

Factors influencing the Intention to Use Buy Now Pay Later (BNPL) Services for Consumer Electronics in Colombo District, Sri Lanka

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Abstract

Buy Now Pay Later (BNPL) services have rapidly emerged as a popular financial technology payment option that is spreading worldwide. The increasing use of BNPL services has transformed consumer purchasing behaviour by allowing users to buy goods and services without immediate full payment. BNPL transaction value reached USD 350 billion globally in 2024, yet it remains unmentioned in Sri Lanka's official financial records and largely unexplored in local research. Therefore, this study aims to identify the factors influencing the intention to use BNPL services for consumer electronics in the Colombo District, Sri Lanka. Based on the Technology Acceptance Model (TAM) and an extensive literature review, a conceptual framework was developed. Perceived usefulness, perceived ease of use, trust, and perceived risk were identified as independent variables, while intention to use BNPL services was considered the dependent variable. Following a positivist research philosophy and a deductive research approach, a sample of 384 respondents was selected through purposive sampling. Primary data were collected through a structured questionnaire and analyzed using descriptive and inferential statistical techniques with the support of SPSS. The findings of the study reveal that perceived usefulness and trust have a significant positive impact on consumers' intention to use BNPL services, while perceived risk has a significant negative impact. However, perceived ease of use does not show a significant impact on intention to use BNPL services. The results highlight that consumers are more concerned with the usefulness, trustworthiness, and risk associated with BNPL services than with ease of use. The findings of this study provide valuable insights for fintech companies, banks, and policymakers to improve BNPL service adoption by focusing on enhancing usefulness, building trust, and reducing perceived risk. This study also contributes to the limited body of knowledge on BNPL services in the Sri Lankan context and offers directions for future research.

Keywords: *Buy Now Pay Later, Intention to Use, Consumer Electronics, Colombo District.*