



Media Release

Buy Now, Pay Later is bolstering the economy, with major benefits to consumers and businesses

SYDNEY - 29 June 2022: Zip welcomes [Australian Finance Industry Association](#) (AFIA) research showing Buy Now Pay Later (BNPL) is a vital part of the Australian financial ecosystem and contributed over \$14 billion to Australian GDP in FY2021, despite representing less than half a percent of payment transactions across our economy.

Other research findings during FY2021 include:

- 99,200 jobs created due to BNPL;
- \$102 million in interest saved by consumers by using BNPL instead of credit cards;
- \$2.13 billion increase in gross revenue overall for merchants, or a 5.5% average increase in revenue;
- 60% of retailers said revenue would fall if they stopped accepting BNPL; and
- 54% of customers said BNPL helps manage their cash flow and 54% said they use BNPL to avoid interest charges.

The report also reveals that only 0.34% of customers are experiencing financial hardship, and only 0.01% of customers needing AFCA to help resolve their complaint with their BNPL provider.

[The report can be found here.](#)

Zip co-founder and global Chief Operating Officer Peter Gray said: *"This report highlights what we have long known: BNPL is a key contributor to the Australian economy and the benefits it delivers to consumers and merchants cannot be ignored. BNPL is creating jobs, providing consumers with better options, saving them money, and helping to support and grow Aussie retailers.*

We know BNPL is a better and fairer alternative to credit cards and this research validates that and shows BNPL is a significant and legitimate part of the financial ecosystem - the model stacks up and this is why every major bank is scrambling to offer BNPL to their customers."

ENDS

About Zip

ASX-listed Zip Co Limited (ZIP: ASX) (ABN 58 164 440 993) is a leading global financial services company, offering innovative, people-centred products that bring customers and merchants



together. On a mission to be the first payment choice everywhere and every day, Zip offers point-of-sale credit and digital payment services around the world, including through strategic investments, connecting millions of customers with its global network of tens of thousands of merchants.

One of the fastest growing BNPL providers globally, Zip has a presence in Australia, Canada, Czech Republic, India, Mexico, New Zealand, the Philippines, Poland, Saudi Arabia, South Africa, UAE, the United Kingdom and the USA. Zip provides fair, flexible and transparent payment options to individual consumers and SMBs, helping them to take control of their financial future and helping merchants to grow their businesses. Zip is committed to responsible lending and also owns Pocketbook, a leading personal financial management tool. Zip is managed by a team with over 100 years' experience in retail finance and payments and is a licensed and regulated credit provider. Zip was founded in Australia in 2013.

For more information, visit: www.zip.co

Contact:

Alyssia El Gawly
Corporate Affairs Associate
alyssia.elgawly@zip.co
0432 264 700

Matthew Abbott
Director, Corporate Affairs
matthew.abbott@zip.co
0402 543 128