

Gift Now, Pay Later: How Buy Now Pay Later (BNPL) Affects Young Consumer Gift-Giving and Receiving Responses

Chen KE

Senior Student, Marketing Management at Beijing Normal-Hong Kong Baptist University (BNBU), China

Zhuoyue JI

Beijing Normal-Hong Kong Baptist University (BNBU), China

Keng Hong NG

Beijing Normal-Hong Kong Baptist University (BNBU), China

Abstract:

Financial technologies such as “Buy Now, Pay Later” (BNPL) have enabled consumers to defer purchase payments into interest-free instalments. BNPL services, due to its easy accessibility and convenience, have been widely adopted by the Chinese Millennial and Gen Z consumers, particularly in purchasing gifts on online marketplaces and e-commerce platforms for romantic partners. Despite BNPL’s increasing popularity and economic relevance, the psychological motivations behind romantic gift-givers and gift-receivers remain little understood and underexplored. To address this void, we apply Self-Determination Theory (SDT) to first estimate the impacts of the gift-giver different motivations on perceived affordability, BNPL use and purchase intentions. For comparison, we conduct a second study using SDT to estimate the effects of gift-receiver perceptions of the givers’ motivations on feelings of indebtedness and gratitude, and subsequently, the receivers’ intentions to reciprocate and using BNPL to do so. Survey data were collected from more than 1,000 respondents in China, and preliminary findings reveal impacts of selected yet different motivation dimensions on the gift-giver and gift-receiver emotions and intentions. Our analysis demonstrates the asymmetries between gift-givers and gift-receivers in how they perceived BNPL romantic gift purchases, which offer important practical implications for marketers and theoretical extensions of SDT.