Buy Now Pay Later Services Market Size & Share Analysis - Growth Trends and Forecast (2026 - 2031)

> **Industry:** FinTech, Neobanks & Digital Banking (Financial Services & Investment Intelligence)
> **Source:** https://www.mordorintelligence.com/industry-reports/buy-now-pay-later-services-market
> **Scraped Date:** 2026-09-17

Executive Market Summary

Market Metric	Details
Base Market Size	USD 0.75 trillion
Projected Forecast (2031)	USD 0.75 trillion
Growth Rate (CAGR)	16.76 %
Largest Market Region	N/A
Fastest-Growing Region	N/A

Market Visualizations & Infographics

`![Major players in Buy Now Pay Later Services industry](images/chart_2.png)`

`![Buy Now Pay Later Services Market (2026 - 2031)](images/chart_3.png)`

`![Buy Now Pay Later Services Market: Market Share by Channel](images/chart_4.png)`

`![Buy Now Pay Later Services Market: Market Share by Age Group](images/chart_5.png)`

`![Buy Now Pay Later Services Market CAGR (%), Growth Rate by Region](images/chart_6.png)`

`![Affirm, Inc., Afterpay, PayPal Holdings, Inc., Klarna Inc., Sezzle, Splitit, Perpay Inc, Openpay,  Quadpay, Inc., LatitudePay](images/chart_7.png)`

`![footer background image](images/chart_10.png)`

`![Mordor Intelligence on Facebook](images/chart_12.svg)`

`![Mordor Intelligence on Pinterest](images/chart_14.svg)`

`![Mordor Intelligence on Instagram](images/chart_15.svg)`

`![ESOMAR](images/chart_17.png)`

`![GPTW](images/chart_19.png)`

Comprehensive Research Analysis

Overview Points List Flex 49 Share Feature End

Market OverviewStudy Period | 2020 - 2031 |
Market Size (2026) | USD 0.75 Trillion |
Market Size (2031) | USD 1.64 Trillion |
Growth Rate (2026 - 2031) | 16.76 % |
Fastest Growing Market | Asia Pacific |
Largest Market | Asia Pacific |
Market Concentration | Medium |

Major Players*Disclaimer: Major Players sorted in no particular order

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Market Overview

Buy Now Pay Later Services Market Analysis by Mordor IntelligenceThe Buy Now Pay Later Services Market size was valued at USD 0.65 trillion in 2025 and is estimated to grow from USD 0.75 trillion in 2026 to reach USD 1.64 trillion by 2031, at a CAGR of 16.76% during the forecast period (2026-2031).

Momentum reflects a shift from a niche checkout add-on to a scaled consumer credit utility that merchants use to lift conversion and average order value while keeping user experience simple at checkout. Tighter underwriting and reporting practices introduced in 2025 help stabilize portfolio performance as leading providers scale, while capital-light funding through forward-flow and similar structures strengthens growth capacity in core markets. Network and issuer collaborations extend acceptance to more points of sale beyond merchant-by-merchant onboarding, which supports omnichannel use cases that bring the buy now pay later services market deeper into everyday spending routines. Regulatory clarity is advancing in major jurisdictions, with the United Kingdom implementing full supervision in 2026, which sets consistent affordability checks and redress mechanisms and raises the sector’s baseline for consumer protections.

Key Report Takeaways* By channel, online led with 68.84% of the buy now pay later services market share in 2025, while point-of-sale is projected to expand at 24.36% CAGR through 2031 within the buy now pay later services market.
* By end-use industry, retail accounted for 70.42% of the buy now pay later services market share in 2025, and healthcare and wellness are forecast to grow at a 21.73% CAGR to 2031 in the buy now pay later services market.
* By age group, Millennials held 46.58% of the buy now pay later services market share in 2025, while Generation Z is expected to post the fastest growth at 24.74% CAGR to 2031.
* By provider, fintechs commanded 58.96% of the buy now pay later services market share in 2025, and banks are projected to grow at a 21.19% CAGR through 2031 in the buy now pay later services market.
* By geography, Asia-Pacific held 35.71% of the BNPL market share in 2025, and it is expected to record the fastest regional growth at 19.48% CAGR to 2031.

Key Market Trends

Market Trends and InsightsDrivers Impact Analysis of Buy Now Pay Later Services Market*

Driver	(~) % Impact on CAGR Forecast	Geographic Relevance	Impact Timeline
Rapid embedded-checkout adoption boosts BNPL attach rates	+3.2%	Global, with North America and Europe leading in integration density	Short term (≤ 2 years)
BNPL lifts merchant conversion and AOV at scale	+4.1%	Global, strongest in high-ticket categories (electronics, furniture, fashion)	Medium term (2-4 years)
Omnichannel expansion (virtual cards, tokens) extends in-store reach	+2.8%	Asia-Pacific core, spillover to North America and Europe	Medium term (2-4 years)
Sharper underwriting lowers loss rates without throttling growth	+2.3%	North America, Europe, Australia	Medium term (2-4 years)
Private credit, forward-flow, and securitization reopen funding capacity	+3.6%	Global, concentrated in the United States, the United Kingdom, and Germany	Long term (≥ 4 years)
Network and issuer partnerships unlock non-integrated acceptance	+2.1%	Global, early gains in the United States, Canada, and select European markets	Long

term (≥ 4 years) |
Source: Mordor Intelligence |

Competitive Landscape

Competitive Landscape

The buy now pay later services market is moderately fragmented, with a small group of scaled specialists and large banks holding significant shares, but no single dominant leader in 2026. At the top end, leading fintechs account for a large majority of total BNPL lending and continue to expand through merchant integrations, consumer apps, and card-linked experiences. Providers executed large forward-flow and structured finance arrangements in 2025 to increase funding capacity for Pay in 4 receivables and longer-duration products, adding stability to originations. Additional capacity from asset managers and insurers further diversified funding and supported multi-year consumer loan volume plans. Product innovation continues around post-purchase plan creation, contactless in-store acceptance, and banking services inside consumer apps that extend value beyond checkout.

Strategic moves in Q4 2025 and early 2026 focused on omnichannel and international expansion. Providers introduced Tap to Pay across multiple markets to unify online and in-store experiences and enable installment payments at terminals with contactless capabilities. Partnerships with leading merchants and platforms in furniture, fashion, and general retail expanded acceptance and introduced installments to broader customer sets in the United Kingdom and Canada, alongside the United States. Technology investments included agent-friendly payment protocols and peer-to-peer features within consumer apps, which broaden provider roles from payment option to full-service digital banking for everyday spending. As these capabilities come online, providers gain a larger share of wallet in the buy now, pay later services market.

Regulation shapes competitive positioning by setting licensing and consumer protection baselines that favor larger, well-capitalized firms with mature compliance organizations. The United Kingdom’s oversight and Europe’s harmonized rules clear uncertainty and level standards across borders for affordability checks and redress. Funding strength, embedded coverage in merchants and platforms, and robust consumer app engagement will be decisive as banks scale offerings and fintechs deepen omnichannel acceptance. Partnerships that leverage issuer rails and tokenization help all players reach more merchants faster, solidifying the presence of installments in digital and physical checkout flows. With capital programs in place and regulatory pathways clearer, the field remains competitive yet disciplined as it scales responsibly into 2031.

Buy Now Pay Later Services Industry Leaders* PayPal Holdings Inc.

* Klarna

* Afterpay (Block)

* Affirm

* Zip Co

* *Disclaimer: Major Players sorted in no particular order

Scope Methodology P Space

Our study defines the global buy-now-pay-later (BNPL) services market as the total gross merchandise value of consumer purchases settled through short-term, interest-free or low-interest installment plans that are issued at checkout, both online and in store, and settled directly by specialized fintechs or licensed ban ks. This definition embraces every retail and service vertical, from fashion to elective healthcare, wherever the payment promise is split into four or more scheduled installments.

Exclusions include revolving credit cards, payroll-linked salary advances, traditional installment loans exceeding three years, and pure B2B invoice-financing products, which sit outside our scope.

Segmentation Container

* By Channel* Online
* Point-of-Sale (In-store)

* By End-Use Industry* Consumer Electronics
* Fashion & Apparel
* Healthcare & Wellness
* Home Improvement
* Travel & Leisure
* Media & Entertainment
* Other End-Use Industries

* By Age Group* Generation Z (18-28 Years)
* Millennials (29-44 Years)
* Generation X (45-60 Years)
* Baby Boomers (61-79 Years)
* Silent Generation (80 Years and Above)

* By Provider* Fintechs
* Banks
* Others

* By Region* North America* United States
* Canada
* Mexico

* South America* Brazil
* Argentina
* Chile
* Peru
* Rest of South America

* Europe* United Kingdom
* Germany
* France
* Spain
* Italy
* Benelux (Belgium, Netherlands, and Luxembourg)
* Nordics (Sweden, Norway, Denmark, Finland, and Iceland)
* Rest of Europe

* Asia-Pacific* China
* India
* Japan
* South Korea
* Australia
* South-East Asia (Singapore, Indonesia, Malaysia, Thailand, Vietnam, and Philippines)
* Rest of Asia-Pacific

* Middle East and Africa* United Arab Emirates
* Saudi Arabia
* South Africa

* Nigeria
* Rest of Middle East and Africa

Frequently Asked Questions

What is the global size and growth outlook for the buy now pay later services market to 2031?

The buy now pay later services market size is USD 0.65 trillion in 2025, USD 0.75 trillion in 2026, and is forecast to reach USD 1.64 trillion by 2031 at 16.76% CAGR over 2026-2031.

Which region leads adoption and growth in the buy now, pay later services market?

Asia-Pacific leads with 35.71% share in 2025 and is expected to grow at 19.48% CAGR through 2031, supported by mobile-first payments and super-app distribution.

Which channels are driving growth in the buy now, pay later services market?

Online holds 68.84% share in 2025, while point-of-sale is projected to grow at 24.36% CAGR to 2031 as contactless features and virtual cards extend in-store reach.

Who are the most influential provider groups in the buy now, pay later services market?

Fintechs hold a 58.96% share in 2025, while banks are the fastest-growing provider cohort at 21.19% CAGR as they embed installments in card programs.

Which end-use category is growing fastest in the buy now, pay later services market?

Healthcare and wellness are projected to grow at a 21.73% CAGR through 2031 as essential services use cases expand alongside retail's scale.

How will regulation affect the buy now, pay later services market?

United Kingdom, EU, and Australia frameworks increase compliance costs and require affordability checks, which may slow marginal approvals near term but improve long-run sustainability.