stripe

How payments leaders can grow revenue and expand globally with buy now, pay later on Stripe

Introduction
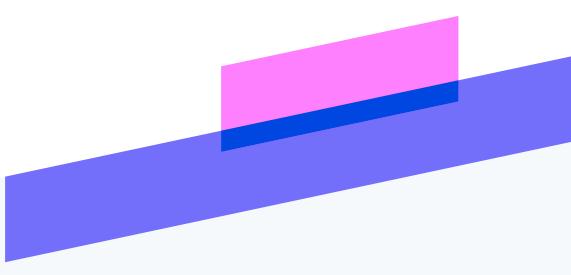
Buy now, pay later (BNPL) is rapidly becoming one of the most popular payment methods. According to Stripe research, approximately one in five customers globally indicates they are more likely to complete a purchase if a BNPL option is available. This appeal stretches beyond younger generations—while Gen Z and millennials are early adopters, a significant portion of buyers across all age groups now express a preference for BNPL. More customers using BNPL means more revenue for companies—Stripe businesses using these payment methods have seen an average revenue boost of up to 14%.

↑ **14%**   Increase in revenue from buy now, pay later options

This guide highlights the business impact and benefits of integrating BNPL, the real-world results from Stripe customers offering BNPL, and how to use BNPL with Stripe's Optimized Checkout Suite.

Disputing common assumptions behind BNPLs

Businesses tell us that it can be difficult to decide whether to offer BNPLs. They need to understand checkout click-through rates, payment conversion rates, refunds, and disputes, which is more information than most can collect and analyze independently. In particular, businesses think that increase BNPLs would add checkout friction, cannibalize card volume, or only be successful for B2C companies.

To help dispute these common assumptions, we looked at recent trends in BNPL adoption across industries and ran an A/B test on more than 150,000 global payment sessions where a single BNPL (either Affirm, Afterpay, or Klarna) and at least one other payment method were eligible to be displayed to a customer. In half of the checkout sessions, customers saw the BNPL displayed in the available payment method section, and in the other half, they did not.

Altogether, we found that businesses generated new sales, increased revenue, and boosted conversion rates by offering BNPLs—across industries.

BNPLs result in net-new sales, largely without cannibalizing card volume

66%+ of buy now, pay later volume came from net-new transactions
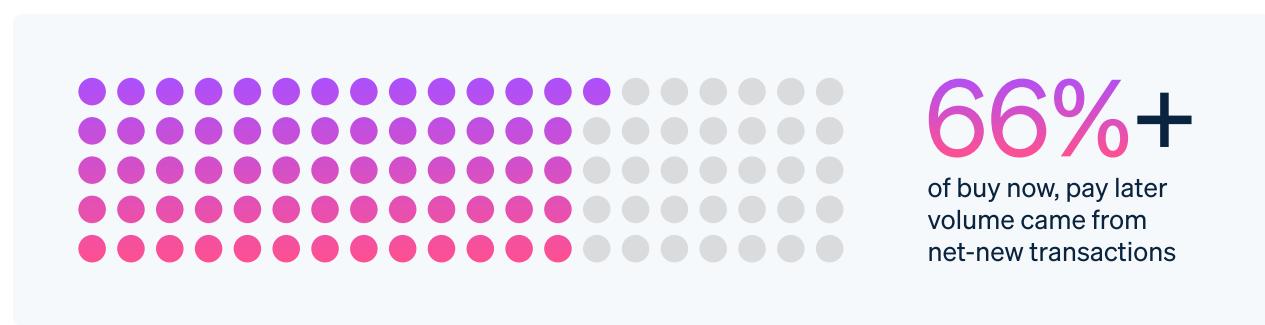
One common concern we hear from businesses is that by offering BNPLs, their current customers might switch from paying with cards to paying with a BNPL. This would add extra costs to a transaction that could have been made with a lower cost payment method. Stripe research found that 66% of BNPL volume came from net-new transactions, suggesting that customers only completed these transactions because a BNPL was offered.

BNPLs improve conversion for both small and large dollar-value transactions

Conversion uplift by transaction value
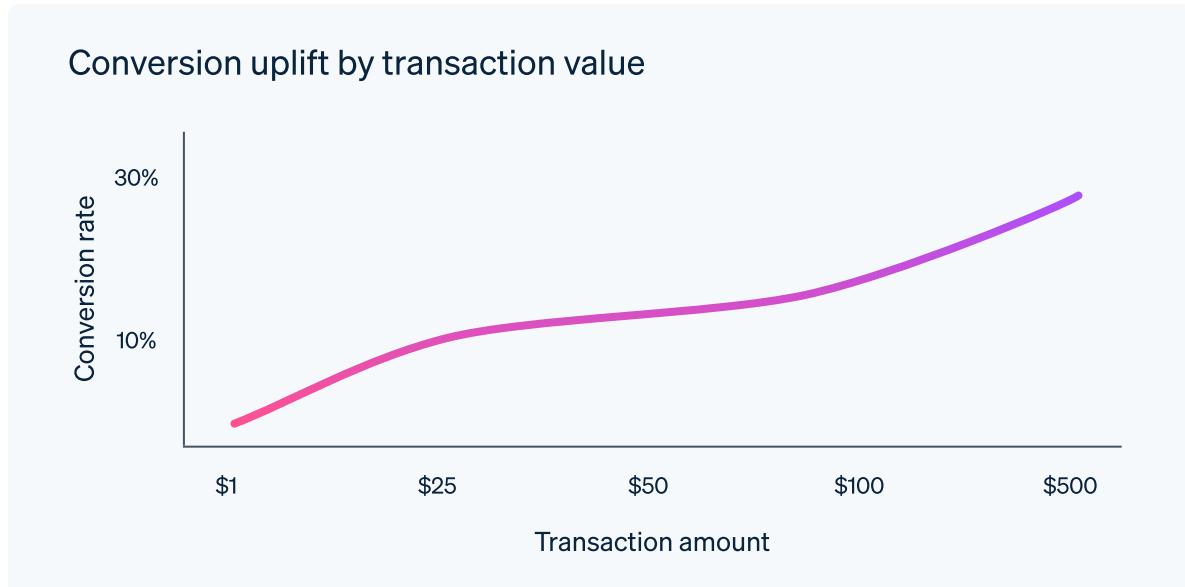
Another commonly held assumption is that BNPLs are only helpful for businesses selling high-value goods, above $100. In our experiment, we found that this is only partly true: while businesses that processed larger transactions (defined as orders between $500 and $1,500) did see the highest conversion increase, businesses across the order value spectrum saw an increase in conversion rate by offering BNPLs.

BNPLs are being adopted across more industries, including B2B

Many businesses tell us that they think BNPLs are a good fit only for retail companies. However, we have seen the opposite: as BNPLs continue to gain popularity with customers, their adoption grew in industries such as travel, events, the creator economy, and even automotive.

In addition, we've seen a rapid growth of emerging fintech providers specializing in B2B BNPL options, such as Billie, Mondu, Kriya and Capchase. This means that B2B businesses can now accelerate their revenue growth by offering BNPLs for high-order-value transactions, giving their business customers flexible repayment options. Now, B2B businesses are able to offer BNPLs to close deals faster with flexible repayment terms, increasing average contract values. It also enables businesses to reduce operational burdens for accounting teams, by eliminating the need to manage invoice payments in house with an up-front payment similar to how ecommerce checkouts are run today.

The benefits of offering BNPL

In addition to increasing conversion and average order value, offering BNPLs also allows you to:

Reach more customers: Globally, BNPL ranks as a top 3 payment method for 16% of shoppers, with even stronger preference in markets like Germany (24%) and Australia (18%). This indicates a significant market opportunity, particularly in regions where buyers are less reliant on traditional credit cards. While many shoppers view BNPL as a substitute for credit cards, others appreciate it as a complementary option that offers transparent and flexible payment schedules.
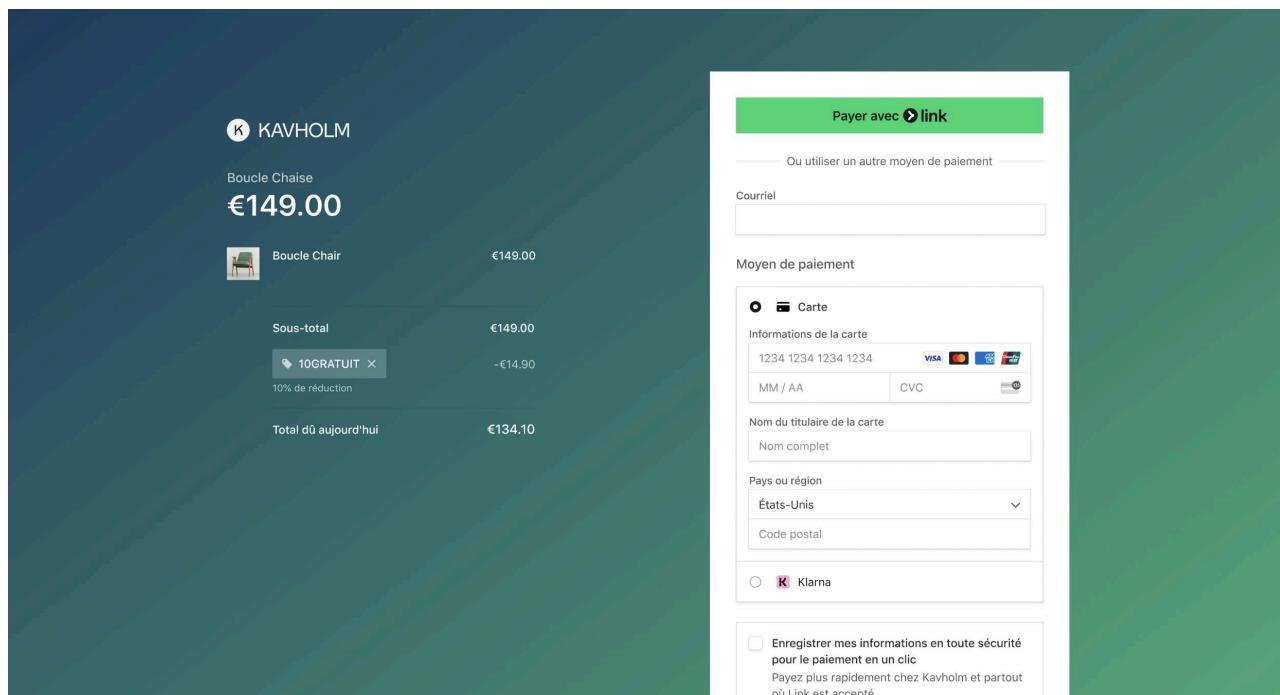
Increase adoption across age groups: BNPL usage transcends generational divides, with at least 30% of Gen Z and millennials using the payment method in the past year. However, its appeal isn't limited to younger customers: preference for BNPL remains consistent across various age groups. This demographic diversity signals a robust customer base, highlighting the importance of offering BNPL to meet widespread demand.

Offer flexibility and control: Flexibility in payment scheduling allows customers, especially those with variable incomes or less access to credit, to better manage their cash flow. By providing BNPL options, businesses can align with the preferences of customers seeking clarity and simplicity in their payment experiences. For B2B businesses, offering flexible payment terms completely redefines the purchasing journey, offering a digital version of trade credit that can enable businesses to finance larger transactions, and thereby close deals faster.

Build trust through transparency: Twenty-three percent of customers are more likely to trust a website's checkout experience if a BNPL option is available, and this figure rises to 38% among shoppers aged 18–29. Offering BNPL not only simplifies their purchasing journey but also reinforces trust through straightforward, transparent payment processes.

Lower barriers to purchase: BNPL services remove the barrier to larger purchases, allowing customers to break up the payment over time to fit within their budget. In fact, one in five customers globally reports they would be more likely to make a purchase if a BNPL option were available. For businesses that sell lower priced goods, customers may be more likely to purchase additional items once they learn they can pay the total amount over time.

Real-world impact:
# How businesses use BNPLs

Companies across various industries have been able to boost conversions, increase average order value, and expand customer reach by offering BNPLs. As buyers increasingly favor flexible payment options, payments leaders have an opportunity to position their businesses for success by adopting BNPL solutions through Stripe.

How Tekion increased its average order size: By offering Affirm, Tekion, an automotive retail management platform, has been able to increase its average cart sizes. Transactions on Tekion that go through Affirm now have the potential to generate 40%–60% increases in average cart size. To help dealers give their customers even more ways to pay, Tekion plans to roll out additional BNPLs—such as Klarna and Zip—through its Stripe Payments integration.

How SeatGeek boosted conversion rates: With Affirm, ticketing platform SeatGeek has observed a notable boost in conversion rates, with increases as high as 2%. At the same time, order values for purchases made with Affirm are up to 50% higher than purchases made with other payment methods.

How Dubsado launched BNPL with ease: Using Stripe's Optimized Checkout Suite, B2B CRM Dubsado implemented Affirm quickly, requiring no additional coding for integration. Dubsado quickly and easily launched BNPL options Klarna and Affirm through the existing integration, with no additional code required. In just 3 months, the total transactions processed using BNPL options rose by 56%.

How TicketSocket grew transaction volume: For ticketing platform TicketSocket, Klarna's dynamic spending limit has been particularly beneficial for high-cost events, resulting in an average order volume of more than $800 for Klarna purchases—nearly double that of other payment methods. One major TicketSocket customer reported that Klarna accounted for 7.6%–8.5% of transaction volume across various European countries.
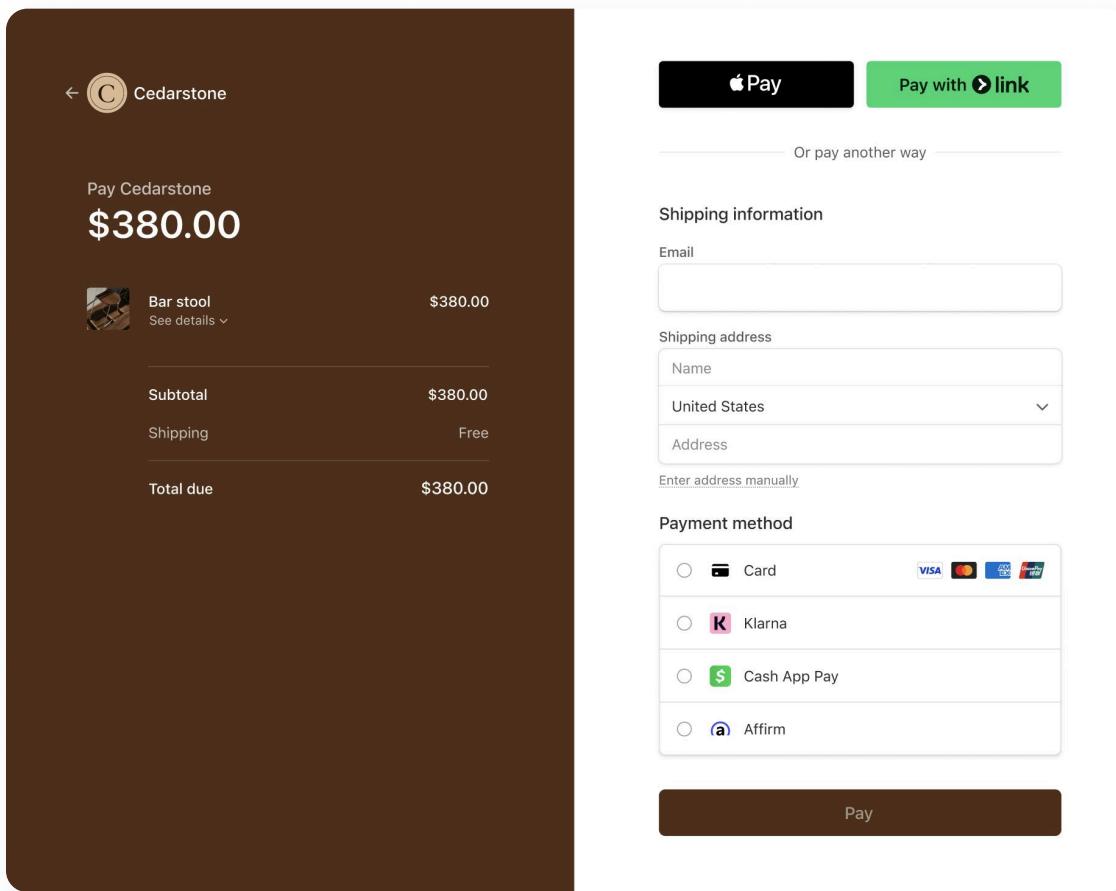
How OrderMyGear increased average order value: Integrating Klarna allows sports retailer OrderMyGear (OMG) to receive payments in full up front while giving customers the option to pay over time. OMG customers are seeing a 67% increase in the amount shoppers are willing to purchase in each order—and the number is still climbing.

How Thinkific improved transaction values: In 2023, education platform Thinkific launched Stripe's Optimized Checkout Suite, implementing BNPL options such as Affirm, Afterpay, and Klarna. Thinkific transactions made with BNPL have an average order value more than three times higher than transactions made with cards.

How to seamlessly offer BNPLs with the Optimized Checkout Suite

Companies around the world use Stripe to offer multiple payment methods, including BNPL options, with a single integration through Stripe's Optimized Checkout Suite. Eligible businesses can launch and start accepting any of BNPL options with Stripe in minutes—there is no additional application, onboarding, or underwriting process to get started.

- Stripe's prebuilt payment UIs such as **Elements, Checkout, and Payment Links**, and **Hosted Invoice Page** let you add new payment methods, including BNPLs, directly from the Stripe Dashboard, saving hundreds of engineering hours.

- Drive up-funnel conversion by adding Stripe's **Payment Method Messaging Element**, a single embeddable component for messaging select BNPL methods to help your customers know which BNPL payment options they have at checkout directly from your product, cart, or payment pages.

- Surface the most relevant payment methods for each transaction. The **AI models** built into the Optimized Checkout Suite use many signals to personalize checkout in real time, including which payment methods are shown and which payment fields are displayed. Customize ordering on your own rules by targeting specific buyers based on amount or buyer location.

- Use powerful experimentation tools to **A/B test** or slowly ramp up traffic for new BNPL options, so you can understand the impact to your business.

- Increase conversion and speed up checkout with **Link**, a wallet built by Stripe. Link accelerates the checkout experience for customers who choose Klarna by autofilling in key details and removing friction.

- Platforms and marketplaces can use **Stripe Connect** to accept money and pay out to third parties. When combined with Stripe's Optimized Checkout Suite, your sellers or service providers benefit from the same streamlined Stripe onboarding and get instant access to select payment methods, like BNPLs, while you boost your revenue with a high-converting payment method.

- Payments made with any payment method, including BNPL options, appear in the Stripe Dashboard, reducing operational complexity and management with unified monitoring and reporting and allowing for lightweight financial reconciliation. This enables you to develop standardized processes for typical operations such as fulfillment, customer support, and refunds.

BNPL options on Stripe

Alma

Alma offers flexible installment and deferred payment solutions, enabling customers to split their purchases over two, three, or four installments, or pay later while ensuring businesses receive full payment up front.

Regions supported: France, Italy, Spain, the Netherlands, Luxembourg, Belgium

Relevant industries: Home and garden, fashion, health and beauty, travel and leisure, electronics

Learn more: Alma docs

affirm

Businesses that offer **Affirm** can see up to a 14% increase in revenue on Affirm-eligible sessions and up to a 21% relative increase in conversion on purchases of $250 more.

Regions supported: The United States, Canada

Relevant industries: Retail, ticketing, travel, hospitality

Case studies: SeatGeek, Thinkific, Dubsado, Tekion

Learn more: Affirm docs | Get started

Billie

Billie is a B2B payment solution for established brands and enterprise businesses. Businesses that have integrated the Billie payment method have benefited from a 30% increase in B2B sales on average, driven by a 14% increase in checkout conversion, an 18% increase in average order value, and an 18% increase in repurchase rates.

Regions supported: Austria, France, the United Kingdom, Norway, Switzerland, Denmark, Germany, Spain, Finland, the Netherlands, Sweden

Relevant industries: B2B, automotive, manufacturing and distribution, retail

Learn more: Billie docs

Afterpay **clearpay**

Cash App Afterpay, also known as Clearpay in the UK, has over 25 million active global customers. Businesses offering Afterpay see basket sizes that are up to two times larger than average, and 1 million leads are sent every day to businesses from the Afterpay/Clearpay app.

Regions supported: The United States, the United Kingdom, Australia, New Zealand, Canada

Relevant industries: Fashion, beauty, ticketing, travel, home goods, consumer electronics

Learn more: Cash App Afterpay/Clearpay docs

Klarna

Klarna has more than 100 million customers and is active in 26 markets. Businesses have seen that offering Klarna results in a 40% increase in average order value compared to card payments.

Regions supported: The United States, Canada, Czech Republic, Finland, Greece, Latvia, Malta, Norway, Romania, Spain, the United Kingdom, Austria, Croatia, Denmark, France, Ireland, Lithuania, the Netherlands, Poland, Slovakia, Sweden, Belgium, Cyprus, Estonia, Germany, Italy, Luxembourg, New Zealand, Australia, Portugal, Slovenia, Switzerland, Hong Kong, Singapore

Relevant industries: Retail, ecommerce, ticketing

Case studies: OrderMyGear, **Tekmetric**, **TicketSocket**, **Indochino**

Learn more: Klarna docs | Get started

mondu

Mondu delivers a seamless, modern experience that puts both buyers and sellers at the center of the payment flow, bringing B2B transactions up to the standards of B2C. Businesses have seen an average 36% increase in conversion rate and up to 40% increase in average order value after offering Mondu on Stripe.

Regions supported: Austria, Finland, Italy, Poland, Switzerland, Belgium, France, the Netherlands, Spain, the United Kingdom, Denmark, Germany, Norway, Sweden

Relevant industries: Automotive, construction, electronics, hospitality, packaging and printing

Learn more: Mondu docs

♥scalapay

More than 9M businesses offering **Scalapay** in Southern Europe report up to 48% higher average order value and 30% higher conversion rates, with consistently high approval rates even when prepaid and debit cards are used as the credit-funding source for BNPL.

Regions supported: Italy, France, Spain, Belgium, Germany, the Netherlands, Finland, Ireland

Relevant industries: Fashion and apparel, beauty and cosmetics, furniture and home decor, travel and leisure

Learn more: Scalapay docs

seQura

seQura helps ecommerce brands grow through flexible payment solutions, offering payment installments of up to 12 months and financing up to €3,000, backed by an over 90% acceptance rate. Businesses can see an average sales growth of 25%, an 89% increase in average order value, and a 21% boost in repeat customer rates.

Regions supported: Spain

Relevant industries: Retail, home, fashion, electronics, health and beauty, travell

Learn more: seQura docs

sunbit

With a 90% customer approval rate, **Sunbit** is tailored to in-person services, giving businesses the confidence to offer financing to customers of all credit backgrounds and is trusted by tens of thousands of businesses nationwide. Businesses that offer Sunbit see up to a 200% increase in average order value and up to a 15% increase in service acceptance.

Regions supported: The United States

Relevant industries: Healthcare, automotive, veterinary, home and field services

Case studies: Tekmetric

Learn more: Sunbit docs

zip

With 4.2 million active US customers seeking flexible credit to manage cash flow and budgets, **Zip** helps drive incremental volume, increase average order value, improve conversion, and encourage repeat purchases with near real-time payments.

Regions supported: The United States, Australia

Relevant industries: Retail, grocery, ticketing and entertainment, automotive and travel, ecommerce

Learn more: Zip docs

For more information on getting set up with BNPL on Stripe, **contact our sales team**. To start accepting payments right away, **sign up for an account**.