Worksheet 5: Understanding Buy Now, Pay Later

Many retailers now offer flexible payment options for both online and in-store purchases. Options offered may include repayment over a number of months or years.
It is important to understand that these options are a form of borrowing. Where payment is spread over a number of months or years, it can be easy to buy a number of items and have to make several repayments in a month.

Did you know?

Research from the United Kingdom, reports that about 1 in 3 users of BNPL there report having unmanageable debt.

Review the statements below to reflect on how BNPL may encourage you to spend and how well you understand the potential risks.

Flexible Payment Options - Buy Now, Pay Later

How much do you agree with these statements?	Agree	Disagree	Don't know
I am more likely to buy things I don't need if there is a BNPL option			
I like that I do not have to pay the full amount at the time			
I would consider using BNPL to pay for food			

Question	Agree	Disagree	Don't know
I often spend significantly more than planned when using a BNPL option			
I would not have bought the product if BNPL was not available			
I don't fully understand BNPL but would use it to purchase a product			
If using BNPL I read and understand the Terms and Conditions			
I understand that fees will be charged if payments are late or missed			
I understand that missing a payment or being late might affect my ability to borrow in the future			
I keep track of my BNPL commitments so that I will not have unmanageable debt in the future			