

Apple Pay Later 'launching soon' to shakeup BNPL industry

Article

The news: Apple Pay Later will be “launching soon,” according to CEO Tim Cook, who told CNBC that Apple employees are beta testing the buy now, pay later (BNPL) feature.

Wait is nearly over: Apple [introduced Apple Pay Later in June](#). It lets users split Apple Pay purchases into four interest-free installments spread over six weeks.

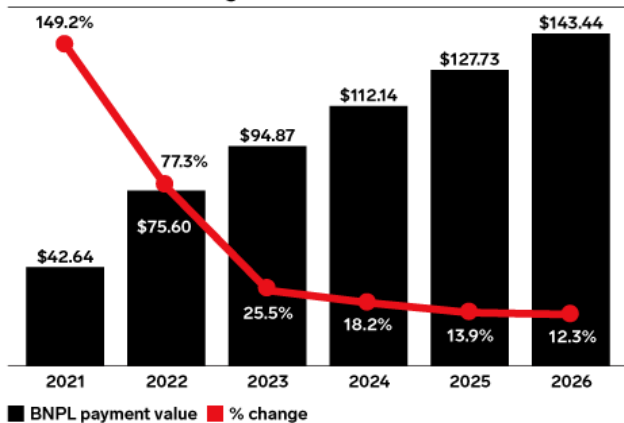
But after Apple [delayed the offering's anticipated September 2022 rollout](#), it didn't give a new launch date. Technical difficulties and impending BNPL regulation may have scuttled the launch.

The market picture: Apple can capitalize on the US BNPL market, where growth is set to surge.

- By 2026, **39% of US internet users will use a BNPL solution**, up from 31% last year, per [Insider Intelligence forecasts](#).
- We expect **overall BNPL payment value** will **grow by almost 90%** between 2022 and 2026—per our forecasts—driven by increased adoption and spend per user.
- But this will be only a fraction of the [credit and debit card industry](#), which means there are longer-term opportunities for BNPL providers to grow their share of payment volume.

US Buy Now, Pay Later (BNPL) Payment Value, 2021-2026

billions and % change



includes products or services ordered using the internet, paid with a BNPL service platform; excludes payments (such as bill pay, taxes, or money transfers), gambling, and other vice goods sales

Source: Insider Intelligence, June 2022

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Will Apple Pay Later succeed? The delayed launch likely won't hurt the Big Tech firm's strong chances of BNPL growth.

- Apple Pay is accepted in **more than 1 million retail stores** across the US.
- And [Apple Pay's user base](#) is expected to grow 7.3% year over year (YoY) in 2023 to hit **48.7 million customers**, per Insider Intelligence forecasts.

That reach will help Apple Pay Later. But Apple will have to compete in a crowded market that includes fintechs, banks, and payments heavyweights like **Mastercard** and **Visa**. And they'll all have to operate within a US regulatory landscape that's [poised for an upheaval](#) later this year.

Deeper dive: Check out our [US Buy Now, Pay Later Forecast 2022 report](#) to see how BNPL growth will defy an uncertain economic outlook.

*This article originally appeared in **Insider Intelligence's Payments Innovation Briefing**—a daily recap of top stories reshaping the payments industry. Subscribe to have more hard-hitting takeaways delivered to your inbox daily.*

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