

Ingenico and Splitit tackle checkout friction to get at in-store BNPL's untapped potential

Article

The news: Ingenico and Splitit partnered to develop an in-store buy now, pay later (BNPL) product aimed at cutting friction at the till, according to a press release.

- Brands can embed Splitit’s white-label product within their checkout flows.
- Instead of issuing new debt, Splitit taps consumers’ credit card lines and restructures this into BNPL loans with 0% interest installments.

What problem is it solving? Because in-store BNPL can be time-consuming and complex, some consumers avoid the payment method or abandon it before completing transactions. It’s also largely unavailable, which means providers that introduce it can gain an edge.

Customers who use Splitit and Ingenico’s offering don’t need to register, apply, or use third-party apps. They automatically qualify if they have available credit on their card, eliminating barriers to in-store BNPL uptake.

Which Payment Methods Have US Adults Used to Make In-Store Purchases?

% of respondents, by demographic, Dec 2022

	Female	Male	18-34	35-54	55-65	Total
Credit card	57%	59%	42%	65%	67%	58%
Debit card	65%	55%	58%	57%	64%	60%
Cash	59%	52%	57%	54%	56%	56%
PayPal	31%	44%	47%	41%	26%	37%
Apple Pay	18%	26%	42%	18%	8%	22%
Gift certificate	19%	14%	14%	19%	17%	17%
App provided by retailer (e.g., Starbucks)	12%	7%	10%	12%	7%	9%
Venmo	12%	12%	21%	11%	4%	12%
Buy now, pay later/installment plan services (e.g., Afterpay, Affirm, Klarna, etc.)	12%	8%	15%	9%	7%	10%
Google Pay	8%	15%	15%	15%	5%	11%
Walmart Pay	6%	16%	19%	13%	2%	11%
Other electronic wallets	6%	4%	8%	5%	1%	5%
Samsung Pay	2%	8%	9%	7%	1%	5%
Other	2%	1%	1%	3%	1%	2%
Don't know	0%	0%	0%	0%	0%	0%

Note: in the past month/30 days

Source: "The Insider Intelligence Ecommerce Survey" conducted in Dec 2022 by Bizrate Insights, Dec 15, 2022

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The market picture: Just **10% of US adults have used in-store BNPL**. But companies that can ease the checkout process for customers stand to benefit.

- **Online competition is fierce.** The in-store BNPL market is less crowded, and payment providers can focus on this instead of the saturated online BNPL space.
- **Consumer uptake is growing.** **BNPL payment value** will grow by almost 90% between 2022 and 2026—per Insider Intelligence forecasts—driven by increased adoption and spend per

user. Splitit and Ingenico can benefit from this growth.

- **In-store BNPL can bolster profits.** [Non-ecommerce retail sales in the US](#) are expected to hit \$6.182 trillion in 2023, making up **85% of total retail sales**, per our forecasts. Firms can capitalize on higher in-store sales to boost revenues and profits.

But Splitit is not alone in targeting the in-store BNPL market: [Klarna](#) and [Afterpay](#) also have offerings. That could make it harder for the firm to stand out as industry leaders also turn from ecommerce to brick-and-mortar shopping.

*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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