

Highlighting installments before checkout could boost merchants' holiday sales

Article

By the numbers: Merchants could get a spending boost by offering **buy now, pay later (BNPL)** options before customers get to the checkout page.

- More than one-quarter (27.1%) of consumers said they would purchase higher-priced items or services if offered a BNPL or card-linked installment option before deciding what to buy, per a PYMNTS Intelligence and Splitit survey.
- Another 26.9% said they would purchase more items.
- And 26.7% said they'd be willing to pay full price for an item or not wait for a sale.

Why this matters: BNPL use is expected to be a major part of holiday spending this year. Advertising BNPL payment options ahead of the checkout page could lead to even more conversions and higher payment volume for both the merchant and the BNPL provider.

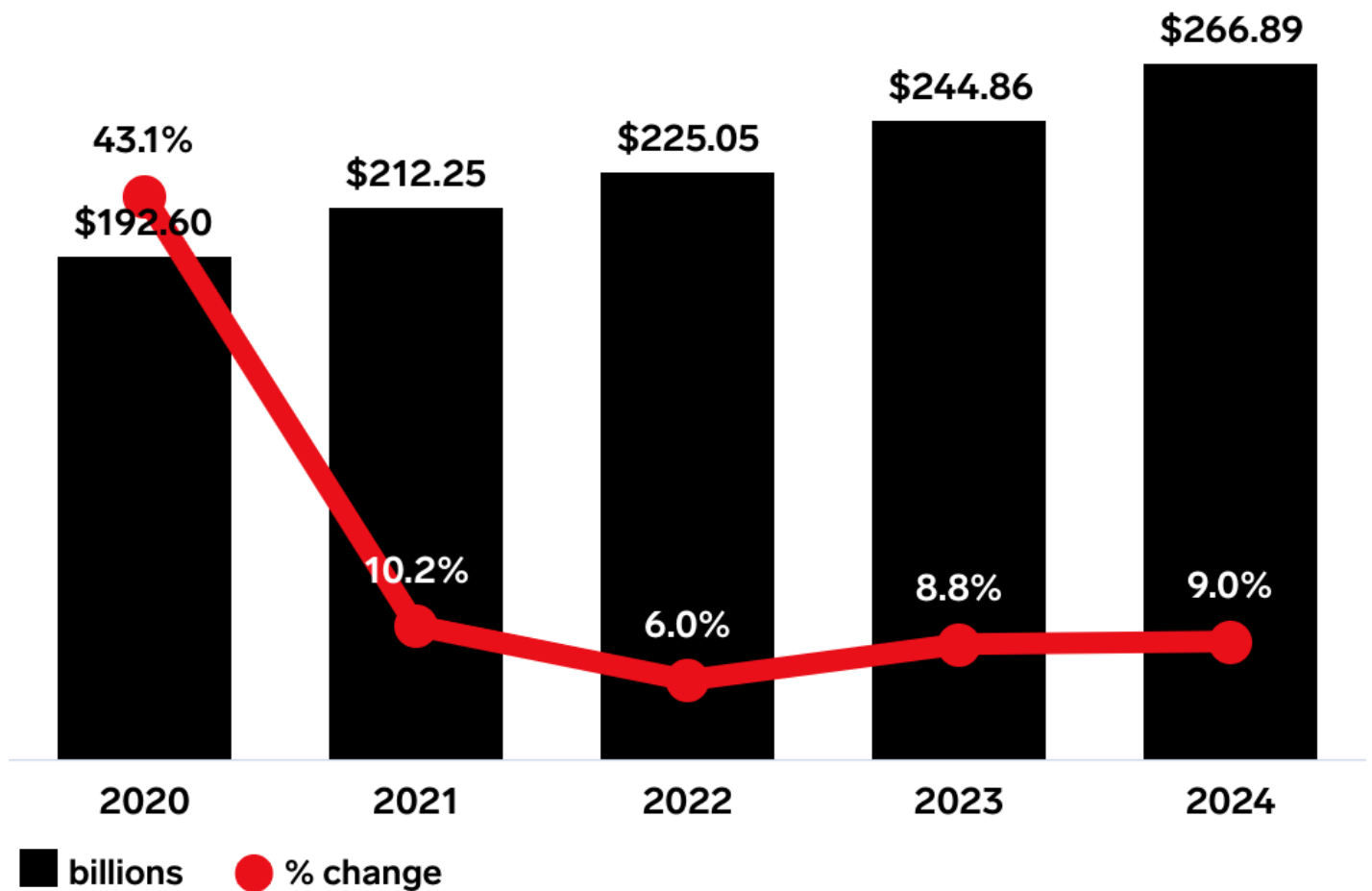
- US consumers are expected to make **\$18.5 billion in online holiday purchases using third-party BNPL services** this year, per Adobe Analytics, an increase of 11.4% YoY from last year.
- We forecast **total holiday retail ecommerce sales** will reach **\$266.89 billion**, up 9% YoY in 2024.

Our take: Getting holiday shopping done right is crucial for retailers.

Holiday ecommerce sales will make up 22.3% of total retail ecommerce sales for the year, per our forecasts. Pushing BNPL during this time period can therefore have a big impact on their year-end totals.

Holiday Retail Ecommerce Sales

US, 2020-2024



Note: sales are for Nov and Dec of each year; excludes travel and event tickets, payments such as bill pay, taxes, or money transfers, food services and drinking place sales, gambling and other vice goods sales; includes products or services ordered using the internet, regardless of the method of payment or fulfillment

Source: EMARKETER Forecast, July 2024

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