



Buy Now Pay Later and University Students: The Tempting Convenience

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If you have ever seen the “Pay in 3” or “Pay Later” option at checkout when buying something online, you have already met the concept of Buy Now, Pay Later – or BNPL.

It is fast, easy, and honestly quite tempting. As university students juggling limited budgets, many of us are drawn to anything that offers a little breathing room with money. BNPL seems like the perfect solution: get what you need (or want) now, and pay for it later – interest-free.

What is Buy Now, Pay Later?

Buy Now, Pay Later allow you split the cost of a purchase into a few smaller payments, usually over several weeks or months. You get the product right away, and as long as you pay on time, you typically will not pay any interest.

Popular apps like Atome, Shopee PayLater, and ShopBack PayLater are everywhere now, and the whole process is fast – sometimes just a few clicks. You do not even need a credit card (Statista Research Department, 2024). That is part of the reason it is so attractive to students.

Why it is appealing?

- It is super convenient
- No money upfront
- Payments are split into bite-sized chunks
- No interest (if you pay on time)

The Upsides for Students

- **Makes things feel more affordable.**
- BNPL can help students afford expensive items like laptops, phones, or even textbooks by spreading the cost over time. It feels easier than paying all at once.
- **Helps manage cash flow.**
- If your allowance or part-time income is tight, BNPL gives some flexibility. You can buy something and pay it off after payday (Harris & Maher, 2023).
- **No credit card needed.**
- BNPL is often more accessible than a traditional credit card, especially for students who do not qualify for one yet.

But, there is a Catch (or a few)...

It is easy to overspend.

Because you do not pay right away, it is easy to convince yourself that you can afford something — even if you actually cannot. One BNPL here, another there, and suddenly your bank account's crying at the end of the month.

Late fees are real.

If you miss a payment, you can get hit with late fees or even get locked out of the app. Some platforms may even report unpaid bills to credit agencies, which can hurt your credit score in the future (ASIC, 2020).

Debt can sneak up on you.

BNPL might not look like debt, but it is. And just like with loans, if you take on too much, it piles up fast. You might end up paying more in fees than you saved in the first place.

It does not build your credit.

Most BNPL platforms do not help you build credit — unlike a credit card, where good payment habits can improve your credit score (Visa Inc., 2022).

Bigger Picture: The Challenges around BNPL

Lack of regulation.

BNPL is not as heavily regulated as banks or credit cards. That means there are fewer protections for users, especially young or first-time borrowers.

Peer pressure and lifestyle expectations.

Social media can make it feel like everyone has the latest phone, fashion, or gadget. BNPL makes it easier to keep up appearances — even if you cannot really afford to (The Guardian, 2021).

Mental health impact.

Financial stress can affect your sleep, focus, and mental well-being. Some students feel anxious or guilty about using BNPL but do not know how to stop (Harris & Maher, 2023).

So, what can you do?

Educate yourself.

Take time to understand how BNPL works — the good, the bad, and the fine print. Financial literacy is one of the best tools you can have in university and beyond.

Spend within your means.

A simple rule: if you could not afford to buy it outright within a month, maybe hold off. Just because you can split the payment does not mean you should.

Push for better regulation.

Student bodies and consumer rights groups are pushing for clearer rules and protections for BNPL users. Support the cause, or at least stay informed.

BNPL is not all bad. It can be helpful in a pinch or for managing large purchases. But it is not free money, and treating it like it is can lead to some rough financial lessons. Like most things in life, it is all about balance and responsibility.

So next time you see that “Buy Now, Pay Later” option, pause for a second. Ask yourself — “Do I really need this right now?” and “Can I pay it off comfortably in the next few weeks?”

“Just because you can delay payment does not mean you should delay responsibility.”

References:

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