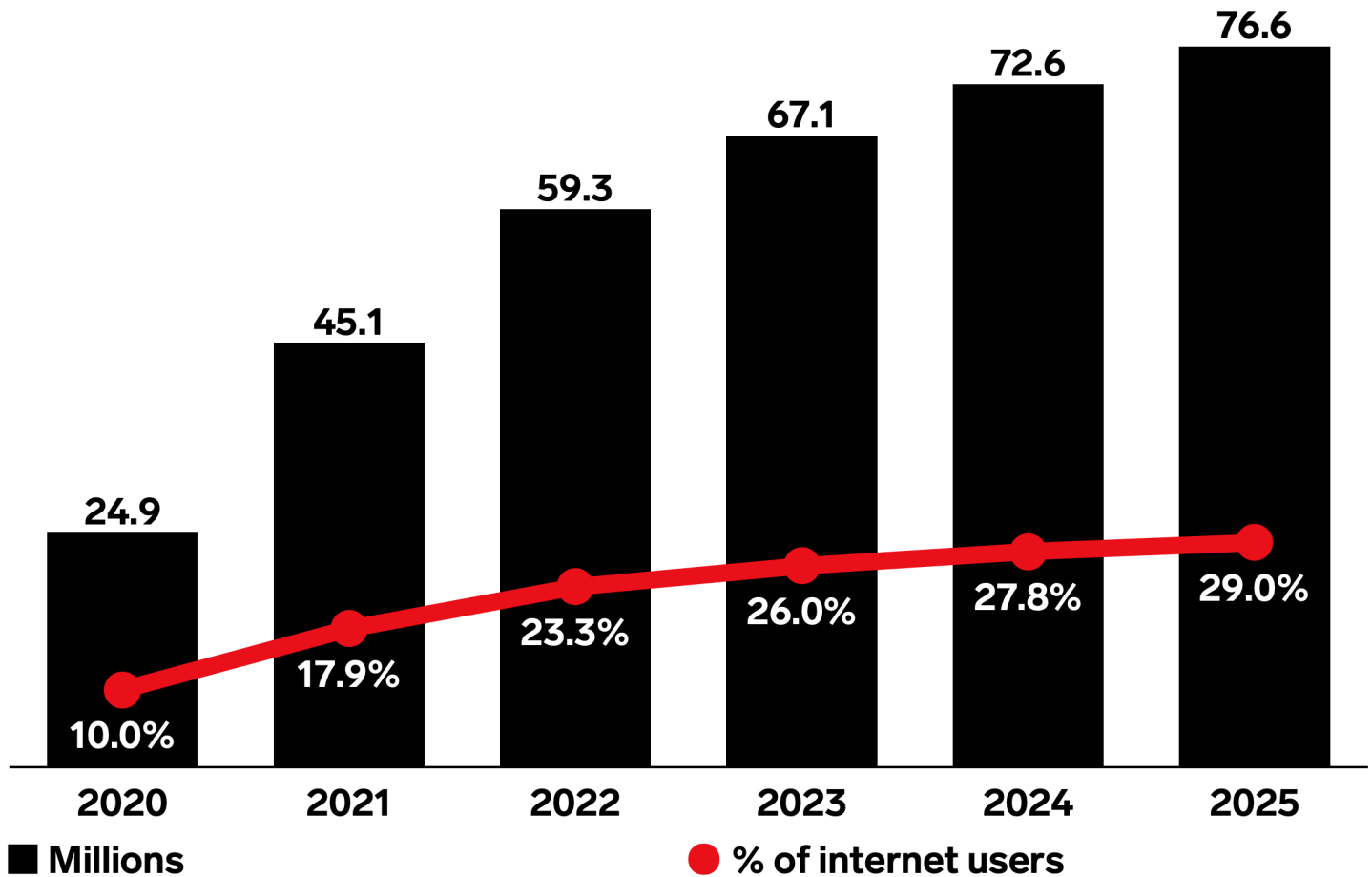
The opportunity: Afterpay and Sezzle can use their latest tie-ups to diversify and reach a wider customer base before the BNPL space becomes overcrowded.

- A flood of startups, banks, and major payments providers are trying to stake out their claim to the BNPL market—making it harder for players like Afterpay and Stezzle to stand out in mainstay retail categories like clothing, beauty, and electronics. That’s pushed providers to branch out into segments like travel to attract a broader array of consumers.
- **The number of US BNPL users is expected to hit 59.3 million this year**, **per** Insider Intelligence forecasts. Healthcare could offer a large potential consumer base to fuel that growth. Afterpay and Sezzle might also see higher revenue potential since healthcare-related costs tend to be more expensive than general retail.

Related content: Check out the BNPL section of our [“Payment Methods and Funding Mechanisms”](#) report to learn more about why BNPL incumbents are moving into niche sectors.

Buy Now, Pay Later Service Users

US, 2020–2025



Note: Ages 14+; internet users who have accessed a buy now, pay later account digitally and have made a payment toward a purchase at least once in the past year; includes purchases of goods and services. Buy now, pay later (BNPL) services are defined as interest-free solutions provided by third-party payment platforms that allow consumers to purchase and finance a product or service, and pay in scheduled installments; also known as digital installments, installment lending, and point-of-sale financing. Users are typically allowed to pay off balances in weekly, bi-weekly, or monthly installments. Failing to adhere to a predetermined payment plan will usually lead to late fees and interest charges. Consumers access these solutions at the point-of-sale (online or in-person), usually via a merchant's website or app, via the third-party provider's app or via proximity mobile payment apps like Google Pay and Apple Pay. Examples include Affirm, Afterpay, Klarna, Sezzle, and PayPal's BNPL service. Excludes services that provide a revolving line of credit, and retailer- and bank-branded financing options.

Source: eMarketer, May 2021

Methodology: Estimates are based on the analysis of survey and traffic data from research firms, historical consumer adoption and buying trends, payment adoption trends, reported company data, interviews, demographic and socioeconomic factors, and macro-economic conditions.

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