

For immediate release

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Young Kiwis flock to Buy Now Pay Later for electronics

New research from Canstar highlights the dramatic uptake of Buy Now Pay Later among young Kiwis, compared to older New Zealanders.

The research, designed to find New Zealand's favourite electronic retailer, discovered that 25% of Kiwis aged 18- to 29-years-old preferred to use Buy Now Pay Later, known as BNPL, for electronic purchases, compared to just 5% of those in their 60s.

The research found that 100% Appliances is New Zealand's favourite electronics retailer, winning 5-star ratings across drivers of satisfaction including customer service, value for money and range of products. Canstar's research reflects the rapid rise in popularity of BNPL, an instant credit provider that offers repayments in installments. The payment method offers easy, in-store access to credit and has proved particularly appealing to millennials.

Canstar General Manager Jose George said the results reflected other evidence that BNPL was becoming the preferred payment method among the young, despite some early signs its rapid ascent may be slowing.

Mr George said BNPL could be a useful payment method for those who wanted instant, easy credit. However, Mr George said consumers needed to be careful they weren't being caught up in the "gamification of debt."

Mr George added, "Paying through BNPL might be quick and easy, but that doesn't mean it's always best. Those who use it, particularly younger Kiwis who may not be used to buying on credit, should ensure they have read up on the conditions and are able to manage the debt."

The research reveals other discrepancies in the shopping habits of different age groups, with 17% of younger Kiwis saying they are happy to pay top dollar for electronic purchases, while only 3% of New Zealanders in their 60s would do the same.

Around 60% of shoppers across all age groups research their purchase thoroughly online before visiting a bricks and mortar store. However, older Kiwis are more likely to respect and follow the advice of staff at the store.

Loyalty to particular tech brands also fell across the older age groups, with just 21% of those over 70 saying they stuck to one brand, compared to a third of those under 30.

For further details please visit the Canstar NZ site.

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