



## Buy Now, Pay Later

Reading to Writing Summary

EXAMPLE

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# Student

## Two types of lesson

### Lesson#1: [Easy] \*\*\*\* [B2/C1]

1. Predict the content of the text. Write down key terms & ideas.
2. Read the text & check words & meanings with a dictionary.
3. Identify the key points and supporting details and complete the **outline**.
4. Write a one-paragraph summary of 200-250 words.
5. Check key points with the **completed outline** & **model answer** (try to achieve 4 key points and 4 supporting points).
6. Answer the critical thinking questions & check possible answers.

### Lesson #2: [Hard] \*\*\*\* [C1]

1. Read the text – no dictionary.
2. Identify the key points and supporting details and complete the **outline**.
3. Write a one-paragraph summary of 200-250 words.
4. Check key points with the **completed outline** & **model answer** (try to achieve 4 key points and 4 supporting points).
5. Answer the critical thinking questions & check possible answers.

# Teacher

## Two types of lesson

### Lesson#1: [easy] \*\*\*\* [B2/C1]

1. Distribute the text a week /day before the test. Students read, check vocabulary & meanings.
2. Test day: distribute a **new copy of text** and the **summary question**.
3. Set 1 hour to read the text, take notes and write a one-paragraph summary of 200-250 words.
4. Feedback<sup>1</sup>: take in and mark [[use our correction code\\*](#)].
5. Feedback<sup>2</sup>: distribute **completed outline** & **model answer**. Students compare with their own work.
6. Summary marking: **should contain at least 4 main ideas with support** – see **summary key points**.
7. Extra: critical thinking questions / group discussion (30 minutes).

### Lesson #2: [hard] \*\*\*\* [C1]

1. Set 1 hour to read the **text** and write a one-paragraph summary of 200-250 words.
3. Feedback<sup>1</sup>: take in and mark [[use our correction code\\*](#)].
4. Feedback<sup>2</sup>: distribute **completed outline** & **model answer**. Students compare with their own work.
5. Summary marking: **should contain at least 4 main ideas with support** – see **summary key points**.
6. Extra: critical thinking questions / group discussion (30 minutes).

Correction code\*: [www.academic-englishuk/error-correction](http://www.academic-englishuk/error-correction)

## Buy Now, Pay Later **EXAMPLE**

By Arianna Watson (2022)

Buy now, pay later (BNPL) is a type of short-term, interest-free, convenience- and technology-driven [redacted], cost of an [redacted] with a fixed payment schedule. According to Sheikh (2021), of the estimated 15 million UK adults that actively use BNPL options, which are offered by [redacted], a third of those are in their twenties and thirties. Some of these major providers include Klarna, Clearpay, Laybuy and [redacted] and beauty industries. Meanwhile, whereas Zilch allows customers to purchase groceries in instalments, [redacted] the BNPL market with its Monzo Flex scheme, as has PayPal with the launch of its own digital version of a [redacted] (2021) reports that despite these providers only accounting for approximately 1% of the total credit market, [redacted] to [redacted] when these types of transactions more than tripled.

The BNPL option can benefit the provider and the retailer alike. Retailers look to collaborate with BNPL [redacted] potential higher purchase size and frequency that the providers often market, which then allows the providers [redacted] that they have helped to sell from the retailer (Sheikh, 2021). To exemplify, it has been estimated that a BNPL option [redacted] and the average ticket size by up to 50%, but it can also lead to further engagement with and acquisition of a new range of customers, with the aim of returning for future [redacted] (Reagan, 2021). For those customers, on the other hand, accessing BNPL options is free and relatively simple, through the use of [redacted] and online. According to Fieldhouse et al. (2021), BNPL options make payments more manageable due [redacted] average, and therefore allow customers to budget more easily. Furthermore, these options can be [redacted] to access mainstream credit elsewhere, perhaps due to a lack of credit history, or those who may be new to [redacted] who [redacted] processes daunting, and much prefer to view it as a 'try before they buy' concept (Financial Conduct Authority, 2021).

It is perhaps the ease of use and somewhat [redacted] who use these schemes to spend more than double on purchases than if paying upfront. What seems a small amount owed [redacted] due to the possibility of being able to sign up with multiple BNPL companies at the same time [redacted] checked nor shared across the platforms (BBC Panorama, 2021). The Financial Conduct Authority (2021) [redacted] displayed on websites can lure consumers into thinking they act the same way as a debit card [redacted] them [redacted] displaying the terms and conditions regarding late fees, for example. Moreover, as the sector is currently unregulated in the UK, most providers only need to undertake a very basic credit assessment, [redacted] affordability, meaning that customers who are already in arrears and struggle to keep track of and meet repayments, and [redacted] damage their long-term financial prospects (Sheikh, 2021). Therefore, although BNPL [redacted], it seems more and more people are using them to try to manage their debts.

Thus, despite the enhanced convenience, [redacted] people [redacted] BNPL phenomenon is financially damaging and will only exacerbate an already-growing debt crisis. As argued [redacted],

the approach to regulating the credit sector must look at 'how products are used in the real world', so that both [REDACTED]. The underlying hope is that the more the BNPL market expands, the more [REDACTED].

### Reference list

BBC Panorama, (2021). [REDACTED] ? [online]. Available at: <https://www.bbc.co.uk/programmes/m0012jqk> [Viewed 03.04.2022].

[REDACTED] (2021). *'Tis the season for buy now, pay later* [online]. Available at: [https://insight.equifax.com/podcast-tis-the-season-for-buy-now-pay-later/?intcmp=homepage\\_hero--featured](https://insight.equifax.com/podcast-tis-the-season-for-buy-now-pay-later/?intcmp=homepage_hero--featured) [Viewed 05.04.2022].

Financial Conduct Authority, (2021). *The Woolard Review* [REDACTED] *credit market* [pdf]. Available at: <https://www.fca.org.uk/publication/corporate/woolard-review-report.pdf> [Viewed 05.04.2022].

[REDACTED] (2021). *Retailers bid farewell to layaway, as shoppers embrace buy now, pay later options* [online]. Available at: <https://www.cnbc.com/2021/09/25/why-retailers-are-embracing-buy-now-pay-later-financing-services.html> [Viewed 04.04.2022].

Sheikh, R., (2021). [REDACTED] <https://www.bbc.co.uk/news/explainers-59582188> [Viewed 05.04.2022].

## **Summary: Key Points**

Take notes on the key points of the text.

1. Main idea:
Support:
2. Main idea:
Support:
3. Main idea:
Support:
4. Main idea:
Support:
5. Main idea:
Support:

**Summary: Key Points (ANSWERS)**

Take notes on the key points of the text.

<p>1. Main idea: Definition of BNPL</p> <p>Support:</p> <ul style="list-style-type: none"> <li>• BNPL = short-term, int.-free, conven. &amp; tech.-driven fin. [redacted]</li> <li>• 15m UK adults use BNPL frm 50% of bigg. online ret. = 1/3 in 20s &amp; 30s (Sheikh, 2021).</li> <li>• Maj prov. = [redacted] Zilch (groceries), Monzo (banking) &amp; PayPal ( dig cred. card).</li> <li>• BNPL = [redacted] (The Financial Conduct Authority, 2020).</li> </ul>
<p>2. Main idea: The way BNPL works</p> <p>Support:</p> <ul style="list-style-type: none"> <li>• BNPL = benef. prov. &amp; ret. Ret. ↑ [redacted] (Sheikh, 2021).</li> <li>• E.g, BNPL option = ret. conv. rate up to 30% &amp; av. ticket size up to 50%.</li> <li>• → [redacted] (Reagan, 2021).</li> <li>• Benfs. 2 cust: free &amp; simple thru online apps.</li> <li>• Pays. more manag.- small repay. → [redacted]</li> <li>• [redacted] credit or cust. new 2 credit (Financial Conduct Authority, 2021).</li> </ul>
<p>3. Main idea: The negative impacts on the consumer</p> <p>Support:</p> <ul style="list-style-type: none"> <li>• Cust. spend &gt; doub. using scheme.</li> <li>• Cust. [redacted]. No pay. history check. (BBC Panorama, 2021).</li> <li>• [redacted]. No terms &amp; cond. displ (The financial Conduct Authority, 2021).</li> <li>• Sector unreg. in UK. Prov. [redacted]. d → cust. can get into debt &amp; dam fin. prospects (Sheikh, 2021).</li> <li>• [redacted]</li> </ul>
<p>4. Main idea: The dark side of an unregulated system</p> <p>Support:</p> <ul style="list-style-type: none"> <li>• Unreg. BNPL is fin. dam. → debt crisis.</li> <li>• Approach = [redacted] (Financial Conduct Authority, 2021).</li> <li>• Cust. &amp; lenders = better cred info. (ibid).</li> <li>• As BNPL mrkt ↑ [redacted]</li> </ul>

## **Summary: Buy Now, Pay Later**

**Task:** Write a 200-250 word summary on the key features of the text.

Word Count: \_\_\_\_\_

## Summary: Buy Now, Pay Later

Buy now, pay later (BNPL) agreements are a way for a consumer to purchase goods on credit and pay [redacted]. Offered by many large [redacted] is used by millions of adults in the UK, and as reported by The Financial Conduct Authority (2021) is continuing to grow rapidly. [redacted]. The former [redacted] the provider gains through earning a percentage on each sale (Sheikh, 2021). Furthermore, they both [redacted], the [redacted] consumers (Regan, 2021). Not only do the retailers and providers gain through BNPL, but the consumer [redacted] which they may have found difficult obtaining through traditional channels (The Financial Conduct [redacted] which are relatively small (Fieldhouse, 2021). However, this unregulated system does [redacted] on purchases using BNPL, they are able to sign up to many BNPL companies as payment histories are not [redacted] a false understanding of how the arrangement works, which can lead to debt, [redacted] (Sheikh, 2021). Hence, [redacted] it can be financially damaging and could [redacted] crisis.

Word count: 238 [including references]



### Critical Thinking Questions

i) What's the stance of the author? What is the evidence for this?

[2 points]

ii) Is this a credible article? Yes /no – why?

[2 points]

iii) Highlight four ideas in the text you would use for an essay on: 'Who wins and who loses in BNPL schemes?'

[4 points]

iv) Highlight two areas in the text that you question, disagree with or lack evidence.

[2 points]

## Critical Thinking Questions (POSSIBLE ANSWERS)

i) What's the stance of the author? What is the evidence for this?

The writer believes that BNPL is a good method for customers to access credit, but she has [redacted], it could lead to people getting into more debt.

She shows her stance through her choice of words [redacted]

Examples:

- For those customers, accessing buy now, pay later options is free and relatively simple.
- These options [redacted] who may struggle to access mainstream credit elsewhere.
- It is clear that the [redacted] phenomenon is financially damaging and will only exacerbate an already-growing debt crisis.
- The underlying hope is that the [redacted] the [redacted] will have to become.

[2 points]

ii) Is this a credible article? Yes /no – why?

Yes, good source choice with five credible sources used. [redacted] published or [redacted]. It's probably a good idea to use the primary sources.

[2 points]

iii) Highlight four ideas in the text you would use for an essay on: 'Who wins and who loses in BNPL schemes?'

P1: Definition: "Buy now, pay later is a type of short-term, interest-free, convenience- and [redacted] to spread the cost of an in-store or online purchase in accordance with a fixed payment schedule".

P1: Demographics: [redacted] (Sheikh, 2021).

P1: Major provs: Klarna, Clearpay, Laybuy, Affirm, Zilch, Monzo & PayPal (fash, beauty, food & fin).

P1: [redacted] 2020 (The Financial Conduct Authority, 2021).

P2: Benefits retailer & provider: more sales for retailer & interest paid 2 provider. BNPL = retail conversion rates up 30%, [redacted].

P2: Benefits consumer: free, simple & manageable payments helps customers budget better ([redacted] 2 people [redacted] history (Financial Conduct Authority, 2021).

P3: Negatives 2 consumer: [redacted] hundreds or thousands of pounds. Customers can sign up to many BNPL – no checks (BBC Panorama, 2021), sign [redacted] (The Financial Conduct Authority, 2021).

P3: Sector is unregulated = basic checks only – credit not affordability [redacted] up with the [redacted] (Sheikh, 2021).

P4: Conclusion: convenient system but can be financially damaging and will cause more debt. All parties [redacted].

[4 points]

iv) Highlight two areas in the text that you question, disagree with or lack evidence

P1: Apart from the data regarding age, what are the demographics of BNPL users? [Are more [redacted] ? Does education background determine whether a person would use this payment method? Are [redacted] ?]

P2: Does the retailer have to pay the provider any fees? [Do they have to pay a sign-up fee? A per-transaction fee? [redacted] do they have to pay a leaver's fee? How long do they have to sign up for?]

P2: Is there [redacted] when an item is no longer wanted? [Is it clear to the consumer how they get refunds or who to [redacted] ?]

P3: What makes a consumer spend more than double than what they would spend normally? [How is the [redacted] to this? Are [redacted] more using BNPL online or in-store?]

P3: Why is this sector unregulated? [As The Financial [redacted] in the UK, [redacted] ? Is it regulated in other countries?]

P4: The writer mentions that BNPL is financially damaging, [redacted] ? [What are t [redacted] payments and getting into debt?]

P4: How much debt is owed in the UK on BNPL schemes? [What [redacted] ?]

[Any 2 of these – obviously subjective so accept any credible student answer too].

[2 points]